



Shieh Yih Machinery Industry Co., Ltd.
2024 Sustainability Report

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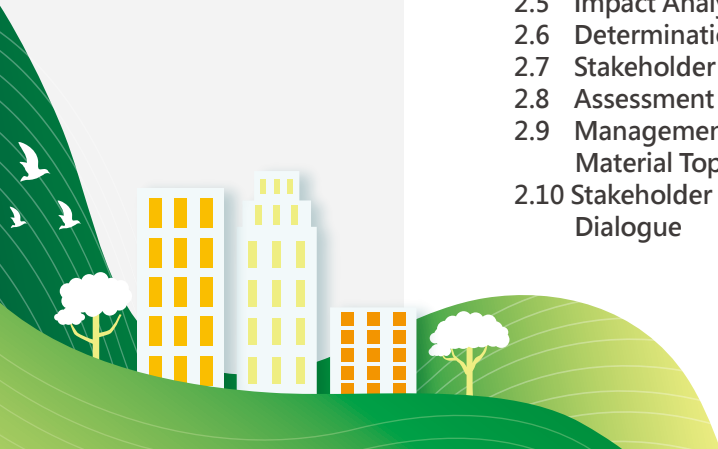
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About the Report

The Report is prepared based on the guidelines and structure in the GRI Standards published by the Global Reporting Initiative (GRI), and it introduces the fulfillment of corporate social responsibility of Shieh Yih Machinery Industry Co., Ltd (hereinafter referred to as “Shieh Yih Machinery,” “Shieh Yih,” “SEYI,” and “Company”) and concrete measures implemented for the implementation of sustainable management, corporate governance, ethical corporate management, operating performance, customer services and product quality, sustainable supply chain management, green production for the sustainable environment, as well as healthy and safe working environments in a friendly workplace, and among other fields.

This is the first Corporate Sustainability Report published by the Company. The Report provides reliable and transparent data on issues of concern to investors and external parties to facilitate mutual communication with internal and external stakeholders to comprehensively exhibit the management policies and data on various issues for the sustainable corporate development of the Company.

The Report can be browsed and downloaded on the SEYI's website.

Website: www.seyi.com

Data Period

The data period is from January 1, 2024 to December 31, 2024. The Report is scheduled for publication in August 2025.

Adhering to the philosophy of sustainable corporate management, to promote sustainable development, SEYI will regularly publish the “Sustainability Report” each year to disclose its ESG sustainable management policies, risk assessments, analysis of materiality issues, response measures, action achievements, and other information. Partial content will be appropriately compiled to improve the readability and comprehensibility. SEYI will add and amend the ESG Report and continue to publish the report each year.

Scope of Boundary

The scope of the Report sets Shieh Yih Machinery Industry Co., Ltd as the organizational boundary, and the entities cover the headquarters located at No. 446, Nanshang Road, Guishan District, Taoyuan City.

The information set out in the content mainly focuses on the headquarters, and internal employees and customers, suppliers, and investors outside of the organization are adopted as the targets to disclose relevant material issues.

The content of the Report excludes the operating performance of subsidiaries and subsidiaries in Mainland China. However, financial statements are prepared on a consolidation basis, covering data on subsidiaries and subsidiaries in Mainland China, and are presented with NTD (NT\$ or NT\$ thousand) as the unit. The remaining information is disclosed through general text descriptions and data to ensure that the information is expressed clearly and is easily understandable.

Principles and Guidelines

To continue to improve the comparability of performances and the substantiative of the report, internationally common standards, including GRI, SDGs, TCFD, and SASB, the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and other requirements are adopted for the presentation of all information disclosed in the Report, and the standards are as follows :

- ◆ GRI Standards.
- ◆ TCFD.
- ◆ SASB.
- ◆ Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of CSR Reports by TWSE Listed Companies.
- ◆ The revised version of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies dated December 23, 2022.

Assure the Accuracy of the Disclosed Information

The disclosure of ESG-related information has material impacts on stakeholders; therefore, SEYI is committed to focusing on all details to ensure the accuracy and completeness of all disclosed information to maintain our credibility and transparency.

Except for otherwise stated, the currency unit in the report is presented at NTD, and the values are rounded to two decimal places. To show mid-to-long-term trends, continuous data in the most recent two or three years are provided for partial indicators. Information, data, and reviewed information disclosed in the report are documented, confirmed and approved by the supervisors of relevant departments, and ultimately reviewed and approved by the highest management to ensure the reliability and consistency of information.

Publication Frequency

- ◆ **Publication frequency** : Once a year.
- ◆ **Current version of the 2024 Sustainability Report** : First published in August 2025.
- ◆ The 2025 Sustainability Report is estimated to be published in August 2026.



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Message from the Management

Since its establishment, SEYI has adhered to the mission of “Enriching Life Through Innovation and Technology,” dedicating itself to providing high-quality, high-efficiency metal forming and stamping equipment, and has secured a strong presence in the global market. Today, as we embrace the opportunities and changes brought by global sustainable development and confront the challenges of industrial transformation, we recognize that companies must not only create economic value but also act proactively in environmental protection, social responsibility, and corporate governance, contributing to global sustainable development. In 2025, SEYI will publish its first Sustainability Report, defining the reporting boundary as the Taoyuan Headquarters in Taiwan, to demonstrate our commitments and actions in environmental, social, and corporate governance (ESG) to all stakeholders.

Symbiosis with the Environment: Smart Manufacturing for a Low-Carbon Future

Global net-zero emission targets have become a key direction for industrial development. In recent years, SEYI has continued to optimize its production processes, introduced an Energy Management System (EMS), and reduced energy waste during manufacturing to ensure alignment with sustainable development principles. We have also actively responded to government reduction policies, including jointly formulating Product Category Rules (PCR) for stamping presses with the industry association, laying the foundation for the machine tool industry's low-carbon transition. At the same time, we participated in the “Large Leading Small: Low-carbon and Smart Upgrade Transition” project, working with supply chain partners on carbon inventory and carbon footprint guidance, jointly advancing the low-carbon transition and ensuring that our operations keep pace with international trends.

At the same time, the Company has actively introduced high-performance components, energy-saving modules, and smart technologies into its

products, helping customers improve production efficiency and reduce energy consumption. These efforts have not only strengthened product competitiveness but also supported us and our supply chain partners in moving toward low-carbon manufacturing. Notably, the SD1 servo press and SNS2 crank press series were awarded the Energy Conservation Gold Label in the machine tool industry, further demonstrating our strong commitment to sustainable development.

Social Co-prosperity: Talent Development and a Friendly Workplace

Shieh Yih Machinery has long been committed to creating a friendly workplace environment, improving employees' well-being, and facilitating career development. The Company upholds the philosophy of diversity, inclusion, and equal development. Regardless of gender, age, or background, every employee development plans and professional training systems, ensuring continuous skills enhancement to meet the requirements of future work. Meanwhile, the Company also provides free lunch meals, subsidies for club activities, unpaid parental leave, and flexible working arrangements to help employees balance work and family. In cultivating industry talent, SEYI cooperates with multiple universities and vocational schools to provide internships and cooperative education opportunities and organizes the “SEYI Cup” stamping competition to encourage young students to enter the field of machinery manufacturing and promote the transfer of technology. At the same time, we actively participate in public welfare activities, supporting the local rhinoceros beetle incubation program and volunteer team activities in Taoyuan to promote ecological conservation and volunteer services. In addition, we have been promoting the Health Passbook Program for many years to encourage employees to practice self-health management and strengthen team cohesion. Through these efforts, SEYI has not only enhanced employees' career development but also generated positive impacts on the industry and society.

Corporate Co-prosperity: Integrity in Governance, Creating Sustainable Value Together

Upholding the core values of integrity, accountability, service, and innovation, SEYI regards these as the highest ethical principles of management. The Company adheres to sound corporate governance, continuously enhancing transparency and competitiveness to ensure long-term and stable development. In the corporate governance evaluation, our ranking has improved year by year, reaching the top 35% of companies listed on the TPEx. In 2024, SEYI was recognized with the “ESG Corporate Governance” award in the first “Taoyuan Golden Award” organized by the Taoyuan City Government, demonstrating our outstanding governance performance. In terms of supply chain management, we completed the evaluation of 42 suppliers, conducted risk assessments, and worked with partners to implement sustainable development. In addition, we actively strengthened cybersecurity by completing firewall redundancy, off-site server backups, and social engineering drills to ensure operational security. Regarding customer service, we achieved an overall customer satisfaction rate of 89% in the 2024 survey, with particular recognition for delivery quality and after-sales service. Through a sound governance framework and transparent information disclosure, SEYI continues to enhance its competitiveness and create greater value for shareholders, employees, and all stakeholders.

Advancing Sustainability: Working Together to Create a Better Future

Assuming the mission of sustainable operations is a responsibility that modern enterprises must shoulder, as it is essential to achieve long-term stable development. This Sustainability Report not only summarizes our past efforts but also embodies our commitment to sustainable development. Looking ahead, Shieh Yih Machinery will actively follow international ESG and sustainability standards, carry out environmental initiatives, strengthen social responsibility, optimize corporate governance, and collaborate with supply chain partners, employees, and customers to jointly shape the industry's sustainability blueprint, steadily advancing toward a sustainable future.

Chairman and CSO of Shieh Yih Machinery

Claire Hsu



Paid-in capital: NT\$1.58 billion

Industry: Machinery and Equipment Manufacturing

Main Business: Manufacture of Machinery and Equipment, and Other Machinery

Headquarters: No. 446, Nanshang Road, Guishang District, Taoyuan City, Taiwan

Chairman: Claire Kuo



Company Profile

SEYI Machinery, a global leader in servo & mechanical press equipment, enhances competitiveness and sustainability in metal manufacturing with innovative technology and high-performance smart stamping solutions. Serving industries such as automotive, aerospace, medical devices, and electronics, SEYI delivers quality products and technical support through a comprehensive global network.

Guided by ESG principles, SEYI integrates smart manufacturing and digital transformation to drive sustainability, social responsibility, and strong governance. The company enhances production efficiency, reduces waste and emissions, and prioritizes energy-saving initiatives. SEYI fosters an inclusive workplace, supports industry-academia partnerships, and invests in community welfare. With a commitment to transparency and innovation, SEYI develops energy-efficient servo presses and collaborates with supply chain partners to advance low-carbon manufacturing. By aligning technology with sustainability, SEYI is shaping a smarter, greener, and more competitive future for the industry.

In recent years, SEYI's medium and large servo presses have achieved remarkable success in the global market, forging long-term partnerships with leading automotive parts manufacturers in the United States, Europe, and Japan. Furthermore, SEYI strengthens its presence in China by collaborating with partners to build an integrated ecosystem to enhance customer competitiveness and drive mutual growth.

Looking ahead, SEYI remains committed to advancing smart manufacturing technologies, aligning customer needs with supply chain optimization, and delivering high-value servo-driven solutions. By fostering strong partnerships, SEYI and its customers will navigate the evolving landscape of smart manufacturing and sustainable development together.

SEYI was founded in 1962 and completed its initial public offering in 2002 to become a listed company trading on the Taiwan Stock Exchange (4533 TT).

Company History

1962

The Company was founded.

1982

Renamed Shieh Yih Machinery Industry Co., Ltd., and expanded its operations by relocating to Nankan.

2002

The stocks were listed on TPEx for trading.



2003

Xie Yi Tech Machinery (China) Co., Ltd. officially began production.

2015

The SE2 series won the highest honor, the "Golden Quality Award," under the Taiwan Excellence Awards.



2022

The servo press series obtained TUV CE certification, making Shieh Yih the first Taiwanese servo press manufacturer to achieve this certification.



2024

The SD1 and SNS2 series of Shieh Yih Machinery presses were awarded the Gold Label in the machine tool industry.



Recognized with the "ESG Corporate Governance" award in the first "Taoyuan Golden Award" organized by the Taoyuan City Government.



Global Locations



Taoyuan, Taiwan
Headquarters

Kunshan,
Jiangsu,
Mainland China

Dongguan,
Guangdong,
Mainland China

California,
USA

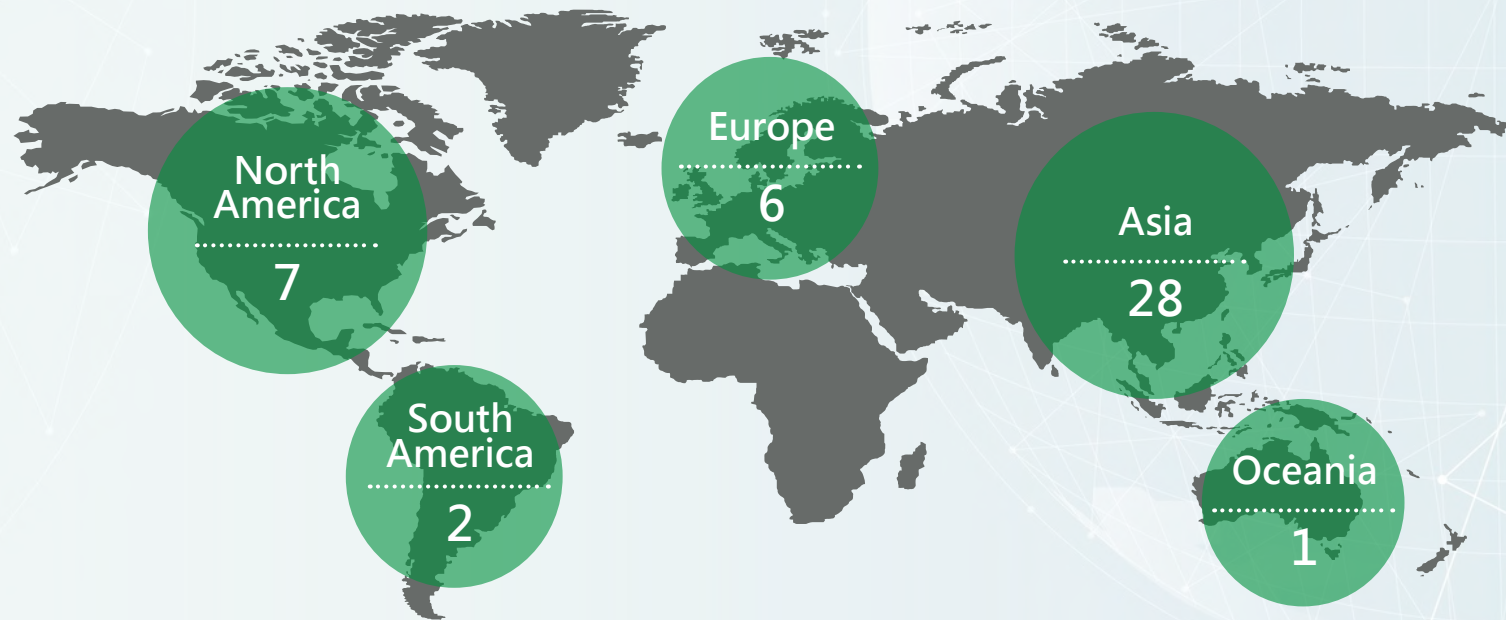
Tennessee,
USA

Nuevo León,
Mexico

Bajío,
Mexico

Frankfurt,
Germany

Bangkok,
Thailand



+700 global work partners
+50 sales countries covered
+40 global business and services locations



Honor and Recognition



Awards



Potential Taiwan Mittelstand Award from the Ministry of Economic Affairs



Taoyuan Golden Award



"Happy Enterprise" Silver Award of the manufacturing industry in 2024



Chinese High-tech Enterprise certification



Taoyuan City Excellent Performance Enterprise Outstanding Innovation Award



International Innovation Awards (IIA) 2021



Taiwan Excellence Gold Award



Excellence in Research & Innovation - Intelligent Machine Tools special category, Taiwan Machine Tool Industry Awards 2019



Honor and Recognition



Certification



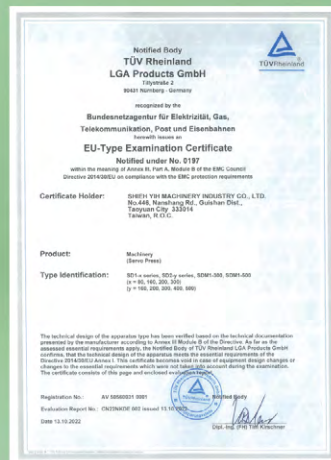
ISO 9001:2015 quality management system



ISO 14001:2015 environmental management system



ISO 14064-1:2018 GHG verification



Servo presses passed the TUV CE certification



Energy-Saving Gold Label at the Machine Tool Industry Solid Frame Crank Servo Press SD1 series



Energy-Saving Gold Label at the Machine Tool Industry Solid Frame Crank Press SNS2 Series

01

Corporate Governance and Operation

- 1.1 Economic Performance
- 1.2 Governance Structure and Composition
- 1.3 Board Structure and Functional Committees
- 1.4 Sustainable Development Committee
- 1.5 Participation in Industry Associations
- 1.6 Financial Support and Green Finance
- 1.7 Ethical Corporate Management
- 1.8 Cybersecurity

1.1 Economic Performance

In 2024, the political and economic landscape remained volatile, with intensifying conflict between the U.S. and Mainland China fueling geopolitical risks and, in turn, posing challenges to international trade, supply chains, and market stability. According to the IMF's World Economic Outlook, the global economic growth rate in 2025 is forecast to remain unchanged from 2024 at 3.2%, indicating that while overall growth is stable, it remains subject to high uncertainty. In terms of technological development, the rapid advancement of generative AI applications has fueled growth in the AI server market, driving demand for stamped metal components used in enclosures, rack cabinets, and liquid-cooling modules. This has created new growth momentum for the metal processing and equipment supply chain and is expected to reshape the industry structure.

In response to changing conditions, Shieh Yih Machinery adjusted its strategy in 2023 to actively expand into diverse markets. While revenue contribution from the automobile industry remained stable at about 50%, we also broadened our presence in high-end home appliances and consumer electronics. In 2024, benefiting from the rise of the AI server industry and repeated orders from leading Japanese air-conditioning manufacturers, consolidated global revenue reached NT\$3.594 billion, with net profit after tax of NT\$246 million and earnings per share of NT\$1.55, demonstrating solid operating results.

In terms of product structure, revenue from servo presses continued to grow in 2024, indicating that high-efficiency, energy-saving equipment is gradually replacing traditional stamping presses. Demand in Europe, the U.S., and Japan showed steady growth. With advantages such as energy efficiency, power saving, and high forming flexibility, servo presses have become essential equipment for material testing and precision processing, helping improve product yield and environmental performance.

Shieh Yih Machinery also actively promotes sustainable operations and low-carbon transition. In collaboration with the industry association, we

formulated Product Category Rules (PCR) for stamping presses to assist the supply chain in conducting carbon inventories and implementing sustainable management. Our SD1 servo press and SNS2 crank press were awarded the "Energy-Saving Gold Label" in the machine tool industry, affirming our leadership in energy-efficient technologies. On the production side, we strengthened smart manufacturing and energy management, offering solutions for automated production and carbon footprint monitoring to help customers move toward high-efficiency green manufacturing. In 2024, we also successfully delivered multiple servo press orders to leading Japanese automotive and home appliance manufacturers, consolidating our global market share.

In terms of ESG performance, Shieh Yih Machinery received strong external recognition, being shortlisted for the "ESG Corporate Governance" award in the inaugural "Taoyuan Golden Award." This demonstrates that our achievements in sustainable development and corporate governance have become a key driver of long-term competitiveness.

Economic performance over the past three years is as follows

Unit: NT\$ thousand

Item		2022	2023	2024
Direct economic value generated	Revenue	3,548,578	3,497,671	3,593,794
	Operating costs	(2,705,329)	(2,435,778)	(2,588,645)
Economic value distributed	Operating expenses	(873,176)	(909,715)	(927,889)
	Employee benefits expense	(606,134)	(655,093)	(712,564)
	Political donations	-	-	-
	Community investments	(782)	(901)	(920)
	Non-operating income and expenses	112,915	104,232	253,287

Note: The economic value retained in 2024 was NT\$55,634 thousand. For further financial details, please refer to Shieh Yih Machinery's 2024 Annual Financial Report.

1.1.1 Business Overview

Stamping presses are the core products of Shieh Yih Machinery. In 2024, our global shipments reached 862 units, demonstrating solid market demand and the strength of our products. Over the past two years, changes in the product revenue structure have reflected market trends and customer demand, while also highlighting the Company's core competitive advantages. These developments provide valuable insights for future growth planning and business strategies.

Main product	Key Applications or Functions	2023		2024	
		Consolidated Net Revenue (NT\$ thousands)	Revenue Contribution (%)	Consolidated Net Revenue (NT\$ thousands)	Revenue Contribution (%)
Stamping press	Suitable for forming, cutting, bending, and bending of metal materials, including precision stamping with single stroke or progressive dies. Applications are extensive, covering automotive and motorcycle sheet metal and frames, enclosures for information equipment (such as computer housings and hard drives), communication and home appliance products, as well as stamped components for stationery, air conditioner housings, motors, and more.	3,343,052	95.58%	3,426,999	95.36%
Others	Repair and maintenance revenue, parts and accessories sales revenue, and design service revenue, etc.	154,619	4.42%	166,795	4.64%
Total		3,497,671	100.00%	3,593,794	100.00%

Production capacity, production volume, and production value are key indicators used by Shieh Yih Machinery to evaluate operating efficiency and market competitiveness. Through comprehensive analysis, we can assess production line efficiency, actual productivity, and output value, thereby evaluating annual operating performance and market dynamics. These insights serve as an important basis for resource allocation and strategic planning.

Production Volume and Value for the Past Two Years

Year	2023			2024		
Production volume and value of main products	Production capacity (unit)	Production volume (unit)	Production value (NT\$ thousand)	Production capacity (unit)	Production volume (unit)	Production value (NT\$ thousand)
Stamping press	1,326	952	2,175,770	964	894	2,595,536
Others (Note 1)	-	-	76,068	-	-	82,739
Total	1,326	952	2,251,838	964	894	2,678,276

Note 1: "Others" include design service revenue, repair and maintenance revenue, and sales of parts and accessories; therefore, no production volume or capacity is reported.

Note 2: Differences between production capacity and production volume are affected by variations in product tonnage and structure.

Note 3: Production machines are gradually shifting toward medium- and large-sized models.

Sales Volume and Value for the Past Two Years

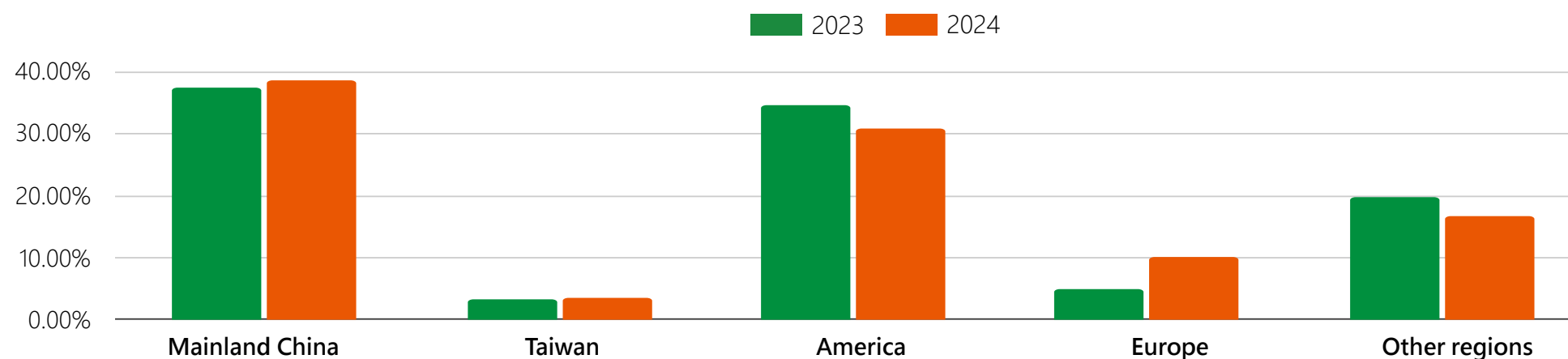
Unit: NT\$ thousand

年度	2023				2024			
Production volume and value of main products	Domestic sales		Export sales		Domestic sales		Export sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Stamping press	49	75,354	810	3,267,698	53	100,562	813	3,326,437
Others	-	41,855	-	112,764	-	27,765	-	139,030
Total	-	117,209	-	3,380,462	-	128,327	-	3,465,467

Sales market analysis is crucial to Shieh Yih Machinery's operating performance and strategic planning. Through regional sales distribution, we gain insights into market competitiveness, market value trends, and regional economic conditions, enabling us to optimize sales strategies and resource allocation. The main product sales by region over the past two years are as follows:

Unit: NT\$ thousand; %

Sales \ Year	2023		2024	
	Net sales	Percentage (%)	Net sales	Percentage (%)
Mainland China	1,310,444	37.47%	1,389,597	38.67%
Taiwan	117,209	3.35%	128,327	3.57%
America	1,207,323	34.52%	1,111,001	30.91%
Europe	172,450	4.93%	367,034	10.21%
Other regions	690,245	19.73%	597,835	16.64%
Net Revenue	3,497,671	100.00%	3,593,794	100.00%



1.1.2 Business Plan and Outlook

Facing the challenges of global political and economic uncertainties in 2025, Shieh Yih Machinery upholds the philosophy of prudent operations and sustainable development, continues to strengthen its ESG practices, and adjusts its business, production, and sales strategies in line with market demand. By reinforcing product competitiveness, optimizing processes, strengthening customer relationships, and enhancing the global service network, we are actively expanding into emerging markets while elevating our technological and brand value. Looking ahead, Shieh Yih will seize opportunities amid ever-changing circumstances, steadily advance low-carbon transition and industrial upgrading, and achieve both growth and sustainability.

Business Policy

1. Further strengthen and implement the core philosophy of ESG and sustainable development, integrating it into design, manufacturing, sales, quality management, and all aspects of operations to enhance overall corporate competitiveness.
2. Strengthen brand value with a customer-oriented approach, closely monitor industry dynamics and market trends, regard customers as long-term partners, and comprehensively enhance operational efficiency and profitability.
3. Build a professional team focused on advancing technologies and application capabilities, dedicated to providing reliable stamping solutions aligned with market trends.
4. Promote education and training, integrate resources from industry, government, and academia, engage external experts, strengthen talent cultivation, and continuously invest in R&D and innovation capabilities.
5. Uphold the core values of integrity, accountability, service, and innovation, and continue to implement the corporate philosophy and sustainable management goals.

Production and Sales Policy

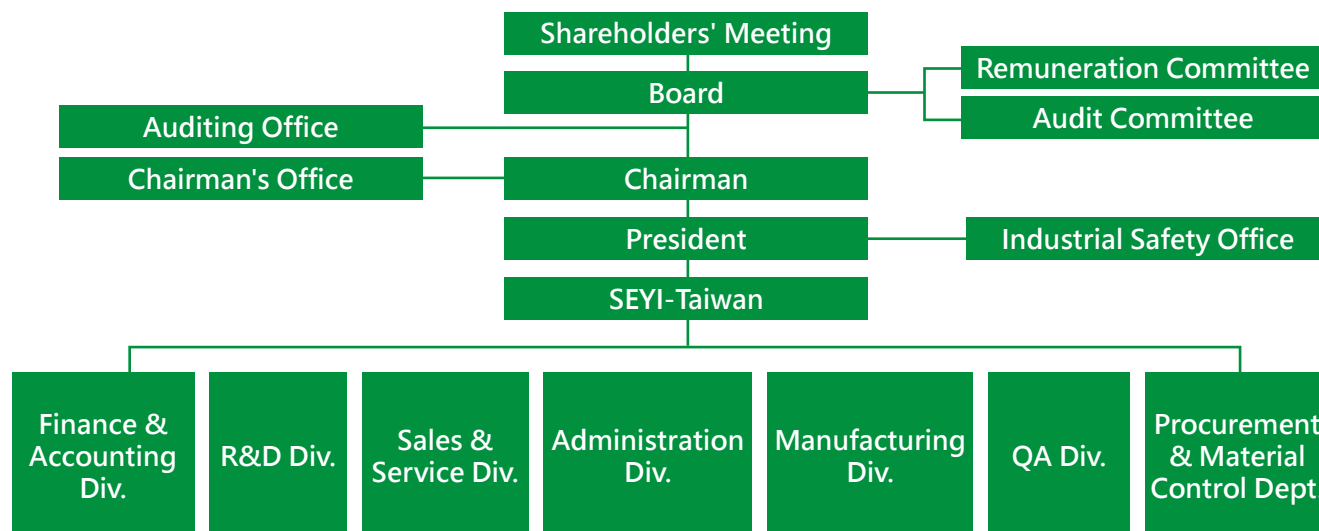
1. Continuously optimize existing product designs and structures to reduce manufacturing costs and strengthen market competitiveness.
2. Enhance supply chain flexibility and resilience by seeking alternative materials, deepening collaboration with key component suppliers, and integrating group procurement resources to effectively lower material costs.
3. Strengthen production technologies by optimizing processes, methods, and testing and validation, thereby improving manufacturing efficiency and reducing overall operating costs.
4. Expand the global service network to provide customers with more timely and localized support, consolidating and deepening customer relationships.
5. Continue to promote organization-wide greenhouse gas inventories and product carbon footprint calculations, moving toward the goal of net-zero emissions and fulfilling our commitment to sustainable operations.

In 2025, the global economy faces heightened uncertainties, with ongoing geopolitical tensions, intensified US-China rivalry, and persistent high inflation affecting overall market sentiment. Tax reforms and manufacturing-friendly policies in the U.S. have driven a rebound in demand for fuel-powered vehicles, positively contributing to SEYI's revenue. The EV market in Mainland China continues to grow steadily. Despite tariff barriers, local companies are expanding into Latin American and Southeast Asian markets. Together with new energy vehicle initiatives, SEYI-China continues to experience stable demand. In Japan, amid yen depreciation and price competition, SEYI will continue to strengthen customer relationships and enhance service integration. Europe faces high inflation and energy cost pressures; however, the net-zero transition continues to drive growth potential for servo press demand. Rising demand for consumer electronics and new energy vehicles positions Southeast Asia as a key growth region for the future.

Over 90% of Shieh Yih Machinery's revenue comes from overseas and is highly influenced by global developments. In 2025, we will focus on enhancing product cost competitiveness, developing applications in hydrogen-powered vehicles, aerospace composite materials, and other new application markets, while responding prudently to changes to drive revenue growth.

1.2 Governance Structure and Composition

To ensure operating efficiency and decision-making quality, Shieh Yih Machinery has established a clear and flexible organizational structure, assigning departmental responsibilities based on business needs and strategic directions to create a well-defined system of functional division and collaboration. Within this framework, departments are responsible for R&D, manufacturing, sales, services, finance, and management, while cross-departmental communication and integration enhance overall operational effectiveness and responsiveness, supporting the Company's stable growth and long-term sustainability goals.



1.3 Board Structure and Functional Committees

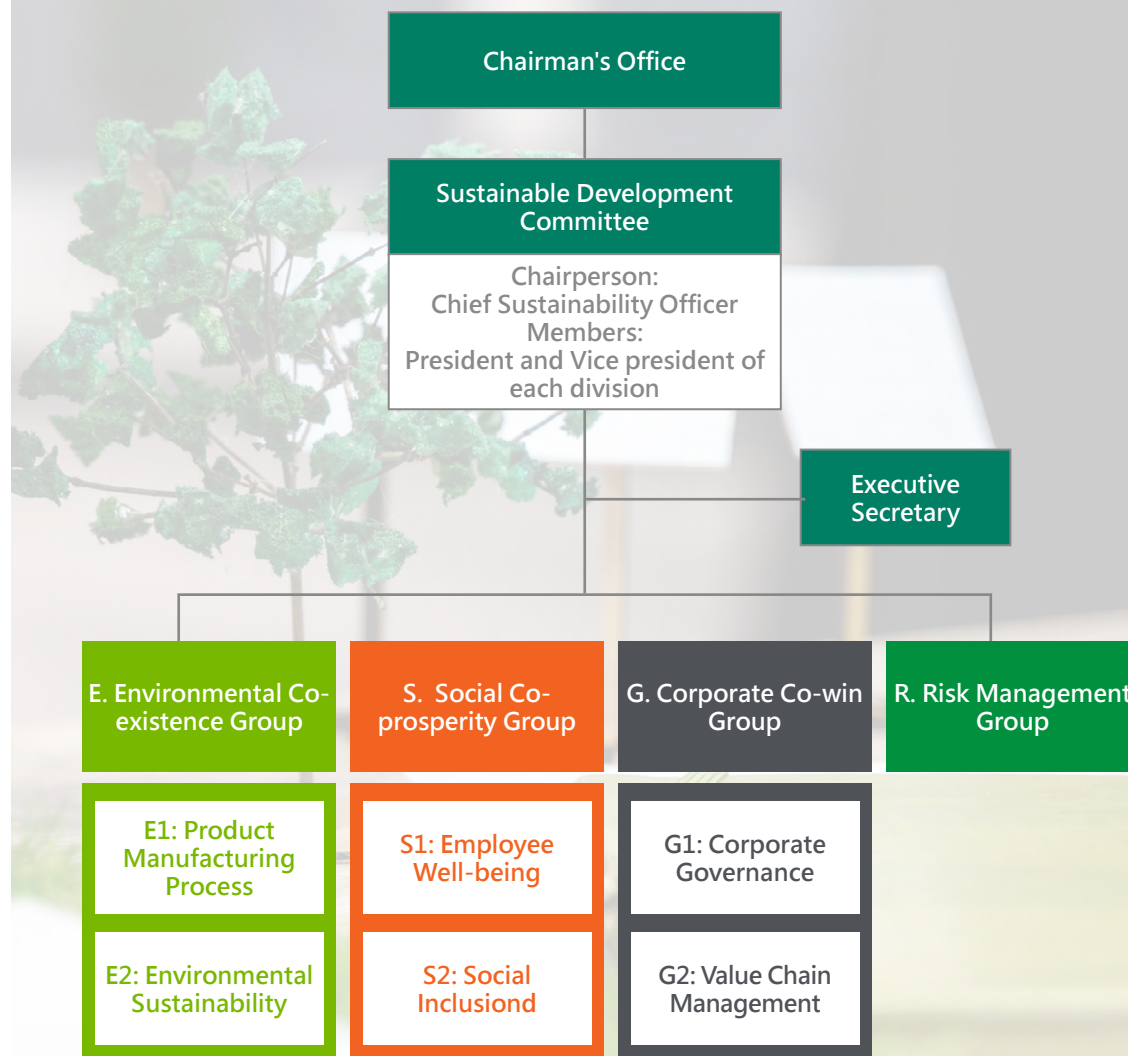
- ◆ Please refer to "Board Structure and Diversification" on page 9 of the 2024 Annual Report.
- ◆ Please refer to "Board Performance Evaluation" on page 16 of the 2024 Annual Report.
- ◆ Please refer to "Audit Committee and Remuneration Committee Information" on pages 15~17 and 25~26 of the 2024 Annual Report.

1.4 Sustainability Committee

Shieh Yih formally established its “Sustainable Development Committee” in May 2023 and adopted the “Sustainable Development Committee Charter” on December 26, 2024. In the same year, the Committee carried out its first materiality assessment in accordance with the disclosure principles of GRI 3: Material Topics 2021 under the GRI Standards issued by the Global Reporting Initiative (GRI). The assessment was conducted based on stakeholder concerns and the impacts of the Company's economic activities on the external economy, environment, and society, which served as the key evaluation criteria.

Title	Name
Chairperson	Claire Kuo, Chairman and CSO
Member	Steven Lee, President
Member	Joseph Liu, Executive Vice President
Member	Elaine Wu, Vice President and Corporate Governance Officer
Member	Chin-Ching Lai, Vice President

To effectively advance ESG management, Shieh Yih Machinery identifies and classifies sustainability issues across four key dimensions - environment (E), society (S), governance (G), and risk management (R). Corresponding departments and contact persons are clearly designated, and a cross-functional collaboration mechanism has been established to ensure that sustainability goals are embedded into day-to-day operations.



1.5 Participation in Industry Associations

Shieh Yih has long been actively participating in industry associations related to business development to expand networks, create business opportunities, and maintain close connections with industry peers and partners while keeping abreast of the latest industry trends. Through resource sharing and experience exchange, the Company not only gains insights into the latest industry landscape but also strengthens its influence in the sector and its role in policy advocacy. By doing so, Shieh Yih joins hands with others to promote the sustainable development of the industry and to achieve our long-term sustainability goals.

TAMI, Taiwan Association of Machinery Industry

TMBA, Taiwan Machine Tool & Accessory Builders' Association

TCIA, Taoyuan City Industrial Association

TMDIA, Taiwan Mold & Die Industry Association

TSTP, Taiwan Society for Technology of Plasticity

Society of Mold Technology Development

Metal Industries Research & Development Centre

Chinese Society of Mechanical Engineers

Importers and Exporters Association of Taipei

1.6 Financial Support and Green Finance

Financial Support

Government support plays a vital role for Shieh Yih in advancing technology R&D and promoting sustainable development. Such resources not only help alleviate operational pressures but also accelerate industrial upgrading and transformation, while enhancing overall economic benefits.

Government Financial Subsidies Received in 2024		Unit: NT\$ thousand
Industrial Development Administration, Ministry of Economic Affairs	Subsidy for Digital Lean Management (TPS Program)	520
Industrial Development Administration, Ministry of Economic Affairs	Subsidy for Low-carbon and Smart Upgrade Transition of Manufacturing Industry through Large Enterprises Leading SMEs	6,893
Taoyuan City Government	Childcare Subsidy	40
Total		7,453

Note : In line with our commitment to a friendly workplace, the Company fully covers salary costs during paternity check-up leave and paternity leave, without applying for subsidies from the Ministry of Labor.

Green Finance

Shieh Yih adheres to the philosophy of sustainability, continuously promotes and implements ESG initiatives, and has demonstrated strong performance across environmental, social, and governance aspects, earning wide external recognition. Leveraging this outstanding sustainability performance, the Company successfully secured sustainability-linked loans (SLLs) from multiple financial institutions and, by achieving preset sustainability targets, received interest rate incentives, further strengthening the Company's momentum toward sustainable development.

1.7 Integrity in Business Operations

Shieh Yih has formulated its business policies based on integrity, in compliance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and other relevant laws and regulations, which were approved and implemented by the Board. The Company has established a sound corporate governance and risk control system and is committed to fostering a business environment conducive to sustainable development.

The core values of Shieh Yih Machinery are integrity, accountability, service, and innovation. In particular, “integrity” is defined as a proactive and positive attitude and philosophy of life, with an emphasis on compliance with ethical standards. To strengthen the culture of integrity, it has been incorporated into performance evaluation indicators, with supervisors regularly communicating and reinforcing this value among employees. At the same time, a comprehensive reward and disciplinary mechanism has been established to ensure the full implementation of integrity in corporate management.

Policy and Implementation

To foster a culture of integrity and enhance employees' ethical awareness, Shieh Yih has established the “Code of Ethical Conduct”, which clearly defines the standards of ethical behavior required of all employees. This Code reinforces the Company's image of integrity and sound management while actively promoting our core values. It also serves as an important foundation for the ethical corporate management policy, setting forth the rules of conduct that all employees must follow to prevent improper management, fraudulent transactions, bribery, kickbacks, and other unethical practices. In addition, the Code provides behavioral guidelines to strengthen employees' ethical awareness and professional integrity. Key provisions include:

- ◆ Maintain honesty and ethical conduct
- ◆ Prevent conflicts of interest
- ◆ Prohibit abuse of authority for personal gain
- ◆ Protect confidentiality of trade secrets and data
- ◆ Uphold the principles of fair trade
- ◆ Comply with relevant laws, regulations, and internal company rules

Implementation Achievements of Integrity Education and Training

- ◆ All current employees have signed the Letter of Employment, the “Integrity Declaration,” and the “Confidentiality and Intellectual Property Agreement.” For 25 new employees in 2024, briefing and orientation were provided upon onboarding, and they also completed the signing of these two documents.
- ◆ New employee training is conducted annually, with the “Company Profile” course placing special emphasis on the core value of integrity. In 2024, 25 employees participated in the training.
- ◆ The Company provides training for Directors at least once a year on the prevention of insider trading and compliance with relevant laws and regulations.
- ◆ ESG awareness, including compliance with ethical corporate management regulations, is promoted during monthly meetings, with a total of 350 employees attending in 2024.

Whistleblowing Mechanism

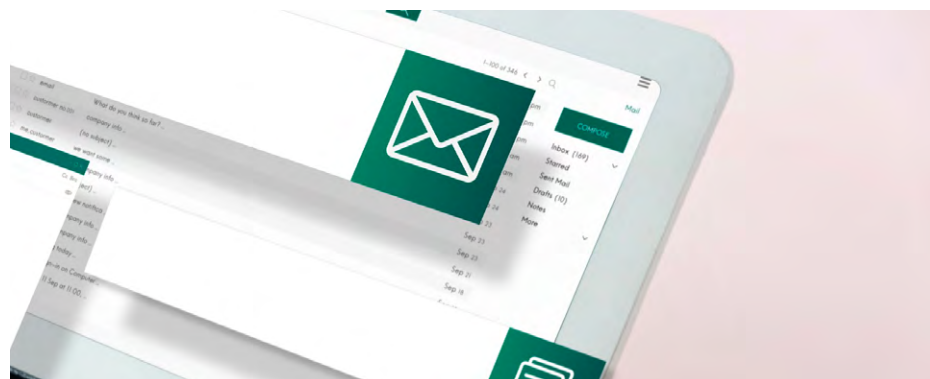
The Company has established a comprehensive whistleblowing mechanism and communication channels in accordance with the "Code of Ethical Conduct". Specific practices include:

- 1 An internal whistleblowing system is in place, with a dedicated independent e-mail address and hotline announced for both internal and external parties. Reports of violations of ethical corporate management may be made verbally, by e-mail, or in writing. Contact information is as follows:

Whistleblowing e-mail: wecare@seyi.com

Hotline: 03-3525466#3260

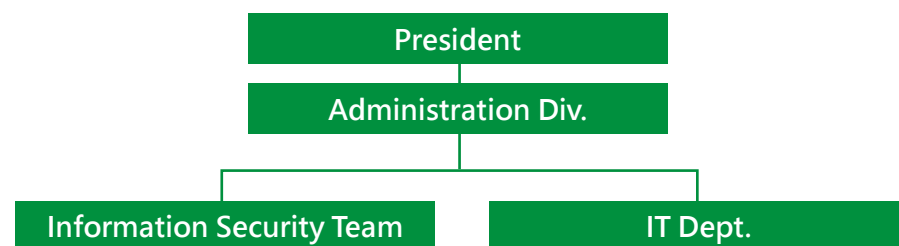
- 2 Relevant supervisors are responsible for maintaining the confidentiality of whistleblowers' identities and information, ensuring they are protected from retaliation, threats, or undue pressure, with necessary protective measures provided.
- 3 The Company encourages all employees to proactively report any violations of laws, regulations, or ethical standards to the designated unit and ensures whistleblowers are protected from adverse consequences.



1.8 Cybersecurity

1.8.1 Management Policy

Shieh Yih Machinery formally established the "Information Security Team" in 2023 to oversee the planning, implementation, education, and promotion of information security policies, thereby enhancing the Company's overall information security capabilities. The Team is dedicated to establishing and continuously optimizing security protection mechanisms, covering areas such as network security, endpoint devices, user activity monitoring, and data backups, in order to build a multi-layered, defense-in-depth framework. The structure of the Information Security Team is as follows:



The Information Security Team conducts regular cybersecurity training and social engineering awareness drills to enhance employees' awareness and response capabilities to potential risks. Through meticulous planning and continuous improvement measures, the Company ensures that its information systems operate in a secure and stable environment, thereby fostering a reliable and resilient IT environment that supports the Company's long-term sustainability goals.

1.8.2 Cybersecurity Measures and Achievements

Cybersecurity Measures

1 Network security control

- Implement firewalls to prevent external attacks.
- Deploy Web Application Firewall (WAF) protection.
- Prohibit non-company devices from accessing the Company's internal network.
- Manage and control internal Wi-Fi connection mechanisms.

2 Endpoint Protection

- Regularly update Windows systems and antivirus software signatures.
- Control the use of USB drives and other external storage media.
- Manage commercial software licensing and installation.
- Conduct regular system vulnerability scans to identify potential risks.

3 User Account Management

- Manage employee accounts upon onboarding and resignation.
- Enable multi-factor authentication (MFA) for employee accounts and promote a zero-trust architecture.

4 Data Backup Management

- Establish a comprehensive backup mechanism and perform daily backups.

- Regularly conduct backup recovery drills and verify file integrity.

5 Incident Response Measures

- Conduct annual disaster recovery (DR) drills.

6 Employee Information Security Management and Awareness

- Provide monthly cybersecurity awareness programs.
- Conduct annual social engineering drills to strengthen employees' cybersecurity awareness.

Achievements of Information Security Management Plans and Resource Allocation

- ◆ No information security incidents occurred in 2024.
- ◆ Enhanced the Group's remote data backup mechanisms.
- ◆ Strengthened the redundancy of the Group's network equipment.
- ◆ Conducted two cybersecurity training sessions with an attendance rate of 96%.
- ◆ Delivered monthly cybersecurity awareness campaigns.
- ◆ Held regular social engineering drills, with 99% of employees meeting the required targets.
- ◆ Conducted regular disaster recovery (DR) drills.
- ◆ Performed regular system vulnerability scans.
- ◆ All information security personnel completed 16 hours of external cybersecurity training annually, achieving a 100% completion rate.

2025 Cybersecurity Plan

- ◆ **Network Security Management** : Strengthen firewalls and Web Application Firewall (WAF) protections to prevent external intrusions, while strictly managing internal network and Wi-Fi authentication mechanisms to prohibit non-company devices from accessing the corporate network.
- ◆ **Endpoint Protection** : Regularly update operating systems and antivirus software, restrict the use of external storage devices, and enhance the management of licensed commercial software and system vulnerability scans.
- ◆ **Account and Access Management** : Establish robust account lifecycle management processes for employees, fully implement multi-factor authentication (MFA), and promote a zero-trust architecture to mitigate risks.
- ◆ **Data Backup and Recovery** : Perform daily backups and regularly validate the accuracy and recoverability of backup files to ensure data continuity.
- ◆ **Incident Response and Drills** : Conduct annual disaster recovery (DR) drills to strengthen emergency response capabilities.
- ◆ **Employee Cybersecurity Awareness** : Continue monthly cybersecurity awareness programs and conduct annual social engineering drills to reinforce employees' security awareness and response capabilities.

Shieh Yih remains committed to implementing its information security policies to the highest standards, ensuring stable business operations and safeguarding customer data.



02

Stakeholders and Material Topics

- 2.1 Organizational Context
- 2.2 Sustainability Policy
- 2.3 Process of Identifying and Assessing Material Topics
- 2.4 Identification of Key Stakeholders
- 2.5 Impact Analysis
- 2.6 Determination of Material Topics
- 2.7 Stakeholder Engagement
- 2.8 Assessment of Materiality
- 2.9 Management Approach to Material Topics
- 2.10 Stakeholder Communication and Dialogue

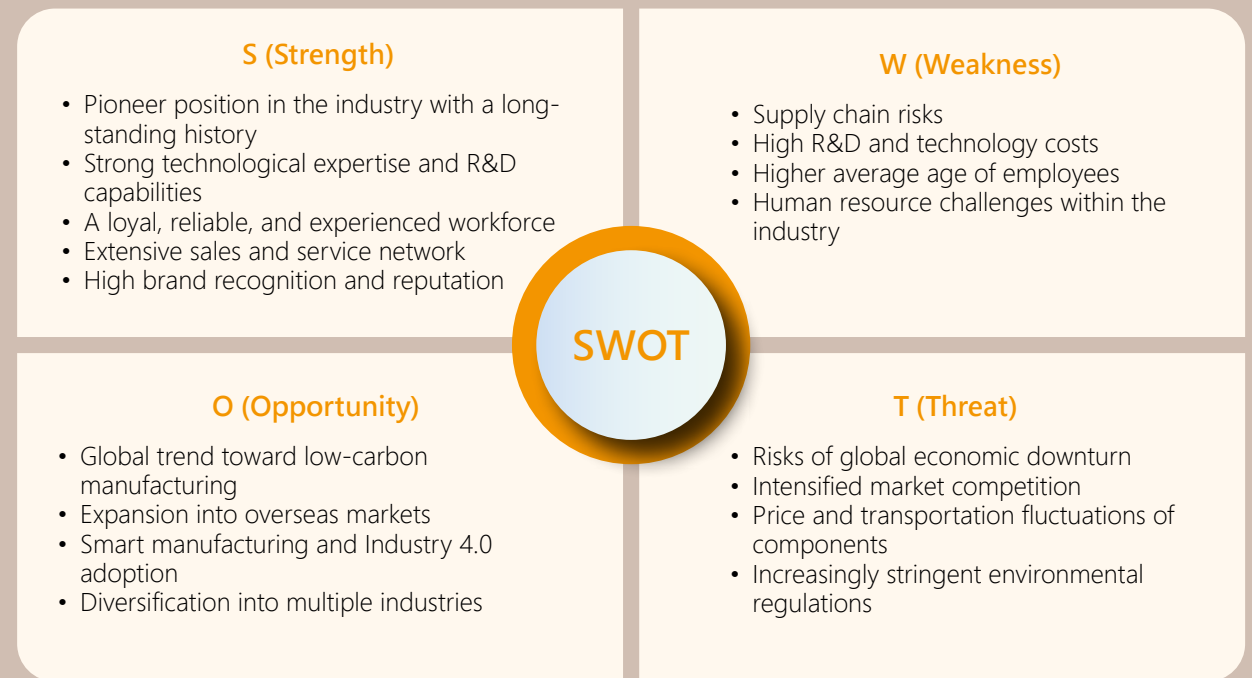
2.1 Organizational Context

Since its establishment, Shieh Yih Machinery has recognized the inescapable responsibility and profound impact that enterprises have on society and the environment. We believe that only on the foundation of stable financial performance can we secure the resources and capabilities needed to continuously invest in initiatives that give back to society and protect the environment. These efforts not only generate positive impacts for society but also fulfill Shieh Yih's commitments, while further enhancing our brand image and corporate value. We are convinced that active contributions to society and the environment ultimately feed back into Shieh Yih's business performance, creating a virtuous cycle that drives the Company steadily toward sustainable development.

With years of accumulated technological expertise and management experience, Shieh Yih has developed distinctive competitive advantages. These stem from our strong brand value, advanced precision technologies, customer relationship management, and market segmentation strategies, which together have become the key drivers strengthening our competitiveness and supporting continuous growth.

SWOT Analysis

To fully understand its competitive position in the market and future development potential, Shieh Yih conducts periodic SWOT analyses to systematically review internal strengths and weaknesses as well as external opportunities and challenges. The results serve as a key reference for strategic planning and operational decision-making, enabling the Company to continuously strengthen its core capabilities and respond flexibly to industry changes.



Porter's Five Forces Analysis

Shieh Yih regularly conducts Porter's Five Forces Analysis to evaluate the competitive landscape of the industry, gaining deeper insights into market competition, risks, and opportunities. This analysis helps the Company identify competitive advantages and profit potential, optimize supply chain management, and formulate forward-looking business and competitive strategies. The following outlines Shieh Yih Machinery's Five Forces Analysis:



2.2 Sustainability Policy

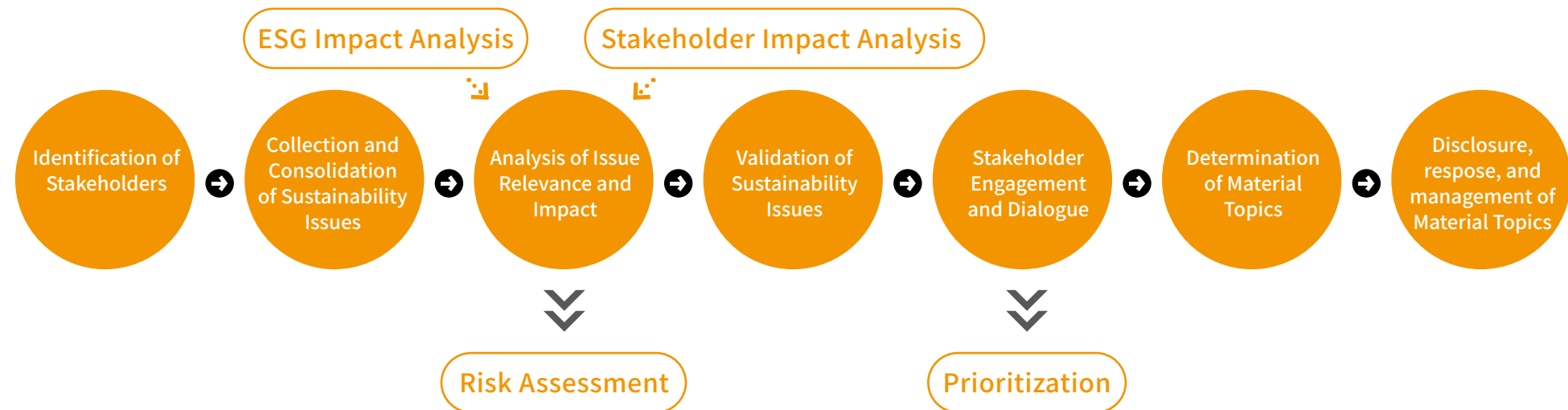
Shieh Yih Machinery formally established its “Sustainable Development Committee” in May 2023 and conducted its first assessment of sustainability issues of concern in accordance with the GRI Standards 2021. The evaluation adopted two key principles: stakeholder concerns and the impacts of the Company's economic activities on the external economy, environment, and society, thereby identifying priority actions for sustainable development.

As one of the most widely recognized sustainability reporting frameworks, the GRI Standards support Shieh Yih in keeping abreast of the latest trends, focusing on material issues that influence both business operations and sustainable development, and identifying risks early to plan effective risk management strategies. Looking ahead, the Sustainable Development Committee will regularly review material issues and continue to drive the Company's sustainable development, advancing toward a sustainable future.



2.3 Process of Identifying and Assessing Material Topics

Based on the impacts of its operating activities, industry characteristics, and value chain, Shieh Yih Machinery collects sustainability-related topics through stakeholder engagement, expert and consultant consultations, the UN SDGs, industry standards, organizational annual objectives, and other diverse channels. Issues are analyzed through a structured process of identification, prioritization, validation, and review. This approach enables the Company to comprehensively assess its sustainability performance and disclose the impacts, management approaches, and outcomes of each material topic. The process ensures that Shieh Yih's sustainability goals and strategies remain aligned with stakeholder expectations, while the disclosure of sustainability information addresses stakeholder needs and strengthens the effectiveness of external communication. The evaluation of material topics follows a seven-step process, as described below:



2.4 Identification of Key Stakeholders

Shieh Yih Machinery convened a meeting of the Sustainable Development Committee on December 13, 2024. The Committee carried out stakeholder identification based on six key principles: responsibility, influence, proximity, dependence, representativeness, and policy and strategic intention. Following a comprehensive evaluation, eight major stakeholder groups of Shieh Yih were identified: shareholders/investors, employees, customers, suppliers, governmental agencies, media, NGOs and schools, and local communities and others, as described below.

	Shareholders/ Investors	Refers to the Company's shareholders as well as individuals or entities with investment interests in the Company.
	Employees	Refers to all Company employees, including full-time staff and part-time (contracted) personnel. Their roles cover sales promotion, customer service, administration, and management.
	Suppliers	Refers to domestic suppliers and contractors that provide the resources and services required by the Company for product manufacturing in line with customer requirements.
	Customers	Refers to entities or organizations that engage in procurement transactions with the Company to purchase its products or services.
	Governmental Authorities	Refers to central-level agencies directly related to the Company's business operations (e.g., Ministry of Economic Affairs, Industrial Development Bureau, Taiwan External Trade Development Council), as well as local-level entities (e.g., Taoyuan City Government, industrial associations, Metal Industries Research & Development Centre).
	Media	Refers to news outlets that focus on economic and industrial development and provide relevant information (e.g., Economic Daily News, Commercial Times).
	NGOs and Schools	Refers to nonprofit organizations related to the Company and the industry (e.g., Industrial Technology Research Institute, Metal Industries Research & Development Centre), academic institutions engaged in industry-academia cooperation with the Company (e.g., departments of mechanical or mechatronic engineering), and NGOs involved in social interactions with the Company.
	Communities and Others	Refers to community-related organizations where the Company's headquarters is located (e.g., neighborhood/village management offices) and entities with frequent interactions with employees (e.g., convenience stores).

2.5 Impact Analysis

Impact Analysis Consideration

Impacts are analyzed from two perspectives: (1) positive and negative impacts on ESG dimensions, and (2) positive and negative impacts on stakeholders. When evaluating impacts, both “actual vs. potential” and “short-term vs. medium-to-long-term” factors are taken into account. Specifically, the distinction between actual and potential impacts influences the risk assessment approach for sustainability issues, while short- and long-term considerations affect the design of subsequent remedial or preventive measures.

Risk Assessment

Shieh Yih conducts systematic risk assessments of identified sustainability issues in line with the philosophy of sustainable operations. The focus is placed on potential risks that may cause significant negative impacts, thereby enabling early prevention and effective management. For actual impacts, the assessment emphasizes “severity”, further broken down into scale, scope, and irreversibility of impact. For potential impacts, both “severity” and “likelihood of occurrence” are evaluated. All assessment criteria are clearly defined, and the Sustainable Development Committee is responsible for the evaluation process. Positive impacts, on the other hand, are incorporated into the formulation and promotion of Shieh Yih's sustainability goals, aiming to strike a balance between risk control and the creation of positive value, thereby advancing sustainable corporate development.

2.6 Determination of Material Topics

Shieh Yih's material topics are determined from two main sources:

1. Sustainability issues identified through impact analysis and assessed based on material impacts;
2. Relevant topics identified in accordance with the GRI Topic Standards and reviewed by the Sustainable Development Committee.

This dual-track approach ensures that the topics not only address material impacts but also reflect stakeholder concerns, thereby providing a solid basis for subsequent sustainability strategies and disclosures.



2.7 Stakeholder Engagement

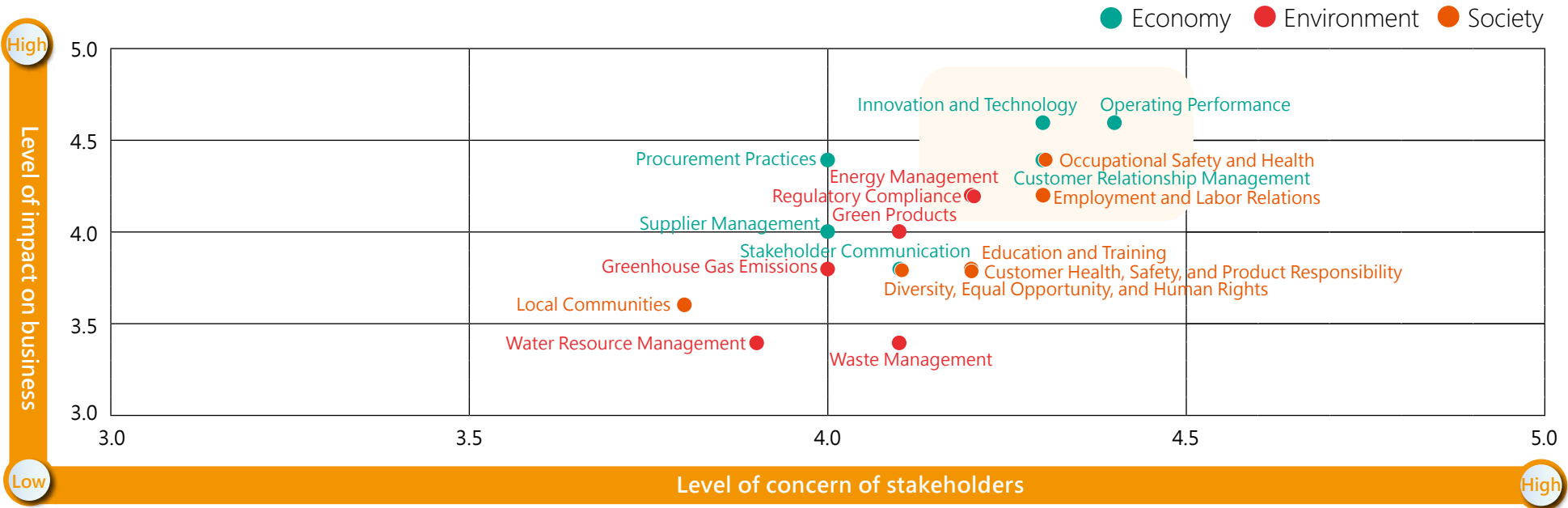
The Sustainable Development Committee of Shieh Yih designed a questionnaire to survey stakeholders on the identified sustainability issues. The questionnaire covered two dimensions: the “level of concern” and the “level of impact”. A total of 130 questionnaires were distributed, with 115 valid responses collected, reflecting stakeholders' concerns regarding sustainability issues. Meanwhile, five senior executives completed the impact assessment questionnaire to highlight internal attention to these issues, providing a basis for prioritization and sequencing. Issue collection and consolidation were conducted in accordance with the GRI 200, 300, and 400 series standards, while stakeholder feedback was incorporated into the concern-level evaluation. Concern levels were rated on a scale of 1 to 5, with average scores calculated to ensure impartiality and objectivity of results.

Dimension	Issue of concern	Stakeholders' Level of Concern	Level of Impact on the Company
		Average score	Average score
 Economy	1 Operating Performance: Operating income, costs, key financial information, economic impacts of climate change, and indirect economic effects	4.4	4.6
	2 Innovation and Technology: R&D of new processes and products, product quality, technological development, and patents	4.3	4.6
	3 Customer Relationship Management: Customer service, product quality, and systems for protecting customer privacy	4.3	4.4
	4 Supplier Management: Supply chain strategies, standards, management and audits, and initiatives to promote supplier implementation of social responsibility	4.0	4.0
	5 Procurement Practices: Procurement policies, management approaches, and local sourcing	4.0	4.4
	6 Stakeholder Communication: Communication channels, transparency, and stakeholder participation	4.1	3.8

Dimension	Issue of concern	Stakeholders' Level of Concern	Level of Impact on the Company
		Average score	Average score
Environment 	1 Green Products: Development of products that reduce environmental impact, product safety management, and the use of environmentally friendly packaging materials	4.1	4.0
	2 Energy Management: Energy consumption, energy intensity, energy-saving measures, and performance outcomes	4.2	4.2
	3 Water Resource Management: Water risk management, improvement of water utilization efficiency in production processes, and wastewater discharge management	3.9	3.4
	4 Greenhouse Gas Emissions: GHG inventory, carbon management and reduction targets, measures to control air pollutant emissions, and efforts to reduce environmental impacts from production	4.0	3.8
	5 Waste Management: Proper treatment and recycling of waste	4.1	3.4
	6 Regulatory Compliance: Compliance with environmental laws and regulations	4.2	4.2
Society 	1 Employment and Labor Relations: Employee compensation and benefits, employee well-being, turnover rate, collective bargaining agreements, and communication/negotiation on material operational changes	4.3	4.2
	2 Occupational Safety and Health: Maintenance of healthy workplaces, occupational injury rate, occupational diseases, and lost time injury frequency rate	4.3	4.4
	3 Education and Training: Career development programs and employee training systems to enhance competencies	4.2	3.8
	4 Diversity, Equal Opportunity, and Human Rights: Workforce composition, employment of persons with disabilities or disadvantaged groups, gender ratio, anti-discrimination policies and practices, mechanisms for reporting discrimination or harassment, freedom of association, prohibition of forced labor and child labor, and safeguarding against gender or ethnic discrimination	4.1	3.8
	5 Local Communities: Assessment of operational impacts on local communities and community engagement	3.8	3.6
	6 Customer Health, Safety, and Product Responsibility: Product health and safety, customer privacy protection, customer satisfaction evaluation, and compliance with completeness and accuracy of product/service information and labeling	4.2	3.8

2.8 Assessment of Materiality

Based on the statistical analysis of the survey results, the material topics of Shieh Yih Machinery, in order of priority, are: economic performance, innovation and technology, customer relationship management, and occupational safety and health, as illustrated in the materiality matrix below.



The Sustainable Development Committee referred to the SASB Standards and industry-specific indicators, and engaged with experts and stakeholders to assess market trends, emerging technologies, competitors, and evolving customer needs. Upon approval by the Committee, the following five material topics were confirmed:

No.	Item	Standard
1	Operating Performance	GRI201
2	Innovation and Technology	GRI301、SASB
3	Customer Relationship Management	GRI416/417/418、SASB
4	Occupational Safety and Health	GRI403
5	Energy Management	GRI302

Five material sustainability topics were prioritized for reporting and were approved by the Sustainable Development Committee and the Board in December 2024. The positive and negative impacts of each material topic are described in the table below, while the corresponding management policies can be found in the relevant chapters.

2.9 Management Approach to Material Topics

1. Operating Performance			
Management Policy and Elements	Management Impacts	Implementation Performance of Management Targets	Evaluation of Management Policy
Materiality	Positive/Negative Impact Items	2024 Targets	Effectiveness Evaluation
Pursue stable profitability and fulfill management responsibilities to safeguard shareholders' rights and interests, making this a key element in supporting the Company's sustainable operations and development.	Stakeholders : Shareholders, customers, suppliers and contractors, and employees. - Continue to drive growth in operating performance and maintain stable dividend distribution to enhance investor rights and benefits. - Secure core technologies and patents to reduce technological dependence and ease competitive pressures. - Address risks of supply chain disruptions, price fluctuations, and foreign exchange volatility. - Manage risks of idle equipment or slow-moving products arising from market demand fluctuations.	- Promote smart manufacturing to strengthen the core competitiveness of stamping presses. - Implement ESG practices and align with net-zero carbon emission targets. - Obtain government incentives and project rewards.	- Increase the production value of energy-efficient servo press models. - Reduce overall energy consumption. - Enhance corporate governance.
Strategy	Negative Remedial and Preventive Measures	Implementation Performance in 2024	Grievance Mechanism
- Strengthen the Company's financial structure. - Develop forecasts and response strategies for economic risks. - Expand market share and support global expansion. - Ensure financial stability and drive long-term economic growth.	- Build mutually beneficial economic cooperation with suppliers. - Enhance suppliers' production scale, stability, and flexibility to strengthen responsiveness. - Actively develop innovative product applications to increase operational added value.	- Received the SPS Production Management Optimization Incentive. - Secured subsidies under the “Large-to-Small Manufacturing Industry Low-carbon and Smart Upgrade Transition” project. - In the 2023 Corporate Governance Evaluation, the Company ranked within the top 36–50% among all TPEx-listed enterprises nationwide. Within the category of companies with a market capitalization below NT\$5 billion, the Company ranked in the upper 21-40% tier.	Contact : governance@seyi.com (a dedicated department is responsible for governance management and responses)
Management Practices and Objectives	Positive Impact Control Measures	2025 Targets	Adjustment of Management Policy
- Maintain a sound capital structure. - Strengthen a comprehensive corporate governance system. - Continue to expand product. application fields. - Develop innovative technologies, optimize processes, and reduce manufacturing costs. - Monitor market fluctuations and mitigate financial risks. - Establish financial indicators for supply chain risk management (e.g., inventory turnover ratio, accounts payable deadlines).	- Ensure transparent and accurate financial reporting, including the disclosure of risks and opportunities, as well as the assessment of climate-related factors - Enhance product competitiveness and profitability - Strictly comply with internal control standards to prevent misconduct	- Continue to deepen technological innovation and develop/promote smart and low-carbon products. - Expand market share in smart manufacturing and servo presses.	Currently, no adjustments have been made.
		Mid-to-Long-Term Target Planning <table><tr><td>Mid-term - Establish a green supply chain. - Achieve steady annual growth in revenue and profitability. - Gradually increase return on equity (ROE). </td><td>Long-term - Pursue the vision of becoming a centennial enterprise. - Strengthen a sustainable brand image. </td></tr></table>	
Mid-term - Establish a green supply chain. - Achieve steady annual growth in revenue and profitability. - Gradually increase return on equity (ROE).	Long-term - Pursue the vision of becoming a centennial enterprise. - Strengthen a sustainable brand image.		

2. Innovation and Technology			
Management Policy and Elements	Management Impacts	Implementation Performance of Management Targets	Evaluation of Management Policy
Materiality	Positive/Negative Impact Items	2024 Targets	Effectiveness Evaluation
Technological innovation is Shieh Yih's core competitiveness, driving product differentiation and market share. Building on our self-owned brand and R&D capabilities, the Company is committed to developing sustainable products with low energy consumption and high efficiency.	Stakeholders : Shareholders, customers, suppliers, NGOs and schools. Positive Impacts - Enhance market competitiveness, attract a broader customer base, and offer diverse product choices to meet customer needs. - Advance low-carbon technologies and energy-efficient product designs, further strengthening brand image, expanding market applications, and enhancing customer loyalty. Negative Impacts - Significant capital and human resource investments are required in the early stage of technological innovation, creating potential pressures on cash flow and technical capabilities. - Uncertainty in market acceptance may constrain sales performance.	2024 has been designated as the ESG base year.	
Strategy	Negative Remedial and Preventive Measures	Implementation Performance in 2024	Grievance Mechanism
- Provide high-performance, high-precision, and energy-efficient metal forming solutions. - Promote the development of innovative platforms and smart manufacturing.	- Secure government subsidy projects to alleviate capital pressures. - Offer competitive compensation and continuing education opportunities to retain core R&D talent, while continuing to collaborate with academic institutions to cultivate professional technical expertise. - Conduct thorough market research prior to product development to ensure alignment between technology direction and market demand.	2024 has been designated as the ESG base year.	Contact : governance@seyi.com (a dedicated department is responsible for governance management and responses)
Management Practices and Objectives	Positive Impact Control Measures	2025 Targets	Adjustment of Management Policy
Optimize product technologies to enhance the structural strength and precision of stamping presses, and deliver high-performance, energy-efficient metal forming solutions through the Smart Stamping Plans (SIMS+ information management system, tonnage monitoring system, and energy consumption monitoring system).	Expand market share and revenue through product diversification, providing resources for innovation and talent retention to advance sustainable development. Enhance product competitiveness based on market research, promote R&D in carbon footprint reduction and energy-saving technologies, and ensure compliance with environmental regulations and international standards.	- Deliver high-performance, energy-efficient metal forming solutions. Mid-to-Long-Term Target Planning - Introduce energy-saving components into the supply chain. - Structural design – Develop low-carbon footprint components. - Electrical control design – Develop energy monitoring systems and energy interface solutions.	Currently, no adjustments have been made.

3. Customer Relationship Management

Management Policy and Elements	Management Impacts	Implementation Performance of Management Targets	Evaluation of Management Policy
Materiality	Positive/Negative Impact Items	2024 Targets	Effectiveness Evaluation
Customer satisfaction is a cornerstone of sustainable operations. By strengthening customer loyalty, stabilizing customer sources and sales growth, and enhancing corporate reputation and brand value.	Stakeholders : Customers, suppliers, and contractors. Positive Impacts - Improve customer satisfaction and loyalty, and boost sales growth. Negative Impacts - Establishing the system involves significant investment, maintenance costs, and training requirements, along with the need to address customer data privacy risks.	2024 has been designated as the ESG base year.	
Strategy	Negative Remedial and Preventive Measures	Implementation Performance in 2024	Grievance Mechanism
- Global deployment of sales and service networks. - Regular customer satisfaction surveys and feedback mechanisms.	Secure government subsidies to ensure efficient capital utilization, while regularly conducting security tests and strengthening data privacy and firewall protection.	2024 has been designated as the ESG base year.	Contact : governance@seyi.com (a dedicated department is responsible for governance management and responses)
Management Practices and Objectives	Positive Impact Control Measures	2025 Targets	Adjustment of Management Policy
- Establish a comprehensive sales and service network through professional online and offline activities. - Achieve an overall customer satisfaction rate of 80% or higher.	Regularly conduct customer satisfaction surveys to capture requirements and feedback, and continuously improve service quality.	Strengthen the QMS to enhance quality management.	There is no adjustment item at present.
		Mid-to-Long-Term Target Planning	
		Optimize the QMS and reinforce employees' quality awareness and training.	

4. Occupational Safety and Health

Management Policy and Elements	Management Impacts	Implementation Performance of Management Targets	Evaluation of Management Policy
Materiality	Positive/Negative Impact Items	2024 Targets	Effectiveness Evaluation
- Comply with laws and regulations, implement preventive measures, eliminate occupational hazards, fulfill employers' responsibilities, and create a safe and healthy workplace. - A supply chain that prioritizes occupational safety and health demonstrates the Company's responsibility to employees and society, while enhancing market competitiveness. - Preventive measures help reduce both direct and indirect costs arising from incidents.	Stakeholders : Employees, shareholders, suppliers and contractors Positive Impacts - Sound management helps safeguard employees' physical and mental health, increase satisfaction, reduce turnover, enhance production capacity and efficiency, conserve operating costs, and encourage greater willingness to invest. Negative Impacts - Inadequate management could lower employees' willingness to stay, lead to workforce loss, and increase operational risks and management costs. - Occupational incidents and turnover may increase under weak management, reducing production capacity, raising operational risks and costs, and directly impairing shareholders' rights and interests. - Suppliers and contractors may face short-term operational pressure due to required investments in safety equipment, employee training, and management systems.	2024 has been designated as the ESG base year.	
Strategy	Negative Remedial and Preventive Measures	Implementation Performance in 2024	Grievance Mechanism
- Comply with regulations. - Develop plans. - Enforce supervision. - Evaluate and improve.	- Provide pre-duty education, training, and safety promotion to strengthen employees' safety awareness. - Conduct regular inspections and maintenance of machinery, tools, and equipment to prevent potential hazards. - Compile and report occupational incident statistics on a monthly basis. - Establish an in-house near-miss self-reporting mechanism, and implement work resumption and fitness-for-duty evaluations for employees returning after occupational injuries or illnesses.	2024 has been designated as the ESG base year.	Contact : governance@seyi.com (a dedicated department is responsible for governance management and responses)
Management Practices and Objectives	Positive Impact Control Measures	2025 Targets	Adjustment of Management Policy
- Promote workplace safety education and training. - Comprehensive health management. - Organize health promotion activities.	- Regularly conduct occupational safety, health, and fire drills in accordance with regulations to strengthen employees' emergency response capabilities and effectively reduce disaster severity. - Establish well-equipped medical rooms, breastfeeding rooms, and self-service blood pressure stations, and install AEDs to enhance emergency response capacity, safeguard employees' physical and mental health, and create a safe and comfortable working environment.	- Completion rate of environmental safety and health education and training: 100%. - Completion rate of workplace hazard prevention promotion: 100%. - Organized first-aid training courses exceeding regulatory requirements. Mid-to-Long-Term Target Planning - Successfully completed ISO 45001 occupational safety and health management system certification in accordance with the planned timeline.	Currently, no adjustments have been made.

5. Energy Management

Management Policy and Elements	Management Impacts	Implementation Performance of Management Targets	Evaluation of Management Policy
Materiality	Positive/Negative Impact Items	2024 Targets	Effectiveness Evaluation
- Reduce GHG emissions, implement energy conservation and carbon reduction, minimize environmental impacts, lower operating costs, and enhance brand image. - Comply with regulatory requirements and address climate-related risks to strengthen corporate competitiveness.	Stakeholders : Government and competent authorities, and local communities. Positive Impacts - Minimize environmental impacts, lower energy costs, and enhance corporate competitiveness. - Optimize processes and eliminate unnecessary energy waste. Negative Impacts - High initial investment costs. - High technical barriers and difficulties in employee training.	2024 has been designated as the ESG base year..	
Strategy	Negative Remedial and Preventive Measures	Implementation Performance in 2024	Grievance Mechanism
- Conduct the GHG inventory in accordance with ISO 14064-1:2018 standards to ensure data accuracy and compliance with international requirements. - Short-term: replace energy-intensive equipment and implement an energy management system. - Long-term: transition to renewable energy and establish net-zero targets.	- Enhance technological capabilities and deliver more efficient carbon reduction solutions to meet increasingly stringent decarbonization requirements. - Strengthen internal management and risk control to ensure that reduction measures comply with regulations and can withstand review and verification by competent authorities. - Participate in government subsidy programs to ease the initial financial burden and gradually introduce energy-saving equipment and technologies, thereby reducing one-time capital pressure. - Provide company-wide training on the operation and maintenance of energy systems to shorten the adaptation period.	2024 has been designated as the ESG base year.	Contact : governance@seyi.com (a dedicated department is responsible for governance management and responses)
Management Practices and Objectives	Positive Impact Control Measures	2025 Targets	Adjustment of Management Policy
- Establish an energy management system to monitor the real-time energy consumption of production lines across different plants. - Education, training, and improvement proposals: Regularly conduct energy management training for employees to enhance energy-saving awareness and encourage them to submit proposals for optimizing energy use in production processes. - Plan for the installation of solar panels to generate green electricity for self-consumption and lease rooftop space for power sales to Taipower. - Install low-energy-consumption air compressors to reduce energy use, and equip them with watt-hour meters for monitoring. - Set up a smart warehousing system. - Introduce aerial work platforms to improve the efficiency of painting operations.	- Increase system utilization and progressively adopt digital solutions to reduce paper consumption. - Replace high-energy-consumption equipment (e.g., lighting, air compressors, and air conditioners) with energy-efficient alternatives. - Regularly conduct quantitative analyses of energy management benefits to ensure the effectiveness of energy conservation plans. - Encourage departments to propose innovative energy-saving initiatives to enhance employee participation.	- Complete the establishment of the energy management system and the replacement of high-energy-consumption equipment. - Assess solar power installation plans. - Continue replacing equipment to achieve a 5% reduction in carbon emissions. Mid-to-Long-Term Target Planning - Achieve carbon neutrality by 2030. - Reach net zero carbon emissions by 2050.	Currently, no adjustments have been made.

2.10 Stakeholder Communication and Dialogue

Shieh Yih Machinery values communication and engagement with stakeholders, making it a cornerstone of our operations and sustainability strategies. To gain deeper insights into stakeholders' core concerns, we collected opinions and feedback through both online and paper-based questionnaires, which served as a basis for the materiality analysis. In addition, we compiled the stakeholder communication performance of 2024 and submitted the results to the Board on January 17, 2025. By doing so, we continue to advance sustainable operations through enhanced information transparency and a stronger foundation of trust, as outlined below:

Category	Key Issues of Concern	Communication Channels	Communication Methods	Communication Outcomes / Performance
Shareholders/ Investors 	- Operating Performance - Innovation and Technology - Employment / Labor-Management Relations	Finance & Accounting Div. Mr. Wu spokesman@seyi.com	- MOPS (Market Observation Post System): Disclosures are updated in a timely manner, regularly, or according to regulatory requirements. - Annual shareholders' meeting and investor conference: Held once annually. - Corporate governance evaluation: Conducted once annually. - Investor section on the corporate website: Disclosures are updated regularly or according to regulatory requirements. - Phone or e-mail contact: Available in a timely manner.	- Annual Shareholders' Meeting. - Investor Conference: June 13, 2024. - Corporate Governance Evaluation: Ranked within the top 36%–50% of TPEX-listed companies in 2023.
Customers 	- Operating Performance - Innovation and Technology - Customer Relationship Management	Sales and Service Div. Ms. Chang spokesman@seyi.com	- Technical services / plant visits / customer visits: Arranged as required or from time to time. - International exhibitions and seminars: At least once annually. - Customer satisfaction survey: Once annually. - Product and event information: Updated on the corporate website, social media, and e-newsletters on an ongoing basis.	- International exhibitions and seminars: Participated in 9 international exhibitions and 6 seminars. - Customer satisfaction survey: Achieved an overall satisfaction rate of 89%.

Category	Key Issues of Concern	Communication Channels	Communication Methods	Communication Outcomes / Performance
Suppliers 	- Operating Performance - Customer Relationship Management - Stakeholder Communication - Occupational Safety and Health	Procurement & Material Control Dept. Mr. Hsu spokesman@seyi.com	- Quality anomaly follow-up and review meetings. - Supplier interviews and exchanges: Arranged from time to time. - Contractor communication records and supplier evaluations: Once a year. - Entrance occupational safety courses and training programs: Organized regularly. - Collection of occupational safety, health, and environmental information / communication records / supplier questionnaires / provision of product and material data: In a timely manner.	- Quality anomaly review and regular monthly meetings: Held at least once per month, with frequent communication with over 200 suppliers via phone and video conferences. - During supplier visits for R&D, we conducted in-depth exchanges on processes, quality improvement, and design plans.
Employees 	- Operating Performance - Employment / Labor-Management Relations - Occupational Safety and Health - Education and Training	Human Resources Dept. Mr. Chen spokesman@seyi.com	- Occupational Safety and Health Committee meetings. - Labor-management conferences. - Employee Welfare Committee meetings. - Health checkups: Once every two years. - Performance evaluations and interviews: Once a year. - Education and training: Planned and organized based on requirements. - Sexual harassment prevention and employee complaint mailbox: Open at all times. - Club activities: From time to time.	- Occupational Safety and Health Committee meetings: Convened once every quarter. - Labor-management conferences: Convened once every quarter. - Employee Welfare Committee meetings: Convened once every quarter. - Education and training: A total of 5,236 hours in 2024.
Media 	- Green Products - Employment / Labor-Management Relations - Occupational Safety and Health	Chairman's Office Ms. Chen spokesman@seyi.com	- Corporate messages: Published as required. - Media reports: Published as required. - Media exchanges: Arranged as required. - Phone or mail contact: In a timely manner.	- Corporate message releases: 3 in total. - Media reports: 18 in total.

Category	Key Issues of Concern	Communication Channels	Communication Methods	Communication Outcomes / Performance
Governmental Authorities 	- Green Products - Greenhouse Gas (GHG) Emissions - Energy Management - Water Resource Management	QA Div. Mr. Chen spokesman@seyi.com	- Relevant city government departments: Occasional official document exchanges. - Government promotion seminars: Participation on an occasional basis. - MOPS: Disclosures updated in a timely manner, regularly, or as required.	Material information disclosures in Chinese and English: 46 releases in total.
NGOs and Schools 	- Innovation and Technology - Occupational Safety and Health - Education and Training	Chairman's Office Ms. Chen spokesman@seyi.com	- Industry-academia cooperation: Signed agreements with multiple universities for collaboration in research and technical exchanges. - NGOs: Participation from time to time, at least once annually.	- Industry-academia cooperation: A total of 9 universities, colleges, and vocational high schools in Taiwan. - Participation in NGO activities: A total of 459 hours. - Sponsored the SEYI Cup competition organized by the Taiwan Society for Technology of Plasticity.
Communities and Others 	- Greenhouse Gas (GHG) Emissions - Energy Management - Water Resource Management - Regulatory Compliance	Industrial Safety Office Mr. Chang spokesman@seyi.com	- Corporate website. - Visiting local groups/participation in local activities: From time to time. - Phone contact or visits: From time to time.	- Corporate website: Respond to nearly 100 e-mails each year. - Participate in local ecological conservation initiatives, including the Taoyuan beetle incubation program and volunteer team activities. - Select local suppliers for group meal services

The background of the slide is a composite image. The upper portion shows a close-up of a metallic robotic arm in a factory setting, with bright blue and white lights creating a high-tech atmosphere. The lower portion shows a detailed view of a green printed circuit board (PCB) with various electronic components like capacitors and resistors. A semi-transparent green rectangular overlay covers the middle section of the image, serving as a backdrop for the text.

03

Innovative Technology

- 3.1 Industry Overview
- 3.2 Market Overview
- 3.3 Product Overview
- 3.4 Innovative Products
- 3.5 Green Product R&D
- 3.6 Product Safety and Lifecycle Management
- 3.7 Intellectual Property Management

3.1 Industry Overview

According to TAMI's data based on customs export statistics, the total export value of Taiwan's machine tools in 2024 was US\$2,217.89 million, a year-on-year (YoY) decrease of 14.8%. Among them, the export value of forming machine tools was US\$383.39 million, down 3.7% from the previous year. Looking ahead, the machine tool industry in 2025 is expected to face more intense competition, with production value remaining flat. The key to future development lies in the application of smart machinery technologies, particularly the integration of artificial intelligence (AI), robotics, and digital twin solutions, along with driving enterprises toward green transition to reduce energy and resource consumption. These efforts will support progress toward net-zero carbon emissions and further enhance long-term competitiveness in the global market.

Shieh Yih Machinery offers a complete range of stamping presses from 25 to 2,500 tons, focusing on the design and production of both mechanical and servo presses. We rank among the world's top five servo press manufacturers and the top 20 machine tool enterprises globally. Whether for single or multi-press lines, single-stroke, progressive dies, or transfer dies, Shieh Yih provides tailored solutions to meet diverse metal stamping processes and workpiece sizes. Our main customers include industries such as automotive, consumer electronics, home appliances, construction hardware, agricultural machinery, aerospace, and medical devices. In response to the global net-zero transition, we actively promote the concept of "green products" and have launched a full series of high-efficiency, digital, energy-saving, low-carbon servo presses. To capture opportunities in the hydrogen energy sector for new energy vehicles, Shieh Yih is accelerating the development of relevant applications, which have been designated as a key growth focus for 2025. As manufacturing becomes increasingly digital and intelligent, we provide integrated stamping and automation solutions that deliver one-stop services for customers. At the same time, our Smart Stamping Solution leverages IoT technology to collect sensor data, transforming it into reports and dashboards that help customers monitor energy consumption, support carbon footprint calculations, and advance both green transition and smart manufacturing.


SEYI Machinery

Product Focus	Mechanical presses and servo presses
Tonnage Range	25 to 2,500 tons
Market Position	Top five servo press manufacturers worldwide
Customer Industries	Automotive, electronics, home appliances, etc.
2025 Focus	Hydrogen energy applications
Solutions Offered	Integrated stamping and automation
Sustainability Initiatives	Low-carbon servo presses, energy monitoring

3.2 Market Overview

With the rapid development of the global EV market, particularly the transition challenges faced by Europe's automotive industry, hydrogen fuel cell electric vehicles (FCEVs) have emerged as an important growth focus. Market forecasts project the global fuel cell market to continue expanding, reaching US\$2.1 billion by 2030. As a clean and efficient energy source, hydrogen can significantly reduce carbon emissions across transportation, industry, and household electricity, making it a critical option for achieving net-zero emissions. Against this backdrop, the bipolar plates used in fuel cell stacks have become a key application market for the stamping press industry. Shieh Yih has actively invested in market research and will prioritize the development of stamping solutions for this application in 2025. In parallel, with upgrades in electrical control systems and the integration of smart technologies, Shieh Yih is also enhancing the performance and intelligence of servo presses, advancing automation and digitalization to help customers address the challenges of vehicle lightweighting, energy conservation, and carbon reduction.

Prospects and Strategies

To respond to market dynamics and industry transformation trends, Shieh Yih Machinery has established clear short- and long-term development strategies. These strategies span product optimization, supply chain management, the adoption of new technologies, and global market deployment, with the aim of strengthening overall competitiveness and enhancing agility in a changing environment. The Company's 2025 business development plan is outlined as follows:

♦ Short-term Business Development Plan

1. Support customers in achieving net zero and digital transformation through a comprehensive portfolio of low-carbon servo presses and smart stamping solutions.

2. Review the current product portfolio and enhance model specifications to reduce production costs and better meet customer needs.
3. Restructure the supply chain by expanding alternative suppliers and backup material lists to mitigate annual supply cost risks.
4. Target emerging application markets with high potential and develop dedicated models to drive revenue growth.
5. Strengthen after-sales services and provide localized, real-time support to build long-term customer trust and increase repurchase rates.

♦ Long-term Business Development Plan

1. Proactively evolve into a comprehensive stamping solution integrator, assisting customers in building automated stamping production lines.
2. Expand applications of metal stamping to ensure new product R&D remains closely aligned with market trends.
3. Leverage resources from domestic and international industry, government, academia, and research institutions to develop key technologies, and introduce AI and advanced composite material applications.
4. Strengthen cooperation with regional distributors by providing end-to-end training and education, from pre-sales to after-sales, to reinforce the Company's global market presence.



◆ Technology Innovation and Sustainability Strategy

Shieh Yih Machinery recognizes that resilient infrastructure and sustainable innovation are the cornerstones of long-term corporate development. In response to global trends toward net-zero and smart manufacturing, we are actively advancing the following strategies:

1. Adopt technological innovation as a core competitive strength, focusing on the R&D of sustainable products with low energy consumption and high efficiency to increase global market share.
2. Continue to invest in new processes and product R&D, optimize product quality and production efficiency, and expand into diverse application fields.
3. Establish a comprehensive innovation R&D system, strengthen R&D processes and management mechanisms, and enhance product added value and international competitiveness.
4. Reinforce intellectual property rights management, optimize patent and trademark portfolios, safeguard innovation achievements, and consolidate the Company's technological leadership.

Through the continuous implementation of the above strategies, Shieh Yih Machinery will sustain flexible responsiveness and stable growth momentum amid global supply chain shifts and the wave of sustainability transition, moving toward a future of resilience and lasting sustainable value.

3.3 Product Overview

Product Application Field

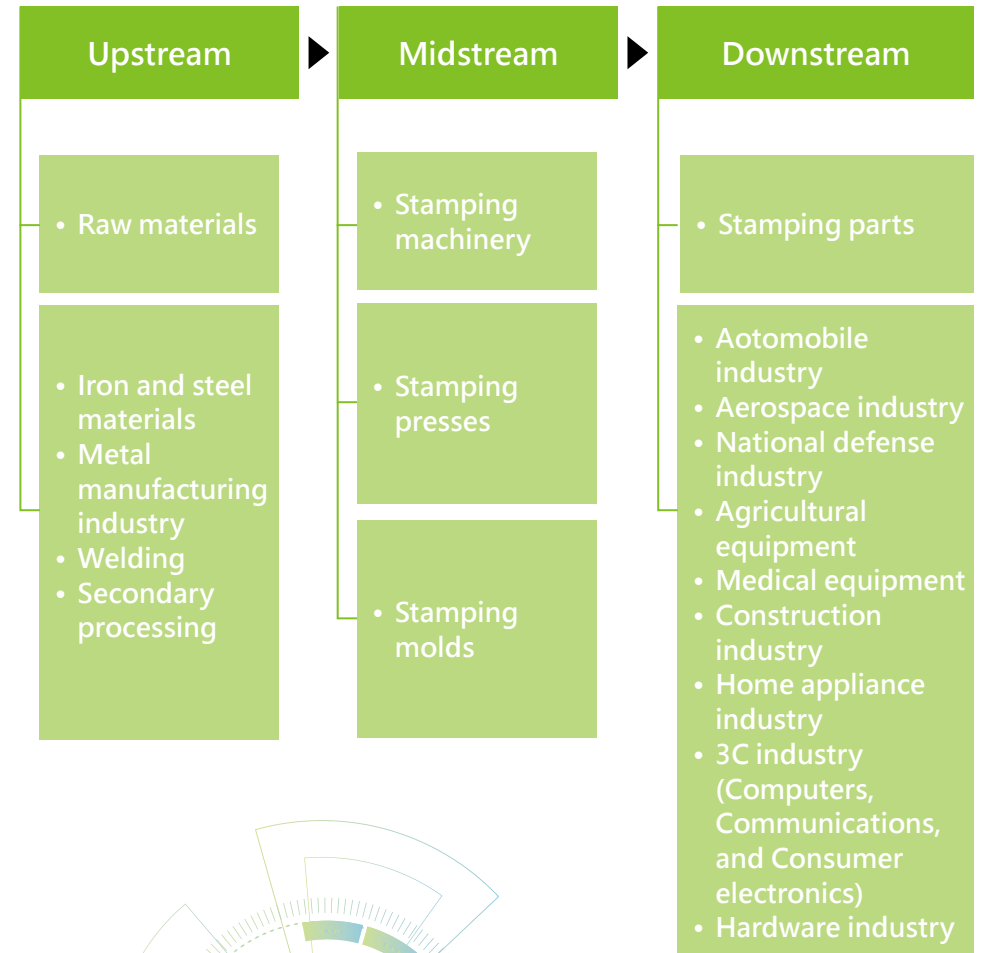


Shieh Yih's stamping presses are widely applied in the forming of metal materials, including feeding, cutting, punching, bending, and drawing. These presses are commonly used in the production of automotive stamping parts, such as large sheet metal components, safety structural parts, and smaller precision parts. In addition, they are applied to the manufacturing of metal casings for consumer electronics and home appliances, as well as parts for furniture, machinery, and equipment. From a materials perspective, in addition to metals such as steel and aluminum alloys, certain non-metallic materials, such as carbon fiber and paper, can also be processed through stamping.

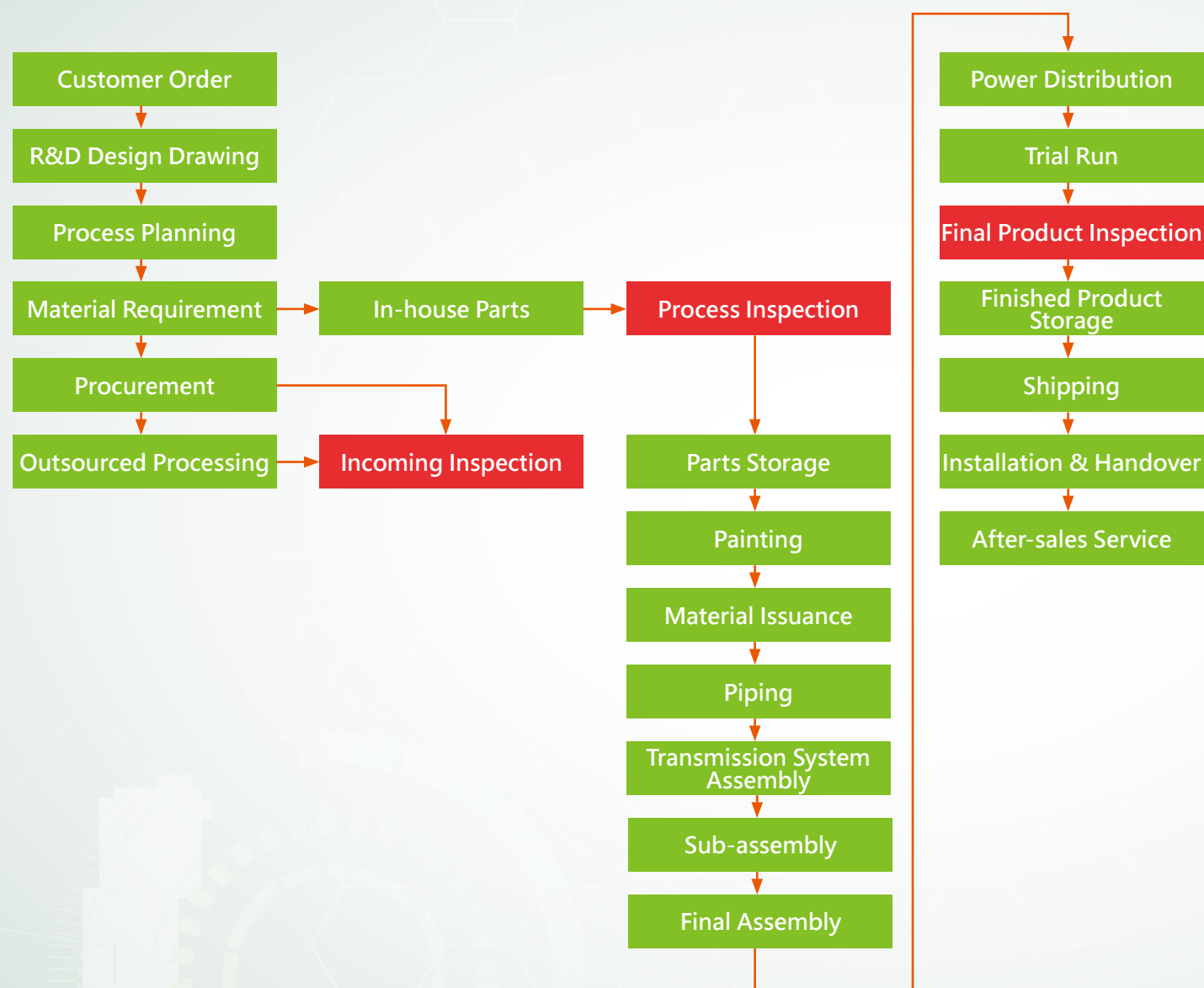
Product		Usage Description
Stamping	Whole Vehicle	Sheet metal components, engine hoods, trunk lids, fenders, automotive hardware, and automotive electronics..
	Automobile Parts and Components	Large and small sheet metal parts, A- and B-pillar structures, bumper beams, various pedals (including brake and clutch master cylinder pedals), as well as small precision parts and chains for automobiles, motorcycles, and bicycles.
	Medical Device Industry	Surgical instruments, frames, housings for medical equipment, and hospital bed components.
	Consumer Electronics	Server casings, computer mainframe housings, drive bays, CD/DVD drive covers, power supply unit housings, heat sinks, iron frames for cathode ray tubes (CRT), and various connectors.
	Home Appliance Industry	Outer casings and bases of air conditioners, back covers of LCD screens, various switches, battery clips, plugs, copper sheets for sockets, toaster housings, metal sheets for lighting, and outer casings and internal components of microwave ovens.
	Communication Products	Metal stamping components for switches, mobile phones, and various communication devices.
	Motors and Inverters	Motors for washing machines; compressors for air conditioners and refrigerators; starter motors for automobiles and motorcycles; motors for power windows and wipers; housings, stators, and rotors for motors under 1/2 HP; transformer silicon steel sheets for general home appliances; and cooling fans for computers.
	Stationery and Furniture	Staplers, paper clips, pen clips, metal frames for office chairs, drawers for office desks, slide rails, and door locks.
	Heavy Electrical Equipment Industry	Large transformer silicon steel sheets.
	Engineering Machinery	Sheet metal parts, engine components, hardware parts, exterior parts, and gears/chainrings
	Agricultural Machinery	Sheet metal parts, engine components, exterior parts, hardware parts, gears/chainrings, and blades.
	Aerospace Industry	Aerospace sheet metal parts, aircraft fasteners, instrument panel covers, and other structural components.
	Other Industries	Cutting of floor tiles (colloids) and eco-friendly paper materials.



Relationship within the Industry Value Chain



Production Process of Products



3.3.1 Supply Chain Management

To implement effective “supply chain management and strengthen a resilient supply chain,” the Company has adopted the following management policies :

- ◆ Suppliers are required to comply with the Code of Conduct under the “Vendor Management Procedures.”
- ◆ Suppliers must comply with the “Contractor Environmental Safety and Health Management Rules” and the “Contractor Environmental Safety and Health Affidavit.” The Company also provides support by assisting suppliers in conducting environmental, safety, and health training.
- ◆ Monthly consultation meetings are convened with the top five underperforming suppliers to help them optimize their processes and improve product quality.

Supply Chain Environmental Policy

- ◆ Implement the “Annual Vendor Evaluation” and integrate the results into procurement decision-making.
- ◆ Conduct supplier risk assessments, with consultations in 2024 primarily focusing on lathe suppliers.
- ◆ Continue organizational greenhouse gas (GHG) inventories and product carbon footprint assessments.
- ◆ Optimize production processes to reduce electricity consumption and minimize waste.
- ◆ Strengthen safety awareness in the workplace.
- ◆ Continue to advance corporate governance and build a resilient supply chain.

Supply Chain Environmental Management Performance

Shieh Yih Machinery conducts annual supplier evaluations to ensure supply chain stability and assess the overall performance of business partners. The evaluation criteria cover multiple indicators, including delivery reliability, compliance with corporate policies, quality management systems, equipment and technical capabilities, and delivery quality. These serve as important references for continued cooperation and supplier improvement. In 2024, a total of 29 suppliers were evaluated, with the results as follows:

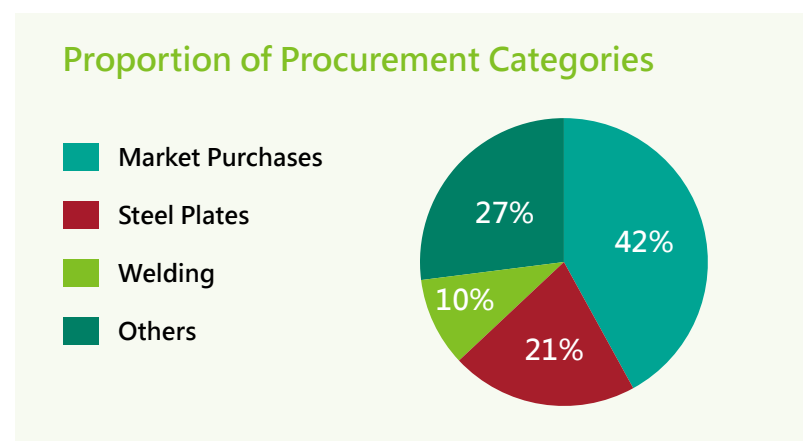
- ◆ 6 suppliers were rated as “Excellent.”
- ◆ 23 suppliers were rated as “Grade A, B, or C.”

Through the annual evaluation mechanism, the Company effectively monitors the overall quality and risk conditions of the supply chain. This serves as a critical foundation for supplier management and consultation, thereby enhancing operational efficiency and strengthening sustainable competitiveness.

3.3.2 Key Raw Material Supply

The Company's main raw materials include frames, slides, bolsters, gears, cranks, and servo motors. These are supplied by vendors or partially procured from overseas. The Company maintains strong cooperative relationships with its vendors, ensuring stable pricing. Overall, the Company's key raw materials can be reliably sourced from multiple domestic and international suppliers. To mitigate procurement risks, the Company also adds additional suppliers when appropriate, thereby maintaining reasonable and stable price and quality levels. The list of the Company's main suppliers is as follows:

Procurement Volume of Main Raw Materials



Overview of Raw Material Procurement Regions

Shieh Yih has maintained close partnerships with approximately 99 local suppliers in Taoyuan, accounting for one-third of its major suppliers. These partnerships cover the supply of parts and components as well as the welding and forging of frames. In 2024, the Company's top five procurement suppliers were all Taiwanese enterprises. By promoting local procurement and supporting the development of local suppliers, Shieh Yih has enhanced the efficiency and stability of its supply chain, fostered strong and collaborative relationships with partners, and achieved the goal of sustainable growth together.

Unit: NT\$ thousand ; %

2023			2024		
Name	Amount	Percentage of Net Purchases (%)	Name	Amount	Percentage of Net Purchases (%)
Vendor A	253,230	14.87%	Vendor A	274,858	14.22%
Others	1,482,577	85.13%	Others	1,657,644	85.78%
Net Purchases	1,735,807	100.00%	Net Purchases	1,932,503	100.00%

Vendor A is a professional steel plate welding and cutting company. Its main business scope includes the welding and processing of frame and gear structures. The Company primarily procures cut steel plates and frames from this vendor.

Rank	Company Name	Category	Procurement Item	Procurement Ratio in 2024	Location
1	Company A	Steel Plates	Frame and steel plate materials	9.57%	Zhongli District, Taoyuan City
2	Company B	Market Purchases	Servo motors, drivers, and voltage stabilizers	7.05%	Xinzhuang District, New Taipei City
3	Company C	Steel Plates	Frame and steel plate materials	4.43%	Luzhu District, Taoyuan City
4	Company D	Market Purchases	3D transfer systems and automated devices	4.09%	Dali District, Taichung City
5	Company E	Lathework	Flywheels, bushings, tie bars, and clutch covers	3.80%	Luzhu District, Taoyuan City

3.4 Innovative Products

With the continuous advancement of technology and the evolving patterns of end-user consumption, Shieh Yih has kept pace with market trends. The Company promotes and develops innovative products through R&D and data analysis, ensuring that new developments meet customer and market needs in areas such as technological breakthroughs, design thinking, green sustainability, and digital transformation. The R&D achievements over the past three years are as follows:

Year	R&D Achievements
2022	1. Development of the SDE4-1600 eccentric gear servo press 2. Development of the SE4-1000(B) blanking press 3. Design of the SE2-1200(T) transfer press 4. Design of the HW200 high-torque clutch 5. Development of the full-tonnage, full-stroke protection function for servo presses
2023	1. Development of the SDN1-110 C-frame servo press 2. Design of the SNS2-600-LT split-frame 3. Design of the SAG2-400 rigid straight-side structure 4. Research and design of the SDN1-110 Scotch yoke
2024	1. Completed the development of the SE4-800(B) high-speed blanking press 2. Completed the development of the punching/shearing vibration simulation testing system for new machine testing 3. Completed the development of the single-point 800-ton high-pressure oil chamber 4. Completed the design of the SAG2-1600 two-point rigid high-tonnage press



Technology and R&D Overview

Against the backdrop of rising global demands for precision and product performance in the machine tool industry, Shieh Yih is dedicated to meeting customer expectations for one-stop solutions through substantial R&D investment and technological innovation. Each year, the Company allocates approximately 4% of its operating income to R&D, integrating self-designed critical components with government-supported R&D resources. This approach enables continuous improvements in product performance, enhancement of market competitiveness, and the establishment of a solid foundation for international expansion. The key areas of research and innovation investment are outlined as follows:

▼ R&D Expenses in the Past Two Years

Unit: NT\$ thousand

Item \ Year	2023	2024
R&D Expenses	163,113	153,404

▼ Products under Development

Model	Function
High-tonnage Servo Die Cushion	Equipped with digital servo control, allowing customized settings of position and load, thereby enhancing forming efficiency.
Servo-connected Electric Control System	This system integrates servo presses with automated peripheral equipment, maximizing the advantages of servo products and significantly enhancing production efficiency.
High-torque Clutch	As a core component of stamping presses, in-house production of clutches allows us to control schedules, fulfill customer orders with shorter delivery times, and reduce reliance on imported parts with long lead times.
Smart Machinery System	In response to global trends in Industry 4.0 and smart manufacturing, we are developing a dedicated forming process production line management system for stamping production lines.
Clutch Testing Instrument	As the Company develops its own high-torque clutches, this instrument was designed to meet the measurement and testing requirements of hydraulic clutches.
Energy-saving Hydraulic Power System	Development of the HW clutch series hydraulic power supply system with energy-saving technology.
SD1-160 High-precision Servo Press	A high-precision servo press specifically developed for the forming of bipolar plates in hydrogen fuel cells.

Special Honor

In 2024, Shieh Yih Machinery's SD1 series Solid Frame Crank Servo Press and SNS2 series Solid Frame Crank Press received the Gold Label, the highest honor in the machine tool industry for energy efficiency. This recognition not only affirms the Company's outstanding achievements in energy-saving technologies but also underscores its firm commitment to environmental protection and sustainable development.

Shieh Yih fully incorporated energy conservation and environmental protection requirements into the design of both products. Structural improvements to components, the adoption of high-performance parts, the integration of energy-saving modules, and the application of smart technologies were utilized to optimize equipment performance and further reduce carbon emissions. Under the operating scenario of 12 hours per day and 22 days per month, the SD1 servo press can help customers reduce annual carbon emissions by approximately 8,000 kg CO₂e, while the SNS2 crank press can reduce emissions by about 2,300 kg CO₂e. These innovative designs not only ensure outstanding performance while maintaining stamping rigidity and stability but also significantly lower energy consumption and carbon emissions, fully demonstrating Shieh Yih's commitment and achievements in eco-friendly technologies and sustainable development.



**Solid Frame Crank Servo Press
SD1 series**



**Solid Frame Crank Press
SNS2 Series**



3.5 Green Product R&D

Shieh Yih Machinery continues to position green R&D as a key direction of its corporate sustainability strategy. Through its corporate governance framework, the Company integrates high-performance and energy-saving design thinking into the product development process. Using the servo press as an example, product design adheres to the principles of environmental protection and energy conservation. By applying Shieh Yih's self-developed servo motor technology, the products not only reduce electricity consumption during operation but also feature a regenerative braking function that generates electricity and stores it when the machine decelerates, thereby improving energy efficiency. Based on internal testing results and application cases, the average electricity consumption of servo presses is approximately one-half to one-third that of traditional stamping presses, with the actual energy savings varying depending on production models and operating conditions. This technology helps reduce carbon emissions generated during product manufacturing, advancing the transition toward low-carbon production.

In a simulation of approximately 10,000 stamping presses nationwide (assuming an average tonnage of 200 tons, 2,400 operating hours per unit per year, and using Taipower's 2023 average carbon emission factor), if all machines were replaced with high-efficiency servo presses, it is estimated that annual carbon emissions could be reduced by around 470,000 tons of CO₂e. This reduction is equivalent to the annual carbon absorption of about 140 Da'an Forest Parks, or approximately one-third of the annual electricity generation of the Linkou Power Plant. The above assessment represents an ideal scenario, and the actual benefits will vary depending on the industry application, equipment usage patterns, and energy sources. Looking ahead, Shieh Yih will continue to drive product designs that enhance both energy efficiency and environmental benefits through the Sustainable Development Committee and R&D decision-making processes. The Company also plans to evaluate the adoption of third-party product carbon footprint verification and lifecycle analysis to further enhance the transparency and credibility of its R&D efforts.



3.6 Product Safety and Lifecycle Management

1. No product recalls occurred in 2024.
2. All stamping presses are equipped with warning labels and functional symbols, and operating manuals are provided with each product.
3. In 2024, the Company incurred no economic losses resulting from lawsuits related to product safety.
4. The Company currently does not calculate the ratio of qualified products with energy efficiency certification based on revenue.
5. The Company currently does not calculate the ratio of qualified products with environmental product lifecycle certification based on revenue.
6. The Company's equipment is characterized by long service life and durability; therefore, no end-of-life product lifecycle management mechanism has been established. However, to strengthen sustainable operations, the Company will continue to monitor this issue and evaluate feasible strategies.

3.7 Intellectual Property Management

The intellectual property management plan is a key element for protecting the Company's intellectual property rights and safeguarding its competitive advantages. To ensure the protection of trademarks and R&D patents, the Chairman's Office, along with legal affairs functions and other relevant units, integrates business objectives, trademark deployment, R&D resources, and trade secrets. Guided by the Company's intellectual property strategy, these units maintain close communication and coordination to ensure compliance across departments and continuously improve the management system.

Management Plan

1. Trademark

- ◆ **Trademark Registration** : File trademark applications in accordance with the requirements of the trademark authorities in each country, while selecting appropriate registration categories based on business needs.
- ◆ **Use of Trademark** : Establish trademark usage specifications and guidelines in line with the Corporate Identity Manual (CIM), and formulate Trademark Licensing Management Standards to regulate trademark licensing and usage.
- ◆ **Trademark Monitoring** : Monitor trademark usage to promptly identify and prevent infringements.
- ◆ **Trademark Rights Protection** : Regularly review trademark rights and assess the necessity of enforcement actions.

2. Patent

- ◆ **Patent Applications** : File patent applications based on the technical characteristics and commercial value of R&D achievements, as well as the requirements of the competent patent authorities.

- ♦ **Patent Rights Protection** : Pay patent annuities on time to maintain patent validity. At the same time, review the utilization of granted patents and their relevance to products, and assess the necessity of continued maintenance.
- ♦ **Patent Monitoring** : Regularly monitor the approval status of relevant patents within the industry to track market development trends.

3. Business secrets

- ♦ **Concept Promotion** : Ensure that all employees clearly understand the importance of business secrets to strengthen legal governance awareness. All employees have signed the Confidentiality and Intellectual Property Agreement and the Non-disclosure Agreement for Product Development, Design, and Manufacturing Projects to ensure the Company's confidential information is effectively protected.
- ♦ **Information Security Management** : All Company computer equipment requires employees to log in with individual accounts and passwords, which are updated regularly. The use and management of computer software are strictly regulated to prevent intellectual property infringement caused by improper software use. Information security awareness is also regularly promoted.
- ♦ **File Management** : Each department is equipped with its own physical and electronic file storage spaces. Access rights are managed by the departments to control usage and authorization.
- ♦ **Graphic Management** : Strict access restrictions are enforced for the Company's graphic data. Only authorized personnel may access the information, and data must be transmitted through secure communication channels to prevent unauthorized acquisition.
- ♦ **Access Control Management** : All employees are issued access control cards, and entry permissions are assigned based on departmental attributes. Non-employees must register their identity before entering Company premises, their activity areas are restricted, and they must be accompanied by Company employees at all times.

Implementation Status in 2024

The Company regularly reports intellectual property matters to the Board of Directors in the third quarter of each year. The most recent report was presented on August 12, 2024. The intellectual property portfolio and achievements in 2024 were as follows:

1. **Trademarks** : The Company held a total of 59 registered trademark rights worldwide.
2. **Patents** : The Company held a total of 62 effective patents worldwide.
3. **Business Secrets** : The Company managed documents, personnel, and equipment related to production, sales, and operations in accordance with relevant confidentiality management regulations.



A person in a dark suit and white shirt is shown from the chest up. Their right hand is held palm-up, and two bright, glowing yellow stars are floating just above it. The background is a soft-focus indoor setting.

04

Customer Relationship Management

- 4.1 Management Strategy and Practices
- 4.2 Customer Satisfaction Survey
- 4.3 Customer Privacy Protection

4.1 Management Strategy and Practices

Shieh Yih Machinery has long focused on stringent product quality control. With extensive experience in customized design and manufacturing, combined with rigorous order management procedures and comprehensive product testing, the Company has earned strong customer trust. Building on this foundation, Shieh Yih will continue to prioritize customer needs, strengthen long-term and stable relationships through outstanding service and effective communication, and further enhance customer satisfaction and loyalty. These efforts aim to reinforce the Company's competitiveness and exceed market expectations.

The Company regards customer health and safety in product use as a top priority and has embedded this core concept into every stage of product design, R&D, production, supply chain management, and customer service. Accordingly, we strictly adhere to both domestic and international safety standards to ensure that all products meet the highest safety requirements. At the same time, we support customers in safe and accurate product operation through clear labeling, user instructions, and responsive customer service. The following items were completed in 2024:

1. To safeguard users' health and safety, the Company provided options for installing light curtains and protective nets during product design and manufacturing to reduce operational risks.
2. Fully implemented labeling requirements on every stamping press product, including nameplates and service contact information.
3. In 2024, there were no incidents of non-compliance with product and service health and safety regulations.
4. In 2024, there were no legal incidents arising from non-compliance with product and service information or labeling requirements.
5. In 2024, there were no cases of non-compliance with marketing and communication regulations.

The Company has consistently demonstrated a strong sense of responsibility toward sustainable consumption and production, actively promoting the green economy to realize sustainable models, while joining hands with stakeholders to move toward a net-zero future. Shieh Yih focuses on two key aspects: enhancing green manufacturing capabilities and deepening partnerships, to advance the following strategies.



Promoting Green Manufacturing Capabilities

To strengthen the Company's commitment to environmental sustainability, we continue to advance energy conservation, carbon reduction, and the optimal use of resources across manufacturing processes, product design, energy management, and other areas. Specific practices include :

1. **Establishment of an Energy Consumption Monitoring System :** Through digital management, assist customers in tracking equipment energy usage, implementing optimal adjustments, and thereby reducing overall carbon emissions and energy consumption.
2. **Promotion of Green Product Applications :** Actively develop and support high-efficiency equipment for the environmental protection industry, such as bipolar plate forming machines for new energy vehicles (EVs), to assist customers in their green transition.
3. **Development of a Green Supply Chain :** Collaborate with suppliers to promote carbon reduction actions and comprehensively lower the carbon footprint through raw material selection, packaging optimization, and transportation methods.

Deepening Diverse Partnerships

Shieh Yih regards customers and suppliers as key sustainability partners, committed to growing together with the value chain while enhancing overall carbon reduction and innovation capabilities to jointly realize a sustainable future. The main strategies are as follows :

1. **Promote Green Transition and Value Chain Integration:** Collaborate with upstream and downstream partners to promote servo presses and other energy-saving equipment, introduce eco-friendly materials and low-carbon technologies, and establish joint carbon reduction targets.
2. **Enhance Carbon Footprint Transparency:** Develop a carbon emissions data platform to help partners monitor emissions and accelerate carbon reduction efforts at different stages.
3. **Strengthen Industry–Academia–Research Collaboration:** Partner with academic institutions and R&D organizations to jointly develop technologies for new energy, lightweight, and composite materials, thereby increasing product added value.
4. **Enhance Partners' Capabilities:** Support supply chain partners in improving practical capabilities in environmental management and green manufacturing through training and exchange activities, fostering a resilient and sustainable value chain.

4.2 Customer Satisfaction Survey

Shieh Yih has consistently sought to gain an in-depth understanding of customer satisfaction, expectations, and improvement suggestions regarding the Company's services. Each year in the third quarter, the Company conducts an annual customer satisfaction survey to collect genuine customer feedback, identify service strengths and areas for improvement, and formulate more effective service strategies. These efforts aim to enhance the overall customer experience and increase satisfaction levels.

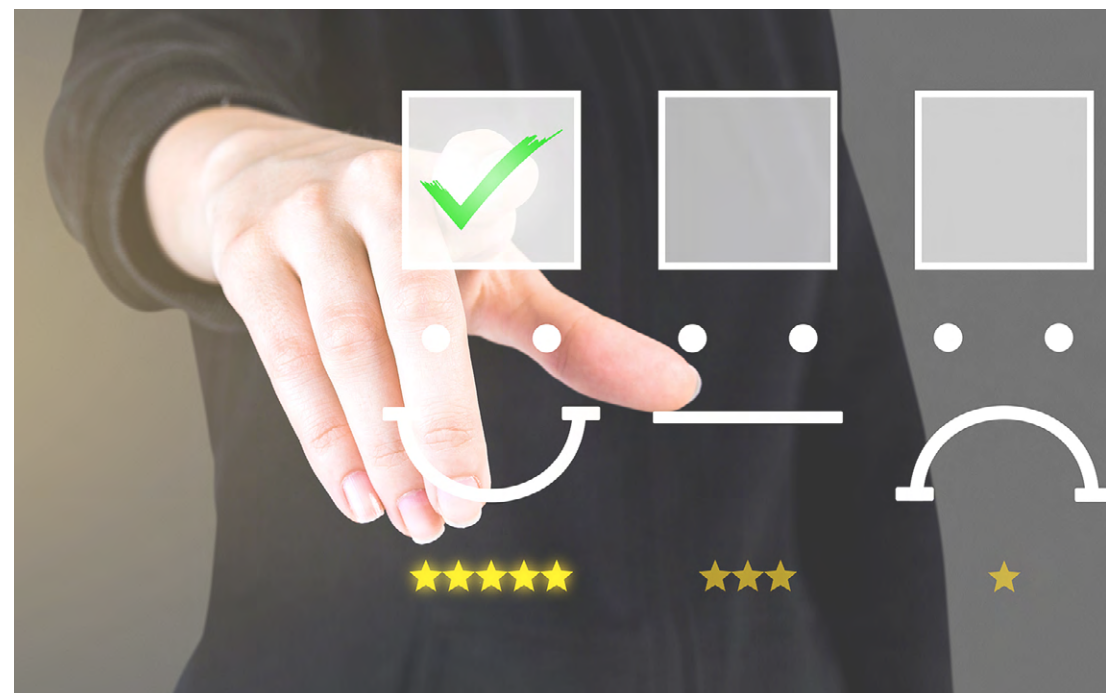
Customer Satisfaction Survey Process and Method

- ◆ **Survey Period:** From June 21, 2024 to August 9, 2024.
- ◆ **Sampling Targets:** Representative customers or those with transactions within the past year.
- ◆ **Survey Methods:** Online questionnaires, telephone interviews, fax, and in-person visits.
- ◆ **Number of Questionnaires:** 100 questionnaires were distributed, and 91 valid responses were collected and used for statistical analysis.
- ◆ **Regions of Respondents:** Approximately 85% from Asia and 15% from Europe, the U.S., Africa, and Australia.
- ◆ **Distribution of Models in Responses:** About 60% C-frame crank, 31% solid-frame crank, 6% straight-side crank, 2% solid-frame servo, and 1% straight-side servo models.

The annual Customer Satisfaction Survey is evaluated across six dimensions: marketing, sales services, product quality, delivery quality, after-sales services, and product benchmarking against peers. The dimension of after-sales

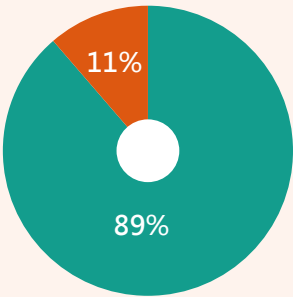
services is further assessed through five criteria: response etiquette, response speed, processing timeliness, continuous follow-up, and service quality.

In the 2024 survey, the overall satisfaction level reached 89%. Notable improvements were observed in delivery quality and after-sales services compared with 2023, particularly in response speed for after-sales services, post-delivery processing, sales services meeting customer needs, and product safety. To continuously strengthen product competitiveness, the Company is actively optimizing supply chain management, reviewing cost structures, and strictly controlling the quality of materials, with the aim of excelling in price, quality, and service.



2024 Customer Satisfaction

- Satisfied
- Dissatisfied (including Fair)



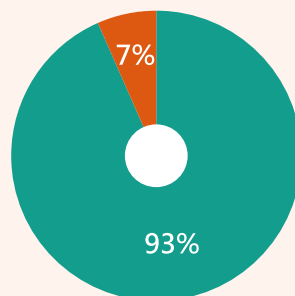
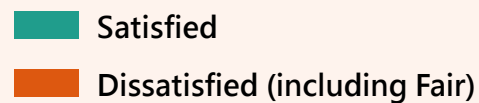
▼ Customer Satisfaction

Unit: Number of questionnaires



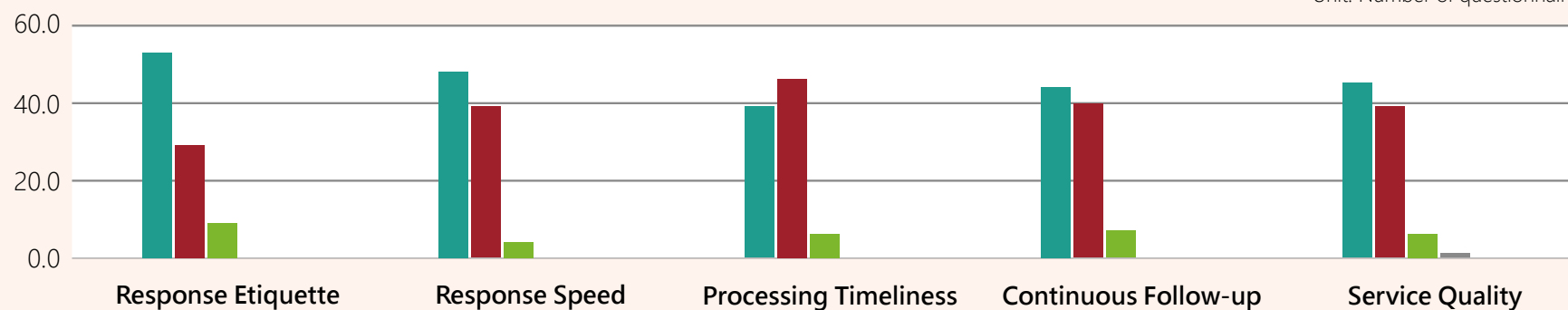
	Marketing	Sales Services	Product Quality	Delivery Quality	After-sales Services	Comparison with Peer Products
Very Satisfied	45.0	52.0	43.0	45.5	4.0	27.8
Satisfied	30.5	30.0	41.4	39.9	41.0	44.8
Fair	15.5	9.0	6.2	6.0	5.8	18.3
Dissatisfied	0.0	0.0	0.4	0.3	0.3	0.3
Very Dissatisfied	0.0	0.0	0.0	0.0	0.0	0.0

2024 After-sales Services



▼ After-sales Services

Unit: Number of questionnaires



	Response Etiquette	Response Speed	Processing Timeliness	Continuous Follow-up	Service Quality
■ Very Satisfied	53	48	39	44	45
■ Satisfied	29	39	46	40	39
■ Fair	9	4	6	7	6
■ Dissatisfied	0	0	0	0	1
■ Very Dissatisfied	0	0	0	0	0

Satisfaction Analysis in 2023 and 2024

Year	Marketing	Sales Services	Product Quality	Delivery Quality	After-sales Services	Comparison with Peer Products
Satisfaction in 2024 (%)	83.0%	90.1%	92.7%	93.1%	93.4%	79.7%
Satisfaction in 2023 (%)	85.2%	91.3%	84.8%	85.8%	89.5%	75.6%
Difference over the Past Two Years (%)	-2.3%	-1.2%	8.0%	7.3%	3.9%	4.1%

Note: Differences (%) in the satisfaction score — positive values indicate improvement, while negative values indicate decline.

After-sales Services

Shieh Yih has established comprehensive sales and service locations in major global markets and collaborates with local distributors to ensure that multinational customers can receive prompt technical support, repair, and maintenance services worldwide. This extensive service network overcomes challenges of time zones and geographical locations, enabling continuous and uninterrupted service that strengthens customer trust and satisfaction.

In addition, distributors' familiarity with local markets and customer needs allows them to provide localized support, further expanding service coverage and reinforcing Shieh Yih's competitiveness in the global market.

Moreover, Shieh Yih has introduced convenient digital dispatch and remote inspection tools to instantly track and manage service requests, optimize resource allocation, respond more rapidly to customer needs, and shorten processing times. These measures ensure consistent, high-quality services and comprehensively enhance the Company's global market competitiveness.

Item	Description	Number of Cases Completed in 2024
Domestic Patrol Inspection Services	Regular maintenance and repair patrol inspections conducted by technicians	A total of 119 patrol inspection cases
Online After-sales Service Response	- Customer service appointments - Emergency after-sales services - Remote connection support - Real-time response by project teams	66 cases established for response 10 to15 online real-time responses per week

4.3 Customer Privacy Protection

“Strictly safeguarding customer confidentiality and upholding the principles of integrity” is the Company's commitment to customer privacy. The Information Security Team is responsible for coordinating and implementing protective mechanisms, establishing a comprehensive security system to ensure the confidentiality and integrity of customer data. In 2024, there were no complaints or penalties related to privacy from external parties or supervisory authorities.





05

Sustainable Environment

- 5.1 Environmental Commitments and Strategies
- 5.2 Emission Monitoring
- 5.3 Water Resource Management
- 5.4 Waste Management
- 5.5 Energy Management

5.1 Environmental Commitments and Strategies

Climate change has become a global focus, impacting not only ecosystems but also corporate operations and risk management. Enterprises must identify related risks and opportunities at an early stage to gain an advantage in the sustainability transition and seize new opportunities. Shieh Yih fully recognizes the importance of addressing climate change. To fulfill our corporate responsibility for environmental protection, we launched our organizational GHG inventory in 2023 with 2022 as the base year. Since then, we have continued to promote energy conservation and carbon reduction measures, as well as carbon emissions disclosure management, to accurately monitor and manage our GHG emissions. Based on the results of the inventory, we further develop reduction plans, turning sustainability commitments into concrete actions and striving to achieve balanced development between corporate growth and the natural environment.

The Company conducted a systematic and consistent GHG inventory and list establishment in accordance with the standards and requirements of ISO 14064-1:2018. The results were compiled and analyzed to accurately understand the Company's GHG emission status, serving as a reference for subsequent reduction initiatives. Through these efforts, the Company aims to contribute to mitigating global warming and fulfill its responsibility as a global corporate citizen.

Strategies in Response to Climate Change or GHG Management

Upholding the principle of sustainable operation, the Company continues to implement measures for environmental co-existence. Based on our GHG inventory, the primary emission source was Category 3-6: other indirect emissions arising from external activities. In alignment with the United Nations Sustainable Development Goals (SDGs) and in fulfillment of corporate ESG responsibilities, the Company integrates its environmental management policies into daily operations in accordance with the "Sustainable

Development Roadmap for Companies Listed on TWSE/TPEX." These policies include:

- Promoting energy conservation and enforcing pollution control.
- Implementing resource recycling and ensuring compliance with regulatory requirements.
- Fulfilling social responsibilities and committing to continuous improvement.

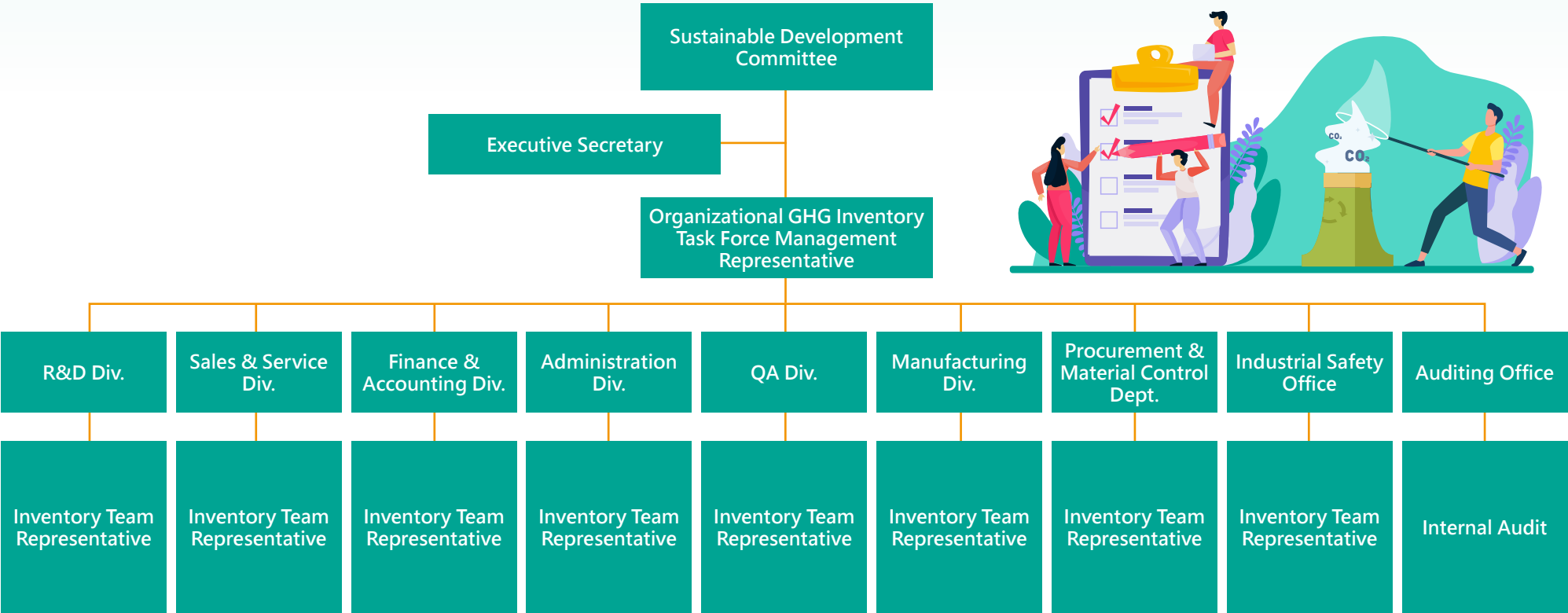
At the same time, the Company is formulating relevant carbon reduction measures and will promote them progressively as follows:

1. Promote energy conservation and cultivate the habit of "save energy at all times" to reduce energy waste.
2. Maintain office area temperature at 26° C and reduce the load of chilled-water units to lower electricity consumption.
3. Regularly review contracted installed capacity, A/C zoning, and lighting circuits to improve energy efficiency.
4. Conduct regular equipment maintenance to ensure optimal operating efficiency and minimize energy consumption.
5. Gradually replace fuel-powered transportation vehicles with hybrid or electric vehicles each year to reduce GHG emissions from fuel use.



5.2 Emission Monitoring

The Company's GHG inventory promotion is led by the ISO 14001 management representative, who serves as the convener and directs the inventory teams from various departments in carrying out the inventory work. The organizational structure is shown in the following figure:



GHG Emissions Target, Implementation Status, and Plan

Since 2022, Shieh Yih has established the GHG Inventory Management Procedures in accordance with the “GHG Emission Factor Management Table (Ver. 6.0.4, June 2019)” published on the National GHG Registration Platform of the Environmental Protection Administration, Executive Yuan, as well as the international standard ISO 14064-1:2018. These procedures are used to conduct and manage the inventory of organizational GHG emissions. Through systematic and standardized operating processes, the Company has enhanced the accuracy of the inventory and the effectiveness of management, providing a solid foundation for subsequent carbon reduction initiatives.

Based on Shieh Yih's GHG inventory data over the past three years, the Company's GHG intensity (covering Scope 1 and Scope 2) has shown a consistent downward trend. It decreased from 0.8714 tCO₂e per NT\$ million turnover in 2022, to 0.7215 in 2023, and further to 0.6109 in 2024, representing a cumulative reduction of 29.9% over the three-year period. This continuous annual decrease demonstrates the effectiveness of the Company's improvements in GHG management, implementation of energy-saving and carbon reduction measures, and enhancements in operational efficiency, resulting in a significant reduction of carbon emissions per unit of revenue. Looking ahead, Shieh Yih Machinery will continue to optimize production processes, introduce energy-efficient equipment, and drive low-carbon transition, moving toward the goal of resilient and sustainable operations.

The GHG emissions over the past three years are as follows:

Item	2022	2023	2024
Boundary	Taoyuan Plant and one dormitory	Taoyuan Plant and four dormitories	Taoyuan Plant and four dormitories
Total carbon emissions (tCO ₂ e)	14,711.610	16,567.962	13,592.948
Scope 1 (tCO ₂ e)	141.2808	126.0471	122.0500
Scope 2 (tCO ₂ e)	986.7760	953.2849	871.8772
Scope 3 (tCO ₂ e)	13,583.5532	15,488.6294	12,599.0211
GHG emission intensity (Scope 1 and 2) (tCO ₂ e/NT\$ million turnover)	0.8714	0.7215	0.6109
Turnover of Shieh Yih Taiwan (NT\$ million)	1,295	1,496	1,627

Description of GHG Inventory in 2024

- Organizational Boundary Setting:** For the GHG inventory, the Company adopted the "Operational Control Approach" in accordance with ISO 14064-1:2018 and the GHG Protocol. All GHG emissions from facilities under the Company's management or operational control were fully accounted for using the 100% recognition principle.
- Scope of Inventory Boundary:** Taiwan Taoyuan Headquarters and four dormitories.
- Emission Category Boundary:** Includes Category 1 (stationary sources, mobile sources, fugitive sources, and process emissions), Category 2 (purchased electricity), Category 3 (upstream transportation and business travel), Category 4 (purchased products, purchased fuels and energy resources, and waste treatment and disposal), Category 5 (downstream leased assets), and Category 6 (indirect GHG emissions from other sources). Category 6 was assessed as a non-material emission source under the significance evaluation standards of the GHG inventory and was therefore excluded from the 2024 inventory items.
- GHG Types Covered in the Inventory:** Seven types of GHGs were included: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃.

The analysis of total GHG emissions in 2024 (Unit: tCO₂e) is presented in the following table:

Category	Emissions (tCO ₂ e)	Share %
Category 1: Direct GHG emissions and removal	122.0500	0.90%
Category 2: Indirect GHG emissions from imported energy	871.8772	6.41%
Category 3: Indirect GHG emissions from transportation	2,079.3532	15.30%
Category 4: Indirect GHG emissions from products used by the organization	10,519.6668	77.39%
Category 5: Indirect GHG emissions related to the use of the organization's products	0.0011	0.00%
Category 6: Indirect GHG emissions from other sources	0.0000	0.00%
Total:	13,592.948	100%

Implementation Status:

- The GHG inventories of the Taiwan Plant for 2022 and 2023 were verified by AFNOR ASIA, an independent third-party organization, in accordance with the verification standards of ISO 14064-1:2018.
- The verification for 2024 was completed on March 25, 2025, and the verification certificate was obtained on July 18, 2025.

afnor Certificate

報告編號: (TH23-473 / 第 1 版)

溫室氣體查證報告意見書
THGHG23473-00

查證範圍: 協海機械工業股份有限公司
333014 桃園市龜山區南上興446號
☒ 南上興其他增設廠區附屬房舍。

查證準則: ISO 14064-1:2018

查證目標: 法德國際 (AFNOR ASIA) 根據ISO14064-3:2019標準, 確認上述範圍之溫室氣體量
明(溫室氣體查證報告)依據雙方協議之查證準則進行查證並出具報告。AFNOR以客為公
正的立場及原則性、客觀性、一致性、準確性、透明性執行查證。

查證期間: 2024年01月01日至2024年12月31日

查證數據: 直接溫室氣體排放量(類別1): 122.05 公噸 CO₂e
能源間接溫室氣體排放量(類別2): 871.8772 公噸 CO₂e
間接溫室氣體排放量(類別3-6): 12,599.0211 公噸 CO₂e

全球暖化潛勢值(GWP): 2021 年 6 月 29 日報告。
聲明依據: 本聲明必須與下列文件作為一個整體閱讀及執行。
溫室氣體查證報告 (版本: 1 ; 日期: 2025 年 03 月 25 日)
溫室氣體查證標準 (版本: 1 ; 日期: 2025 年 03 月 25 日)

真實性: 5% (類別1及類別2)

意見類型: ☒ 不含偏頗意見 ☐ 含偏頗意見(請見附錄) ☐ 放棄查證

查證結論: 確認組織溫室氣體查證報告之要求溫室氣體量, 並公正地呈報溫室氣體量, 且與相關標準、與雙方協議的查證準則一致。
聲明溫室氣體查證報告之可信程度等級為類別1及類別2。

本文件核發日期: 2025年07月18日

APPROVED BY
Steven Huang
Steven Huang
Director for Certification
ON BEHALF OF
AFNOR ASIA

第 1 頁 / 共 4 頁
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AFNOR ASIA Ltd. - 法德國際認證有限公司 33P-2, No. 102, Chung Ping Road, Taoyuan, 330, Taiwan R.O.C.
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afnor CERTIFICATION

afnor Certificate

Report No.: (TH23-473 / Version 1)

Greenhouse Gas Verification Report Opinion
THGHG23473-00

Verification Scope: SHIH YIH MACHINERY INDUSTRY CO., LTD.
No.446, Nanshang Rd., Guishan Dist., Taoyuan City 333014, Taiwan (R.O.C.)
☒ The information of other sites are listed on the subsequent page.

Verification Criteria: ISO 14064-1:2018

Verification Objectives: According to ISO 14064-3:2019, AFNOR ASIA Ltd. (AFNOR ASIA) confirms that the GHG statement (GHG inventory report) of the above-mentioned organization(s) is reported in accordance with the verification criteria agreed by both parties. AFNOR ASIA performs the verification with an objective and fair position and principle (relevant, complete, consistent, accurate, and is transparent).

Data Period: From 01/01/2024 to 12/31/2024 (The data being viewed is historical in nature)

Verification Data: Direct GHG Emissions (Category 1): 122.05 Ton CO₂e
Energy Indirect GHG Emissions (Category 2): 871.8772 Ton CO₂e
Indirect GHG Emissions (Category 3-6): 12,599.0211 Ton CO₂e

Global Warming Potential (GWP): Refer to IPCC 2021 Year, the 6 assessment report

Statement Basis: This statement must be interpreted as a whole with the following:
GHG Inventory Report (Version: 1 ; Date: 03/25/2025)
GHG Inventory (Version: 1 ; Date: 03/25/2025)

Materiality: 5% (Category 1 and Category 2)

Type of Opinion: ☒ Unqualified ☐ Qualified (see the subsequent page) ☐ Disclaim the issuance

Verification Conclusion: To confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which are consistent with the verification scope, objectives and criteria agreed by both parties.
Declares that the reasonable assurance level of the inventory data is Category 1 and Category 2.

Date of Issuance: 07/18/2025

APPROVED BY
Steven Huang
Steven Huang
Director for Certification
ON BEHALF OF
AFNOR ASIA

Page 1 of 4
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afnor CERTIFICATION

Future Plans

- To effectively drive carbon reduction actions, the Company is introducing an Energy Management System (EMS) to enhance energy efficiency through intelligent monitoring and energy-use analysis. This will lower carbon intensity and further strengthen the Company's capability for low-carbon transition in its operating processes, injecting long-term momentum into corporate sustainability and environmental protection.
- Based on recent GHG inventory data, in Q1 2025, following review by the Sustainability Development Committee, the Company will officially set medium- and long-term carbon reduction targets in line with the Science Based Targets initiative (SBTi). A clear requirement has been established for annual carbon emissions to be reduced by 4.2%, aiming to achieve carbon neutrality by 2030 and net-zero emissions by 2050.
- Starting in 2025, the Company will progressively expand GHG inventories to its operations in China, the United States, Mexico, Europe, and Thailand, with a plan to complete a consolidated GHG inventory and full disclosure by 2027.

5.3 Water Resource Management

The Company has long placed great emphasis on water resource and environmental protection. As part of its water conservation plan, the Company regularly promotes water-saving practices across all plants, educates employees to incorporate water conservation into their daily routines, and evaluates the adoption of water reclamation and water-saving equipment to maximize the efficiency of available water resources. Water resource management over the past two years is presented in the following table:

Year	2023	2024
Boundary	Taoyuan Plant and four dormitories	Taoyuan Plant and four dormitories
Water Consumption (t)	15,197.3514	17,434.8036
Water Intensity (t / NT\$ million turnover)	10.1587	10.7159
Water Resource Management or Reduction Target	2022 was the first year of the Company's carbon inventory. Based on that year as the baseline, water consumption is targeted to be reduced by 5% after three years of implementation.	

Reduction achievements: The Company's water consumption is primarily domestic, with relatively low usage in production processes. In 2023, due to the impact of the pandemic, employees adopted work-from-home shifts and the number of working days was reduced, resulting in lower water consumption. As working days and work patterns returned to normal in 2024, water consumption increased compared with the previous year. Looking ahead, the Company will continue to strengthen water resource management and promote water conservation measures to enhance the efficiency of water use.



5.4 Waste Management

The Company uses its waste clearance receipts as the basis for the inventory of business waste, and the GHG emissions from final disposal are calculated using data on the carbon footprint of waste incineration services. To achieve the goal of sustainable resource reuse, the Company's waste treatment principles follow a clear hierarchy: priority is given to in-house reuse to reduce raw material consumption; this is followed by recycling and reuse, and, ultimately, incineration, landfill, or other disposal methods as the last resort.

The Company has adopted "total volume reduction" and "waste valorization" as its core waste management strategies. By implementing source management measures, such as design optimization, process technology improvements, and raw material reduction, the Company has effectively reduced waste generation and achieved its waste reduction targets.

Year	2023	2024
Boundary	Taoyuan Plant	Taoyuan Plant
Hazardous Waste (t)	0.0000	0.0000
Non-hazardous Waste (t)	22.7300	20.7500
Total Weight (Hazardous + Non-hazardous) (t)	22.7300	20.7500
Waste Intensity (waste volume / NT\$ million turnover)	0.0200	0.0100
Waste Management Policy or Reduction Targets	2022 was the first year of the Company's carbon inventory. Based on that year as the baseline, the total weight of waste is targeted to be reduced by 5% after three years of implementation.	

For waste management, certain reusable resources are sorted and reused, with the main items including wood (e.g., wooden pallets), metal (e.g., iron bases), and plastic materials (e.g., plastic bags). However, since these reused resources are mostly miscellaneous parts, the statistical challenges in measuring their weight and quantity have limited their formal inclusion in the current inventory data. Going forward, the Company will continue to develop a feasible quantification mechanism to enhance the accuracy and transparency of reuse management.

5.5 Energy Management

The energy categories used by Shieh Yih include purchased electricity and non-renewable fuels (such as gasoline and diesel). Among these, purchased electricity accounts for the majority of consumption, while renewable energy has not yet been adopted. In 2024, the Company's total energy consumption amounted to 7,058.88 GJ.

Item	Unit	Consumption in 2024	GJ
1. Purchased Electricity	kWh	1,764,934	6,353.762
2. Gasoline	L	20,137.0900	640.359
3. Diesel	L	28.3140	1.025
4. Natural Gas	m ³	333.7419	13.517
5. LPG	L	1,394.7813	50.212
Total energy consumption			7,058.88

NOTE: • Energy Used: The Company's energy sources include purchased electricity, gasoline, diesel, natural gas, and LPG; renewable energy has not yet been adopted.

• Conversion Factors of Different Heating Values (2024), 1 kWh of electricity = 0.0036 GJ, 1 L of gasoline = 0.0318 GJ (7,800 kcal, with reference to the lower heating value of gasoline for cars of 7,609 kcal/L for 2024, announced by the Ministry of Environment on February 13, 2025), 1 L of diesel = 0.0362 GJ (8,400 kcal, with reference to the lower heating value of diesel of 8,642 kcal/L for 2024, announced by the Ministry of Environment on February 13, 2025)

Energy Conservation Plan

1. Plan to introduce a solar power generation system for self-generation and self-consumption, expected to be officially launched in 2027. This will increase the proportion of renewable energy consumption, reduce reliance on traditional energy, and help achieve the goals of green manufacturing and low-carbon transition.
2. Optimize energy efficiency by installing an **Energy Management System (EMS)** to monitor the energy consumption of different production lines in real time. Through data analysis, identify energy efficiency performance and explore potential energy-saving opportunities.
3. Upgrade equipment by continuously replacing **high-energy-consuming air compressors**, and enhance the transparency of electricity consumption through a **watt-hour meter monitoring system**.
4. Establish a **smart warehousing system** to optimize logistics and warehousing efficiency.
5. Add **aerial work platforms** to improve the precision and efficiency of spraying operations.
6. Regularly organize **energy management and conservation training courses** to strengthen employees' awareness of energy conservation, and encourage staff to propose ideas for process optimization and energy efficiency improvements, thereby jointly advancing corporate energy transition and carbon reduction.



06

Climate-related Financial Disclosures

- 6.1 Climate Change Governance
- 6.2 Risks and Opportunities
- 6.3 Financial Impacts of Climate Change
- 6.4 Scenario Analysis
- 6.5 Risk Management System

6.1 Climate Change Governance

Global climate change has become increasingly severe, and the impacts of extreme weather events and natural disasters pose potential threats to the operations of Shieh Yih and its entire value chain. To proactively address this global challenge, the Company has systematically identified climate-related risks and opportunities through its risk management process and further analyzed their potential financial impacts. At the same time, to mitigate global warming and prevent the continued deterioration of climate change, Shieh Yih actively promotes GHG reduction initiatives and is committed to achieving net-zero emissions by 2050 in line with global efforts, demonstrating its commitment to environmental sustainability through concrete actions.

The Sustainable Development Committee authorizes dedicated teams to take responsibility for relevant issues. These teams are required to report regularly to the Committee on project implementation status and resource needs, in alignment with four strategic directions, thereby enabling real-time progress tracking and the provision of necessary resources.

Governance	Strategy	Risk Management	Indicators and Targets
- Climate risks are incorporated into the supervisory scope of the Company's management, with the Sustainable Development Committee responsible for formulating strategies and overseeing implementation progress. - The roles and responsibilities of each department are clearly defined; for example, the Industrial Safety Office is responsible for carbon emission monitoring and reporting, while the R&D Department promotes the optimization of low-carbon technologies for stamping press products. - Climate-related risks and opportunities are reported to the Board of Directors at least once a year, along with corresponding response plans.	- Further identify manufacturing and supply chain segments with high carbon emissions by participating in government-led low-carbon projects. - Collaborate with the supply chain to implement low-carbon transition plans, encouraging suppliers to engage in carbon inventories and reduction actions, thereby building a sustainable industrial chain. - Assess the impact of global green energy policy changes and shifting customer demands on the machine tool industry, such as the rising demand for new fuel cells in the EV market, and adjust the Company's product strategies accordingly. - Ensure that products meet low-carbon emission targets by continuing to develop high-performance servo presses and smart stamping solutions. - Continue to expand international market presence to diversify and mitigate regional risks arising from changes in climate policies.	- The Company regularly reviews physical risks (e.g., the impact of extreme weather on plant operations) and transition risks (e.g., the impact of carbon fee policies on manufacturing costs). - A climate risk map has been established to analyze the potential impacts of climate change on sales and key suppliers across different regions. - A high-performance energy management system has been implemented to reduce energy consumption during the production process.	- Establish a comprehensive carbon emission tracking system covering Scope 1, Scope 2, and Scope 3, and set emission reduction targets based on the results of the GHG inventory. - Target a 4.2% reduction in Scope 1 and Scope 2 emissions by 2025. - Annually disclose the Company's GHG inventory report and carbon reduction performance to enhance transparency. - Long-term target: Achieve net-zero carbon emissions by 2050.



The Sustainable Development Committee reports to the Board of Directors on a quarterly basis. The reporting content includes :

- ◆ Risks and opportunities arising from climate change.
- ◆ International trends in climate change.
- ◆ The latest status of international emission reduction efforts (e.g., SBTi reduction requirements).
- ◆ Updates on domestic regulations and phased requirements.
- ◆ Compilation and interpretation of market information.

To proactively address climate change issues, in addition to establishing a comprehensive environmental management system, Shieh Yih also closely supervises responsible departments in conducting GHG inventories and exploring concrete emission reduction measures. Relevant results are reported and discussed at Board meetings to serve as a basis for subsequent decision-making. Meanwhile, the Sustainable Development Committee actively collects the latest information and conducts systematic compilation and analysis to assist the Board in deepening its understanding of climate change issues, thereby enabling forward-looking and effective decisions.

6.2 Risks and Opportunities

Shieh Yih actively develops solutions to mitigate the operational and financial impacts of climate change and to strengthen the Company's overall climate resilience. The Company defines short-term risks as immediate risks within three years and long-term risks as those over five years, in order to further assess both the visible and potential impacts of climate change on its operations. The risk assessment is as follows:

Risk Type		Description
Transition Risk	Policy and Regulation Risk	♦ Carbon Pricing and Taxes : With the progressive implementation of carbon taxes, carbon fees, and carbon trading schemes across different countries, Shieh Yih faces rising production costs, particularly within carbon-intensive segments of its supply chain. ♦ Increasingly Stringent Carbon Emission Standards : Customers are requiring stamping equipment to comply with energy-saving and low-carbon emission standards, which results in higher R&D investment and additional product compliance costs.
	Technology Risk	♦ High R&D Investment Pressure : Significant investments in low-carbon technology R&D (e.g., servo press products and battery cover applications) may negatively affect short-term financial performance. ♦ Technology Iteration : If competitors launch more efficient and eco-friendly stamping equipment ahead of us, Shieh Yih may face a decline in market competitiveness.
	Market Risk	♦ Shifts in Industry Demand : As the market transitions toward new energy industries (e.g., EVs and energy storage equipment), demand in the traditional vehicle sector may shrink, posing challenges to Shieh Yih's core market. While new energy brings opportunities, rapid changes in product specifications and application conditions also intensify the pressure of technology transition, resource allocation, and market competition.
	Reputation Risk	♦ Failure to Meet ESG Requirements : If Shieh Yih fails to comply with international enterprises' and markets' requirements for low-carbon supply chains, it may damage the Company's reputation and erode customer trust.
Physical Risk	Immediate Risk	♦ Extreme Weather Events : With headquarters located in Guishan, Taoyuan, the Company faces potential threats from typhoons, heavy rainstorms, and other extreme weather events, which may result in plant shutdowns, equipment damage, or logistics disruptions, thereby affecting delivery schedules and increasing operational and financial risks.
	Long-term Risk	♦ Rising Temperatures : Higher ambient temperatures will significantly increase cooling measures and demand, driving up energy costs and further impacting production efficiency and operating expenses. In addition, hotter manufacturing environments will require the Company to adopt appropriate temperature control and workplace comfort measures, further increasing operating expenditures. ♦ Supply Chain Disruptions : Changes in rainfall patterns at the Company's operating and manufacturing locations may result in torrential rains, affecting personnel, equipment, and overall operations.

Climate-related opportunities are as follows:

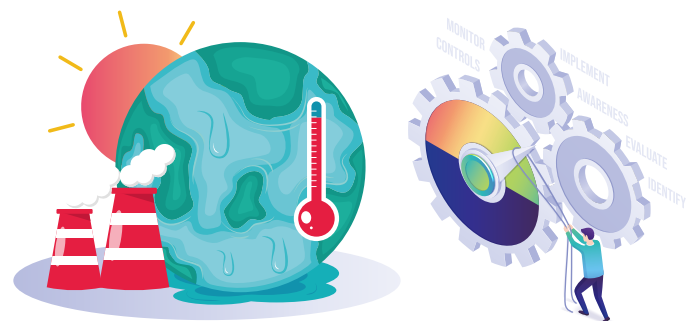
Opportunity	Description
Use of Resources	Enhancing Production Efficiency Reducing raw material waste : By optimizing the structural design of stamping presses, Shieh Yih has reduced the unnecessary use of steel and oil, thereby lowering production costs and minimizing the carbon footprint. Smart procedures : The introduction of a digital automated design system has improved design efficiency, shortened drawing lead time, and reduced energy consumption. Circular Economy - Promote the recycling and reuse of materials, particularly in product manufacturing and waste management (e.g., wooden pallets and packaging materials), to achieve resource circulation and reuse.
Energy Sources	Adoption of Renewable Energy Plant operation : Replace high-energy-consuming lighting and A/C systems with energy-saving lighting and high-performance A/Cs to optimize energy efficiency and reduce operational carbon emissions. At the same time, progressively evaluate and adopt green electricity (e.g., solar power) to reduce reliance on traditional energy sources and facilitate a low-carbon transition. Supply chain collaboration : Encourage suppliers to adopt clean energy to drive the low-carbon transformation of the entire supply chain. Product Energy Conservation Technology - Develop high-performance servo presses to reduce customers' energy consumption during production, enabling products to serve as tools that support energy transition.
Products and Services	Product Innovation - Apply circular lubricants in stamping press products to reduce oil usage and replace lighting with LED energy-saving equipment. - Provide products and services with smart energy consumption monitoring to enhance customers' equipment performance and strengthen competitiveness. - Develop specialized stamping presses for metal bipolar plates in the EV industry to secure a leading position in advanced technologies within the new energy market. Upgraded Service Models - Strengthen digital service tools, such as remote diagnostics and preventive maintenance, to reduce carbon emissions from after-sales services and improve customer satisfaction.
Market	Diversified Customer Base - Shift from the traditional automotive industry toward markets such as new energy vehicles, home appliances, consumer electronics, and even eco-friendly tableware applications to mitigate the risks of reliance on a single industry.

Opportunity	Description
Market	2. Opportunities in Emerging Markets • With the rapid upgrading of manufacturing industries in Southeast Asia and South Asia, Shieh Yih can leverage its well-established local distribution networks and after-sales service systems to further expand its market presence and meet the region's growing demand for high-performance equipment. • The advancement of green policies in Europe is driving increasing demand for low-carbon stamping equipment. Shieh Yih's low-carbon servo presses hold significant advantages, positioning the Company to stand out in the market and further consolidate its global leadership.
Resilience	1. Climate Resilience • Diversify climate risks by establishing production and service sites as well as core supplier cooperation networks across multiple regions, thereby strengthening the overall stability and resilience of the value chain. • Continuously enhance the disaster resilience of critical facilities and adopt appropriate protective and response measures to ensure stable and uninterrupted operations under extreme weather conditions. 2. Sustainable Operational Capabilities • Participate in government-led low-carbon initiatives and domestic and international climate action programs, continuously enhancing the Company's ESG profile in the global market to boost competitiveness and demonstrate its commitment to sustainable development. • Invest in employee education and technical training to cultivate a highly adaptable professional team, ensuring the Company can respond swiftly to market changes and maintain its leadership during industry transitions.

R: Risk; O: Opportunity	Financial Impact -/+	Response Strategies
R: Total GHG Control, Carbon Taxes, and Carbon Fees	• Potential imposition of carbon taxes, carbon fees, or even the EU's carbon border adjustment mechanism (CBAM) may significantly increase operating costs. • Non-compliance with local laws and regulations may lead to penalties and further raise operating expenses. • The installation of solar power generation systems may initially increase operating costs.	• Enhance employees' knowledge of climate change and continuously monitor domestic and international developments and trends. • Increase the utilization rate of green energy.
R: Market Demand for Low-Carbon Products O: R&D and Design of Low-Carbon Products	• If we fail to meet customer requirements, operating income may decline. • Strengthening R&D and design for low-carbon products effectively addresses users' concerns about climate change.	• Continue to invest in the R&D and design of green products, and actively implement local procurement policies to reduce emissions from transportation.

6.3 Financial Impacts of Climate Change

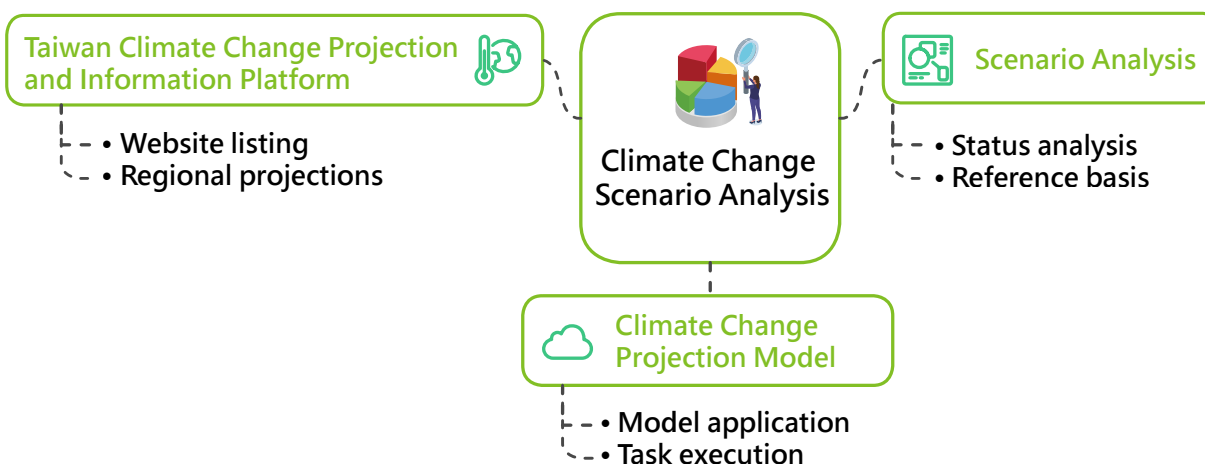
The operating regions of Shieh Yih are relatively less affected by extreme weather. The primary risks are short-term reductions in working hours and lower production volumes caused by torrential rain; however, the long-term financial impacts remain limited. On the supply chain side, most suppliers have already implemented climate risk response measures to mitigate the risk of supply disruptions. At the same time, Shieh Yih actively promotes local procurement to enhance supply chain resilience and foster joint growth. Although this strategy requires additional time investment in market and supply chain assessments, it strengthens operational stability and the Company's sustainable development capabilities in addressing the challenges of climate change.



6.4 Scenario Analysis

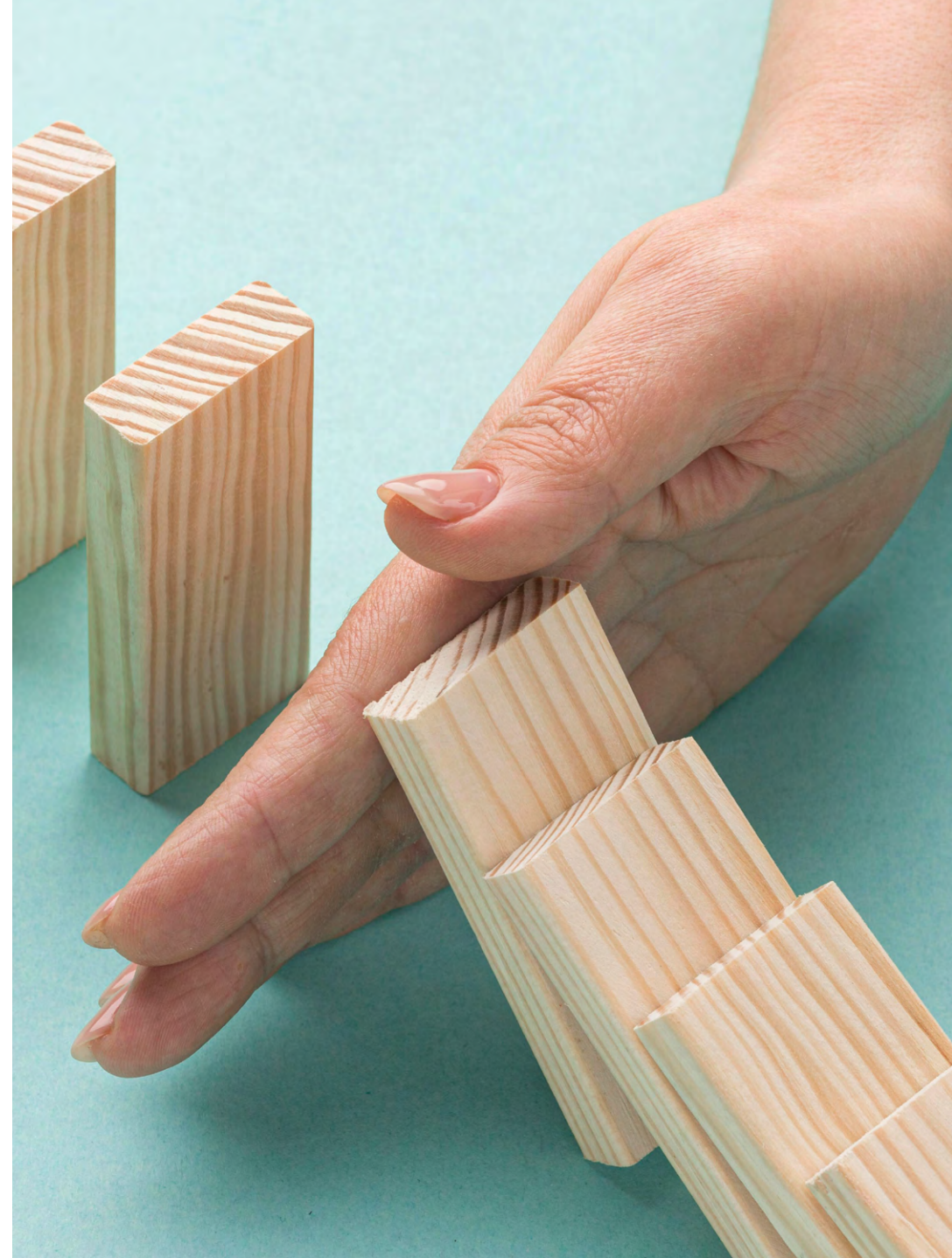
Shieh Yih's scenario analysis was conducted with reference to the "Taiwan Climate Change Projection Information and Adaptation Knowledge Platform." This platform provides detailed analyses of various climate scenarios and projection models for different regions across Taiwan, offering both convenience and reliable references for Shieh Yih when implementing relevant tasks. The scenario models currently adopted by the Company are as follows:

Scenario	Estimated Possible Financial Impacts
- RCP8.5 high-Emission Scenario - Beyond the current national policies, no additional global carbon reduction measures are undertaken.	Operating costs are expected to increase by approximately 2% of revenue.
- RCP2.6 Low-Emission Scenario - Achieving net zero emissions by 2050.	The need to implement specific carbon reduction measures will lead to a notable increase in operating costs, estimated at around 5% of revenue.



6.5 Risk Management System

The Risk Management Group, established under Shieh Yih's Sustainable Development Committee, is responsible for identifying, assessing, and addressing various risk issues. The group adopts a multidisciplinary (brainstorming) approach to identify risks and opportunities, while closely monitoring market changes and trends to continuously update the scope and content of risk items. For identified risks, quantitative assessment methods are applied, and criteria for unacceptable risks are established. Based on these criteria, unacceptable risks are determined and corresponding countermeasures are formulated, thereby strengthening Shieh Yih's overall resilience and sustainable operating capabilities.





07

Friendly Workplace

- 7.1 Human Rights Policy
- 7.2 Workforce Structure
- 7.3 Diversity and Inclusion
- 7.4 Labor-Management Relations
- 7.5 Occupational Safety and Health
- 7.6 Social Contribution

7.1 Human Rights Policy

Shieh Yih Machinery is dedicated to fostering a happy, safe, and healthy workplace environment. We provide a compensation system that exceeds legal requirements and encourage employees to pursue diverse development opportunities to achieve their career goals. A comprehensive occupational safety and health system, along with structured training programs, ensures that employees work in an environment that is not only safe and healthy but also conducive to growth.

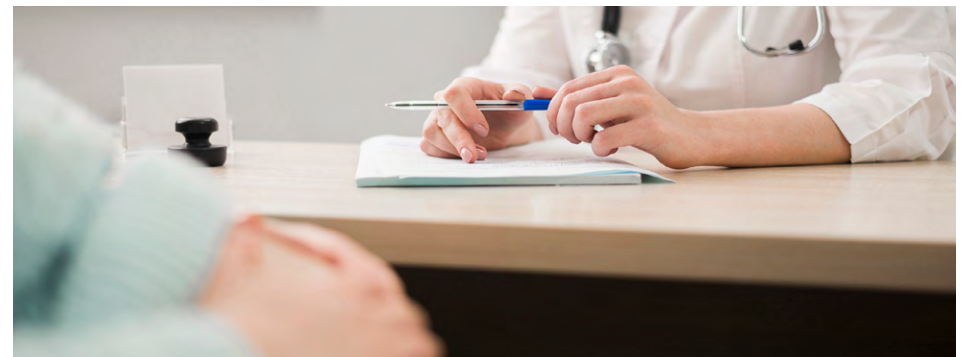
The Company strictly complies with labor-related regulations. Employment, remuneration, and other labor affairs are managed in accordance with laws, regulations, and internal control systems to safeguard employees' fundamental rights and interests. In formulating internal policies, we also refer to international standards such as the "International Labour Conventions" and the "Universal Declaration of Human Rights," ensuring alignment with business ethics and social responsibility. In accordance with the "Labor Standards Act", Shieh Yih strictly prohibits the employment of child labor and any form of forced or involuntary labor.

Furthermore, Shieh Yih actively promotes the United Nations SDG 5: Gender Equality, demonstrating a firm commitment to gender equity in the machinery manufacturing industry, which is traditionally male-dominated. In 2024, women accounted for 16% of management positions. Upholding the principle of "appointing talent regardless of gender," we ensure that all employees have equal access to training and promotion opportunities. Shieh Yih also continues to advance human rights protection and discloses relevant information to highlight our dedication to sustainable development and social responsibility.

Adhering to a "people-oriented" philosophy, Shieh Yih promotes human-centered management and diverse welfare measures to strengthen employees' sense of belonging and cohesion. By sharing operational achievements, the Company also attracts and motivates outstanding talents, working together to create sustainable growth. Shieh Yih's commitment to

employees' rights, interests, and well-being is concretely demonstrated in the following aspects:

1. **Safe and healthy workplace** : In compliance with relevant laws and regulations, we provide a safe and healthy working environment.
2. **Respectful and dignified workplace culture**: We are committed to maintaining a workplace free from violence, harassment, and intimidation, while respecting employees' privacy and dignity.
3. **Protection of labor rights**: In line with the Labor Standards Act and other relevant laws, we emphasize the balance between employees' health, work, family, and leisure. We also strictly manage working hours and prohibit child labor, forced labor, and any form of discrimination.
4. **Promotion of gender equality**: To build a gender-equal workplace, we provide parental leave without pay, as well as family care leave, menstrual leave, maternity leave, paternity leave, and breastfeeding facilities.
5. **Physical and mental health care**: We prioritize employees' overall health by arranging biennial health examinations for staff at headquarters and plants, organizing health seminars, and offering professional medical information and services to support employees' physical, mental, and emotional well-being.



7.2 Workforce Structure

As of December 31, 2024, Shieh Yih Machinery employed a total of 337 people, including 263 men (78%) and 74 women (22%). The workforce composition for 2024 is as follows:

Item/gender		Female			Male			Total
Taoyuan Plant	Age	Below 30	31 to 50	51 or above	Below 30	31 to 50	51 or above	
	Full-time	7	56	11	50	159	54	337
	Part-time	0	0	0	0	0	0	0
Taoyuan Plant		74			263			337

The number of employees, average age, and educational background distribution in the most recent two years are as follows:

Year		2023					2024				
Gender	Age	Doctorate	Master's	University/college	Others	Total	Doctorate	Master's	University/college	Others	Total
Female	<31	-	-	9	-	9	-	-	7	-	7
	31-50	-	3	45	5	53	-	7	44	5	56
	51-70	-	4	6	3	13	-	3	6	2	11
Male	<31	-	-	36	27	63	-	2	28	20	50
	31-50	4	20	110	29	163	4	20	110	25	159
		-	9	24	17	50	1	9	28	16	54
Total		4	36	230	81	351	5	41	223	68	337

Shieh Yih Machinery provides favorable career development paths and actively encourages the promotion of in-service employees to management positions. In 2024, the number of supervisors reached 63, including 53 males (84%) and 10 females (16%). The ratio of male to female employees and supervisors in the most recent two years is as follows:

Year		2023	2024	
Item / Gender	Age			
Supervisory staff (Section Chief and above)	Male	Below 30	-	-
		31 to 50	31	28
		51 or above	25	25
	Female	Below 30	-	-
		31 to 50	6	7
		51 or above	5	3
Total supervisory staff		67	63	
Non-supervisory staff	Male	Below 30	63	50
		31 to 50	132	131
		51 or above	25	29
	Female	Below 30	9	7
		31 to 50	47	49
		51 or above	8	8
Total non-supervisory staff		284	274	
Total employees		351	337	



To strengthen organizational resilience and attract diverse talent, Shieh Yih promotes a human resources optimization strategy with a particular focus on workforce structure and gender balance. The statistics on newly hired male and female employees in 2023 and 2024 are as follows:

Year	2023				2024			
Gender	Male		Female		Male		Female	
Age / Item	Number of persons	Hiring rate%	Number of persons	Hiring rate%	Number of persons	Hiring rate%	Number of persons	Hiring rate%
Below 30	31	68.9%	3	60.0%	14	53.8%	1	12.5%
31 to 50	9	20.0%	1	20.0%	10	40.7%	7	87.5%
51 or above	5	11.1%	1	20.0%	2	7.7%	-	0.0%
Total new employees	45		5		26		8	
Total number of employees	351				337			
Total hiring rate (%)	14.2%				9.7%			

Meanwhile, Shieh Yih continues to focus on the stability of human resources and organizational development and uses turnover rate analysis as a reference for optimizing HR strategies and enhancing talent retention mechanisms. The overview of resigned male and female employees in 2023 and 2024 is as follows:

Year	2023				2024			
Gender	Male		Female		Male		Female	
Age / Item	Number of persons	Turnover rate%	Number of persons	Turnover rate%	Number of persons	Turnover rate%	Number of persons	Turnover rate%
Below 30	21	51.2%	3	30.0%	21	46.7%	3	27.3%
31 to 50	13	31.7%	7	70.0%	12	26.7%	4	36.4%
51 or above	7	17.1%	0	0.0%	12	26.7%	4	36.4%
Total resigned employees	41		10		45		11	
Total number of employees	351				337			
Overall turnover rate (%)	14.5%				16.6%			

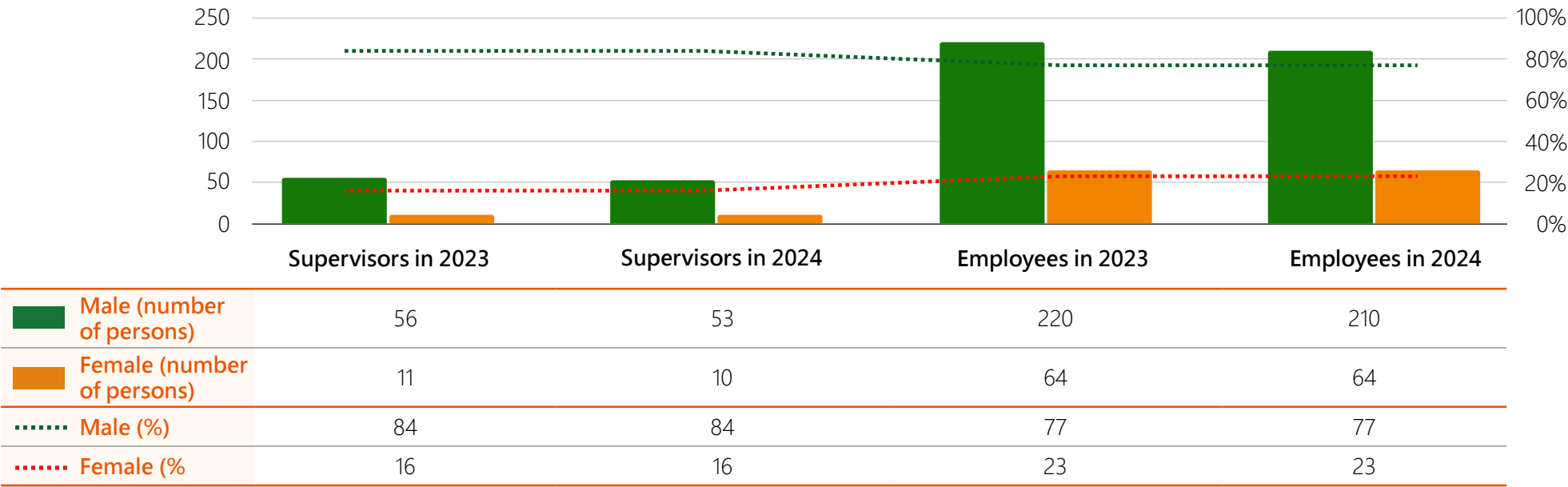
To support employees in balancing family care and career development, Shieh Yih actively promotes a family-friendly workplace and provides a comprehensive unpaid parental leave program, enabling employees to obtain flexibility and support in managing both family and work. The statistics on parental leave applications, reinstatement, and related status in 2023 and 2024 are as follows:

Year	2023	2024
Number of employees applying for parental leave	4	3
Number of employees reinstated after the end of leave	0	3
Number of employees who resigned after the end of leave	1	2
Number of employees still on leave at year-end	3	1

7.3 Diversity and Inclusion

Gender Equality and Diversity Policy

Shieh Yih Machinery is committed to fostering a workplace that values gender equality, diversity, and inclusiveness. In both 2023 and 2024, women accounted for 16% of management positions and 23% of the overall workforce, indicating that women continue to have opportunities for growth across different job levels. Upholding the principle of “appointing talents regardless of gender,” Shieh Yih ensures equal opportunities for advancement and professional development for female employees through system design and talent cultivation mechanisms, thereby fulfilling its corporate commitment to gender equality.



Shieh Yih is dedicated to implementing a diverse employment policy, encompassing new immigrants, Indigenous peoples, foreign nationals, persons with disabilities, and other groups. As of 2024, the Company employed a total of 46 individuals from diverse backgrounds, as follows:

- ♦ **New immigrants** : 1
- ♦ **Indigenous peoples** : 2
- ♦ **Foreign employees** : 37 from the Philippines, 1 from Thailand, and 3 from Malaysia
- ♦ **Persons with disabilities** : 2

To demonstrate our commitment to gender diversity and equality, Shieh Yih Machinery continues to promote female participation across different organizational levels and sets diversification indicators to track progress. As of the end of 2024, the indicators for female representation were as follows:

Indicator	Ratio (%)
Female employees as a percentage of total workforce	21.9%
Female supervisors as a percentage of all supervisors	15.8%
Female first-line supervisors	15.5%
Female senior supervisors ($\leq$ two levels below CEO)	27.2%
Female employees in STEM (science, technology, engineering, and mathematics) positions	17.4%

Shieh Yih Machinery values diversity and inclusivity and is committed to creating an equitable workplace environment. Over the past two years, we have actively employed individuals from diverse backgrounds, including persons with disabilities, new immigrants, migrant workers, Indigenous people, and foreign nationals, demonstrating our respect for and support of different groups. From 2023 to 2024, our workforce diversity continued to grow steadily, reflecting the Company's strong commitment to corporate social responsibility and sustainable development. The overview of employee diversity in the most recent two years is as follows:

Year			2023	2024
Item / Gender	Age			
Persons with disabilities	Male	Below 30	-	-
		31 to 50	2	1
		51 or above	-	-
	Female	Below 30	-	-
		31 to 50	-	-
		51 or above	1	1
New immigrants	Male	Regardless of age	-	-
	Female	Regardless of age	1	1
Migrant workers	Male	Regardless of age	38	37
	Female	Regardless of age	-	-
Indigenous people	Male	Regardless of age	-	-
	Female	Regardless of age	2	2
Foreign nationals	Male	Regardless of age	3	4
	Female	Regardless of age	-	-

- Note: 1. New immigrants – Refers to foreigners who have obtained Taiwanese nationality, e.g., a Vietnamese citizen who acquired Taiwanese nationality through marriage.
2. Migrant workers – Refers to foreign workers who come to Taiwan through employment agencies. The contract period is generally about three years, after which they are required to return to their home countries.
3. aboriginal tribes. As of today, there are approximately 575,067 indigenous people in Taiwan, accounting for 2.4% of the total population. The officially recognized tribes include Amis, Atayal, Paiwan, Bunun, Puyuma, Rukai, Tsou, Saisiyat, Yami, Thao, Kavalan, Truku, Sakizaya, Sdeiq, Hla'alua, and Kanakanavu — totaling 16 tribes.
4. Foreigners – Refers to foreign professionals employed in Taiwan with valid work permits.

Employment of Middle-aged and Senior Employees

At present, Shieh Yih employs 146 middle-aged employees (45–65 years old), of which 76% are male and 24% are female, and one senior employee (aged 65 or above) remains in service. Shieh Yih Machinery highly values the contributions of middle-aged and senior talents. For employees who reach the statutory retirement age, the Company provides flexible re-employment opportunities based on actual needs, encouraging experienced staff to continue applying their expertise and ensuring the effective transfer of skills and knowledge. This approach not only supports the stable operation of the organization but also highlights the Company's inclusiveness in building an age-diverse workplace, strengthening cross-generational collaboration and overall competitiveness. The age distribution of employees is as follows:

Age	Male	Female	Total
Young and middle-aged (below 45 years old)	151	39	190
Middle-aged (45–65 years old)	111	35	146
Senior (65 years old and above)	1	-	1
Total	263	74	337



Gender Equality Policy

◆ Friendly Leave System for Pregnancy and Parenting

Shieh Yih provides a comprehensive and flexible leave system to help employees balance work and family responsibilities during the process of welcoming new lives. The system includes menstrual leave, paid maternity leave, paid prenatal check-up leave, and paid paternity leave, enabling employees and their partners to receive full care and support during pregnancy and childbirth. In addition, Shieh Yih offers half-pay leave for miscarriage or gestational care, safeguarding employees' physical and mental well-being. These measures demonstrate our commitment to employees' health, rights, and interests, while fostering a friendly and reassuring workplace environment.

◆ Childbirth Subsidy

To support employees in welcoming new lives, Shieh Yih provides childbirth subsidies to both male and female employees. In 2024, a total of 15 employees received the subsidy.

◆ Workplace Safety Measures for Pregnant Employees

Shieh Yih ensures a safe and supportive working environment for pregnant employees by relocating them to comfortable office areas with lower safety risks to protect their health and safety. In line with the Regulations on Special Protection for Female Employees, the Company allows pregnant employees to apply for position transfers without wage reduction, creating a protective workplace environment.

◆ Breastfeeding Rooms

Shieh Yih has established dedicated breastfeeding rooms to provide independent spaces for female employees during the breastfeeding period. These rooms are managed and cleaned by designated personnel. Employees may freely use the breastfeeding rooms without taking leave or extending their working hours.



◆ Exclusive Parking Spaces for Pregnant Employees

To accommodate the mobility and parking needs of pregnant employees, Shieh Yih has designated exclusive in-house parking spaces located near the company entrance. These spaces provide pregnant employees with convenient and safe access to the workplace, enhancing both work convenience and their sense of security.



◆ Friendly Workplace and Family Support Measures

Shieh Yih Machinery is committed to creating flexible working environments that support employees in balancing their careers and family responsibilities. The Company provides re-employment opportunities without restrictions for second-career women and recruits based on education, experience, and capabilities. Employees are entitled to menstrual leave, family care leave, unpaid parental leave, and flexible working hours to better meet family needs. In 2024, a total of 56 employees took menstrual leave and 94 employees applied for family care leave. In addition, 14 employees applied for unpaid parental leave, of which 86% were male and 14% were female. Furthermore, three employees applied for flexible working hours, including two females and one male. In addition, Shieh Yih entered into agreements with childcare centers in Luzhu District, Taoyuan, to provide convenient childcare services, further enhancing employees' work-family balance.

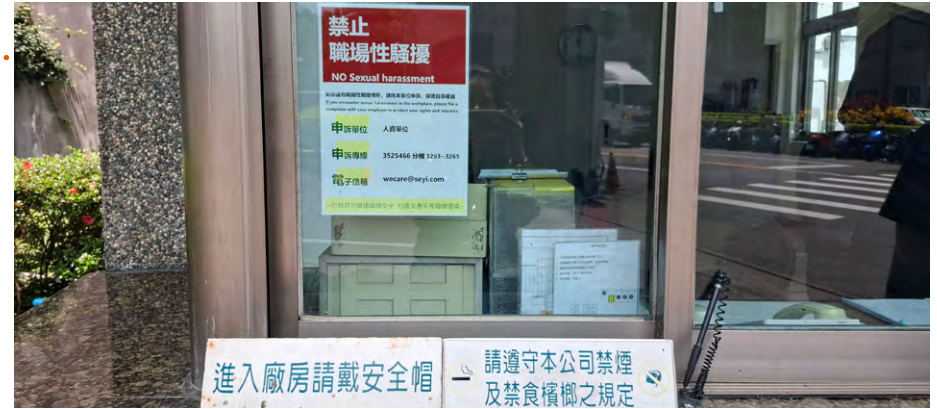
◆ Night Shift Safety Measures and Monitoring

Shieh Yih adopts a team-based cooperation model for night shifts to ensure mutual support among employees while improving both efficiency and safety. Meanwhile, lighting facilities have been upgraded to provide a safer working environment. In addition, security personnel use surveillance systems and conduct routine patrol inspections to guarantee the safety and smooth operation of night shifts.



◆ Gender Equality Promotion and Control Measures

Shieh Yih established gender equality regulations in 2012 and updated them in March 2024 following amendments to Taiwan's "Three Gender Equality Laws." To strengthen employees' awareness of gender equality and workplace sexual harassment issues, the Company posts reminder posters and organizes company-wide campaigns to promote accurate concepts. At the same time, Shieh Yih provides comprehensive complaint channels and necessary assistance, respecting the intentions of the parties involved and offering appropriate support. Gender equality is also regularly promoted during monthly meetings, while dedicated training sessions are offered to directors and supervisors to ensure that both management and staff understand and implement relevant standards. Through these actions, Shieh Yih continues to foster a safe, respectful, and inclusive workplace environment.



◆ Measures Related to Employees' Health Management

Shieh Yih has installed barrier-free washrooms and elevators to meet the daily needs of employees with disabilities and others who may require such facilities. In addition, the Company has planned for the establishment of an exclusive smoking area, effectively separating it from the main office areas to safeguard the health rights and interests of the majority of employees. Through these measures, Shieh Yih aims to create a safe, refreshing, and comfortable working environment that reflects our commitment to employee well-being and inclusivity.



▲ Barrier-free washroom and elevator



▲ Exclusive smoking area

7.4 Labor-Management Relations

◆ Prevailing Material Collective Bargaining Agreements and Implementation Status

In accordance with the “Regulations for Labor-Management Conferences,” Shieh Yih has established a labor-management committee with representatives from both sides and convenes meetings on a quarterly basis as required by law. In 2024, a total of four conferences were held. Each meeting included proposals and discussions on topics such as employee welfare, incentive and recognition programs, working environment, and equipment improvements, leading to concrete resolutions. Meeting minutes were prepared for all resolutions, and the responsible departments implemented follow-up actions to enhance employee well-being and workplace quality.



◆ Remuneration

The remuneration structure for employees includes salaries, allowances, incentives, and annual bonuses. The median salary and the number of full-time employees not holding supervisory positions for the past two years are presented in the following table:

Year	Median salary	Number of full-time employees not holding supervisory positions
2023	674,000	300
2024	743,000	308

The following table presents the ratios of entry-level remuneration relative to the statutory minimum wage.

Category	Female	Male	Ratio of female to male
Ratio of minimum basic salary to statutory minimum wage (Note)	1 : 1	1 : 1	1 : 1
Ratio of average basic salary of the lowest job level to statutory minimum wage	1 : 1	1 : 1	1 : 1

Note: The above table shows the statistics of laborers in Taiwan; the minimum statutory wage in 2024 was NT\$27,470.

◆ Employee Welfare Measures

1. In addition to monthly salaries, employees are granted year-end bonuses based on operational performance and quarterly performance bonuses linked to individual achievements.
2. All employees are covered by labor insurance and National Health Insurance.
3. Free meals, work uniforms, safety shoes, dormitories, regular health examinations, and parking spaces for cars and motorcycles are provided.
4. Monetary gifts are offered for new housing, childbirth, injuries or illnesses, and occasions such as weddings, funerals, and celebrations.
5. To foster a family-friendly workplace, breastfeeding rooms have been established and contracted childcare centers are made available.
6. To care for employees' well-being and simultaneously fulfill social responsibility, massage services are provided by visually impaired professionals.
7. Employee training sessions and lectures are organized, and subsidies are offered for foreign language courses, continuing education, and scholarships or fellowships for employees' children.

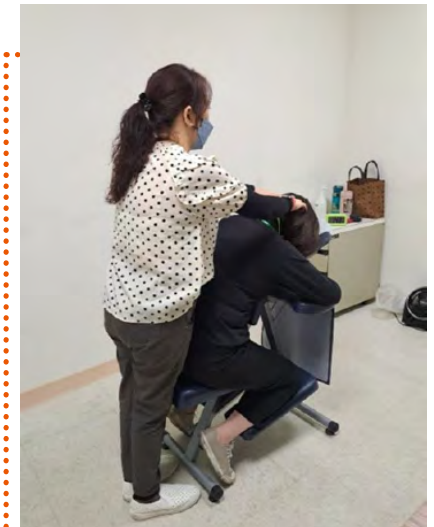
◆ Welfare Programs Organized by the Employee Welfare Committee

In compliance with relevant laws, Shieh Yih allocates welfare funds and has established an Employee Welfare Committee to implement the following programs:

1. Company outings.
2. Festive bonuses during Lunar New Year and other holidays.
3. Birthday bonuses.
4. Consolation allowances for hospitalization, injuries, or sickness.
5. Subsidies for employee clubs and recreational activities.
6. Operation of a staff canteen with free group meals.
7. Massage services by visually impaired professionals.



▲ Group meals



▲ Massage services by visually impaired professionals



▲ Company outings

◆ Employee Health Promotion and Activity Engagement

1. Health Promotion

Shieh Yih regularly releases health information and organizes various health seminars to continuously enhance employees' health awareness, keep them updated with the latest health knowledge, and promote company-wide health management and preventive healthcare.



▲ Health Promotion

2. Health Passbook

Shieh Yih's "Health Passbook" program has entered its third year. The program encourages employees to participate in activities such as road running, hiking, and volunteer services. Employees who meet the targets are rewarded with Wellness Leave. In addition, employees are encouraged to organize self-initiated group activities, fostering a stronger sports culture and enhancing team cohesion through peer interaction. The program has been well-received and has proven effective in strengthening employee engagement and retention.



▲ Trail hiking in Taipei, New Taipei, and Taoyuan



▲ "Save Old Shoes" volunteer initiative



▲ Baking classes



▲ Badminton club



▲ Slow jogging training classes

3. Measures for Employee Health Management

- Employee health checkups provided at a higher standard than regulatory requirements (once every two years)
- Private medical rooms established for employee use



- Health monitoring facilities: blood pressure monitors installed in public areas; AED devices set up along with first-aid training courses.



- Heat injury prevention in plants** : large energy-saving industrial ceiling fans installed to improve air circulation; reinforced promotion of regular hydration; salt tablets provided to supplement electrolytes, ensuring employees' health and safety in hot environments.
- Special operations respiratory protection training, on-site occupational physician services, and workplace hazard assessment.



◆ Retirement System

Please refer to page 63 of the 2024 Annual Report.

In 2024, six employees retired.



◆ In-service Continuing Education and Children's Education Subsidies

Shieh Yih has been continuously promoting in-service continuing education and children's education subsidies for many years. In the most recent three years, the number of applicants was 22, 26, and 27, respectively, while the total subsidy amount increased from NT\$65,000 to NT\$170,000. This growth was driven not only by relaxed scoring standards but also by the Company's active initiative to expand its subsidy support. Depending on education level and grades, the subsidy amount ranges from NT\$3,600 to NT\$12,000. Between 2022 and 2024, a total of 37 employees received subsidies, underscoring Shieh Yih's ongoing commitment to supporting the learning and development of employees and their children.



◆ In-service Continuing Education and Training for Employees

Shieh Yih encourages employees to pursue further education with the goal of cultivating outstanding talents. To support this, the Company has established a reference framework for professional and technical competencies, which is applied to performance evaluations and promotions. In addition to organizing internal training programs, employees are also eligible to apply for external education and training to strengthen their skills and advance their careers.

◆ Other Important Agreements

Adhering to the principle of "labor-management integration for co-existence and co-prosperity", Shieh Yih Machinery has established a comprehensive communication mechanism that emphasizes regulatory compliance, effective management, and human-centered care, thereby strengthening labor-management dialogue and consensus. In accordance with the law, Shieh Yih has formed an Employee Welfare Committee and regularly holds labor-management conferences to jointly plan welfare initiatives. Monthly plant meetings are also conducted at the beginning of each month to communicate policies and operational directions, thereby strengthening employees' recognition of corporate goals. Through sound labor-management interactions, the Company strives to build a stable and harmonious workplace, boost morale and efficiency, and move toward becoming a happy enterprise that achieves shared success for both labor and management.



7.5 Occupational Safety and Health

Adhering to the “people-centered” principle, Shieh Yih Machinery has established a comprehensive safety management system and formulated and implemented effective occupational safety and health policies and procedures, including risk assessments, training, safety equipment, and standard operating procedures. The company also monitors occupational injuries and diseases, implements improvement measures for lost workdays and absenteeism rates, and promotes employee safety education to create a safe and highly efficient working environment. In accordance with Article 23 of the “Occupational Safety and Health Act” and Article 12-2 of the “Regulations for Occupational Safety and Health Management,” the company has completed the documentation for all stages of the ISO 45001 occupational safety and health management system, and plans to engage a third party for certification to promote regulatory compliance, risk prevention, and the goal of zero occupational accidents.

Shieh Yih has also established an “Occupational Safety and Health Committee,” comprising 15 members including the General Manager, supervisors, and employee representatives. The committee convenes quarterly meetings to propose improvement recommendations and provide management oversight based on the operational characteristics of each department. In 2024, a total of 13 proposals were reviewed, and two seminars were held. In addition, hazard identification, risk assessment, and incident investigation forms were prepared in accordance with ISO 45001. The responsible departments will continue to update these documents on an ongoing basis to ensure the effective implementation and successful certification of the system.

Shieh Yih provides a safe and healthy working environment for employees and conducts regular safety and health training. The implementation includes the following:

1. Occupational Safety and Health Management System

All occupational safety and health management practices are carried out in compliance with regulations. In accordance with ISO 45001:2018, documented information has been established and digitized for inspections and audits.

2. Safety Management of Hazardous Machinery

We have strengthened the safety management of hazardous machinery. In addition to self-inspections by on-site personnel, professional vendors are regularly engaged to inspect and maintain forklifts and fixed cranes regulated by law, ensuring that the equipment is kept in good condition and enhancing production safety and efficiency.

3. Occupational Safety and Health Education and Training :

- ◆ **New employees** : Safety and health training is provided on their first day of work to help them understand workplace hazards and the safety regulations they must follow.
- ◆ **In-service employees** : Refresher training is provided for operators of hazardous machinery or equipment, special operation personnel, aerial work platform operators, and hazardous operations supervisors in accordance with Article 17-1 of the Occupational Safety and Health Education and Training Rules. General employees receive three hours of training every three years, organized by their respective departments.
 - ① . Safety and Health In-Service Training: Personnel who hold safety and health qualification certificates receive regular in-service training to comply with regulatory requirements and enhance their awareness of operational hazards.
 - ② . Fire Response Drills: Drills are conducted twice a year to enhance coordination and teamwork among all plant personnel and strengthen the response capabilities of emergency teams. In addition, evacuation exercises are carried out for office employees to raise disaster-prevention awareness and mitigate risks.

- ◆ **Contractors** : Contractors receive education and training based on their work tasks, aimed at strengthening hazard prevention awareness and preventing accidents.

4. Deployment of Professional Occupational Safety and Health Personnel

Shieh Yih's occupational safety and health management unit is composed of one Class-A Occupational Safety and Health Supervisor, one Class-A Occupational Safety Engineer, and one Occupational Safety and Health Officer. In addition, one Class-A Occupational Safety and Health Supervisor is also assigned to the primary manufacturing unit. The company also employs occupational health nurses. All of the above personnel hold professional licenses and actively participate in government-organized education and training programs to enhance their professional competence. Beyond the safety department, the operating qualifications of on-site employees are strictly controlled; they must obtain licenses and pass internal tests before being allowed to operate equipment. According to statistics of licenses for hazardous machinery operators, there are 73 licenses for fixed cranes and 81 licenses for forklifts. In addition, the company has personnel qualified for aerial work platforms, first aid, acetylene welding, organic solvent operations supervision, dust operations supervision, and fire safety management. Each year, outsourced in-service training is conducted to strengthen hazard awareness and regulatory compliance, with the ongoing goal of achieving zero occupational accidents.

5. Health Promotion and Management :

◆ Health management :

- ① . Conduct annual employee health checkups.
- ② . Engage occupational medicine specialists to provide monthly on-site consultations, including evaluations for reinstatement and work assignments, as well as graded management of abnormal health checkup results, enabling continuous care and follow-up.
- ③ . Implement maternity health protection measures and health management programs for employees under 18 (including apprentices), in compliance with regulations.

◆ Health improvement :

- ① . Hold health promotion campaigns and seminars from time to time to strengthen employees' health awareness and knowledge.
- ② . Organize slow jogging activities in line with the Company's Health Passport program to encourage greater employee participation.
- ③ . Implement and carry out the Four Major Workplace Health Programs.

6. Worker Training

In accordance with the Occupational Safety and Health Education and Training Rules, the Company completed training as follows: initial training for 18 fixed crane operators, refresher training for 44 operators, training for 6 first-aid personnel, initial training for 2 forklift operators, initial training for 3 aerial work platform operators, initial training for 15 Filipino fixed crane operators, Class-A Supervisors (including scaffold assembly) training for 5 persons, and respiratory protection training for 6 personnel engaged in special hazardous operations. The Company continues to assign qualified operators to participate in specialized training programs and organizes in-service education and training to further strengthen employees' technical skills and safety knowledge. In addition to regularly reminding and requiring all employees to comply with operational safety regulations, contractors engaging in immediate hazardous operations (such as falls, electric shocks, collapses, fires, or poisoning) must first complete a safety undertaking statement. The Occupational Safety Office then audits the protective measures and conducts safety briefings to minimize occupational safety and health risks to all directly related personnel.



◆ Occupational Safety and Health Management Plan

To protect employees' safety and health, the Company has implemented an occupational safety and health management plan to strengthen workplace facilities, improve the working environment, and prevent occupational accidents. The plan is carried out in accordance with the requirements of the Occupational Safety and Health Act for both facilities and personnel, aiming to eliminate potential hazards.

- In 2024, the Occupational Safety and Health Committee convened four quarterly meetings (January, April, July, and October), covering topics such as occupational safety plans, safety and health training, workplace environment testing, health management and promotion, occupational accident investigations, and supplier management.
- The Company employs occupational health nurses and engages visiting physicians to provide health consultations and report interpretation. Regular musculoskeletal and workload stress surveys are conducted, along with mental health support and health promotion advice. In 2024, physicians provided 100 on-site consultations, and occupational health nurses handled 33 cases of workplace injuries and illnesses.
- New employees undergo physical examinations, and the Company provides health checkups at a frequency exceeding legal requirements, together with graded health risk management. Physicians and occupational health nurses also provide personalized health education and appropriate medical referrals when needed, helping reduce labor turnover and minimize operational risks.
- In compliance with Article 15 of the Labor Health Protection Regulations, first-aid medicines and equipment are maintained, with monthly inventory checks and replenishments, and first-aid personnel receive mandatory training.
- Automated External Defibrillators (AEDs) are installed to provide immediate assistance in emergencies, with regular inspections and maintenance to ensure proper functioning.
- Blood pressure monitoring stations are available for employee use at any time, with 457 recorded uses in 2024.
- Annual health checkups are conducted for employees engaged in special operations. The Company provides protective equipment and arranges physician consultations with individualized guidance, such as proper use of respiratory protection, to prevent occupational diseases. The 2024 implementation rate reached 100%.
- Compliant medical rooms and breastfeeding facilities have been established.
- Under the maternity health protection program, maternity health assessments, work adjustments, and dedicated facilities (such as parking spaces and breastfeeding rooms) are provided for pregnant and postpartum employees, ensuring both physical and mental well-being. In 2024, two employees were covered under this program.
- Health seminars are organized, inviting experts to raise employee health awareness and address health-related questions. A total of 80 employees attended such seminars in 2024.
- The Company actively promotes sports and health-related activities and encourages participation. In 2024, the Health Passport program included weight management programs, slow jogging, and hiking activities. A total of 178 employees participated, improving awareness of regular exercise, preventing chronic diseases, and boosting morale to foster a healthy and energetic workplace.
- Timely health information and updates on public health issues and infectious diseases are regularly disseminated to enhance employees' health awareness.

◆ Occupational Injury

The Company analyzed the causes of occupational accidents and adopted corresponding preventive measures. In addition to workplace safety campaigns, we also conducted occupational safety and health training sessions, each lasting 0.5 hours with an average of 315 participants per session, reaching a total of 1,260 participants and 630 training hours. The occupational injury statistics for 2024 are presented in the following table:

Item / Category	Abnormal workload prevention	Ergonomic hazard prevention	Unlawful infringement prevention	Maternity labor health protection	Respiratory protection plan
Hazard identification and risk assessment	14	4	0	2	6
Number of persons with occupational diseases	0	0	0	0	0

- In 2024, there were zero occupational injuries.
- Voluntary reporting of near-miss incidents.
- Compile monthly occupational accident statistics and ensure timely reporting.
- Conduct return-to-work and fitness-for-duty evaluations for employees with occupational injuries or illnesses.
- In compliance with regulations, the Company implemented a safety and health program for middle-aged and elderly workers. In 2024, workplace and fitness evaluations were conducted for 20 employees, fostering a friendly and healthy work environment.
- Conduct workplace environment inspections every six months in accordance with regulations.
- Formulated and implemented occupational safety and health management plans, including abnormal workload prevention, ergonomic hazard prevention, unlawful infringement prevention, maternity health protection, and a respiratory protection program, to effectively prevent occupational injuries and illnesses. In 2024, there were zero cases of occupational disease.



7.6 Social Contribution

Adhering to the principle of “contributing to society,” Shieh Yih pursues corporate growth and technological innovation while implementing continuous social responsibility programs that encourage employees to demonstrate empathy and care for society. In 2024, our social contribution efforts focused on the themes of “local actions, employee participation, and healthy living.” In partnership with local NGOs in Taoyuan, we continued to promote public welfare activities, encouraging employee involvement and fostering physical, mental, and spiritual well-being.

◆ 2024 Taoyuan City Government – “Hold Hands for Theater” Art and Cultural Promotion



In response to the “Hold Hands for Theater” art and cultural promotion promoted by the Taoyuan City Government, we assisted nearly 8,000 students from elementary schools in remote townships to enter theaters for watching performance and allow art education to take root at a young age, together with the tour guide education activity at the theater.

◆ 2024 Yangchou Forest Trail Beetle Restoration

To put biodiversity into practice, Shieh Yih participated in the “Yangchou Forest Trail Beetle Season” in Luzhu, aligning activities with the beetle incubation period to promote ecological education, raise awareness of local ecosystems, and support the community in protecting Taiwan's biodiversity. The Company funded Nankan Senior High School to develop the “Beetle VR Eco-tour Guide System,” which students used to provide guided eco-tours. In addition, 17 Shieh Yih employees joined as volunteers, serving as environmental stewards to help maintain the forest's cleanliness and contributing a total of 94 service hours. Through these efforts, we not only supported the local community but also played a role in safeguarding Taiwan's ecology.



◆ 2024 “SEYI Cup” Servo Stamping Process Design and CAE Simulation-Based Analytics Competition

To bridge the gap between academia and industry and align with industrial expertise, we continued to organize the “SEYI Cup” competition. Through the creativity of participating teams, the event introduced innovative design concepts and analytical methods into traditional stamping processes, fostering the development of computer-aided and digitalized servo press design and analysis technologies. From 2022 to 2024, a total of 69 teams from universities and enterprises across Taiwan participated.



◆ 2024 “Run! Seeds” Youth Volunteer Team

In partnership with the World Vision Taoyuan Center, we launched the “Run! Seeds” youth volunteer program. Sponsored students from universities, high schools, and junior high schools received volunteer training and took part in activities such as a sponsor gathering in Yangmei, Taoyuan, and a beach cleanup at Yong'an Fishing Harbor. During the summer, we also organized a camp at Taipei Zoo, where elementary school students from Taoyuan learned about animal traits through interactive games, helping to promote the cycle of kindness. In 2024, a total of 44 participants joined the activities, and Shieh Yih employees contributed 321 service hours.



◆ 2024 Cheng Gong Elementary School Basketball Team, Taoyuan City

Cheng Gong Elementary School in Taoyuan has one of the leading elementary school basketball teams, achieving excellent results in competitions across Taiwan. The Company sponsored basketball uniforms and transportation costs to support the students' participation in sporting events.



◆ 2023~2024 "Old Shoes Save Lives" Corporate Collection Point

In 2024, we organized a corporate collection campaign under the "Old Shoes Save Lives" initiative to gather usable secondhand items. A total of 221 pairs of shoes, 183 backpacks, and 625 pieces of summer clothing were collected to support children in remote African villages on their journey to school.



◆ 2024 "Second Life for Computers with Hope"

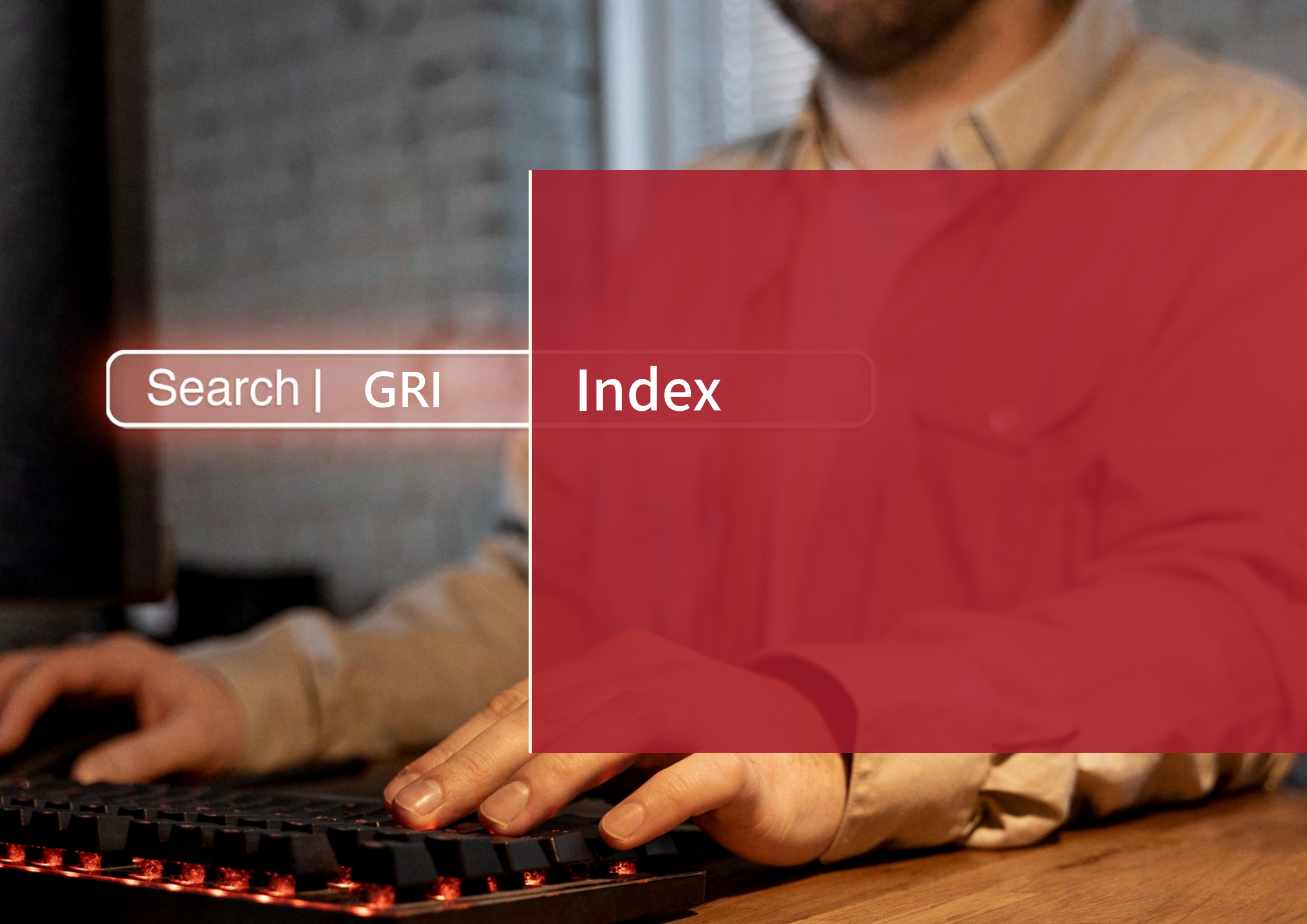
Building on our participation in 2021, we once again supported the ASUS Foundation's "Second Life for Computers with Hope" program in 2024. The Company donated decommissioned laptops, monitors, desktop computers, and other IT equipment, which were refurbished and provided to disadvantaged groups. In total, 235 units of IT equipment were recycled, reducing an estimated 3.875 metric tons of CO₂ emissions—equivalent to saving approximately 323 trees.



◆ Disaster Relief for the 2024 Hualien Earthquake

In the spirit of solidarity, the Company contributed to relief efforts by making donations to support post-disaster reconstruction, providing tangible support to the Hualien community.





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Statement of Use

- Shieh Yih Machinery Industry Co., Ltd. has reported the information for the period from January 1, 2024, to December 31, 2024, with reference to the GRI Standards.
- Applied GRI 1: Foundation 2021
- Applicable GRI Sector Standards: None

GRI 2: General Disclosures 2021

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406-1	Incidents of discrimination and corrective actions taken	7.3	Diversity and Inclusion	88	No incidents of discrimination occurred in 2024.

SASB

Topic	Number	Accounting Indicator	Category	Unit of Measure	Corresponding Section
Product Safety	CG-AM-250a.1	1. Number of recalls issued and 2. Total units recalled	Quantitative	Number	3.6 Product Safety and Lifecycle Management
	CG-AM-250a.2	Discussion of process to identify and manage safety risks associated with the use of its products	Discussion and Analysis	n/a	3.6 Product Safety and Lifecycle Management
	CG-AM-250a.3	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Reporting currency	3.6 Product Safety and Lifecycle Management
Product Lifecycle Environmental Impacts	CG-AM-410a.1	Percentage of eligible products by revenue certified to an energy efficiency certification	Quantitative	Percentage (%) by revenue	3.6 Product Safety and Lifecycle Management
	CG-AM-410a.2	Percentage of eligible products by revenue certified to an environmental product lifecycle standard	Quantitative	Percentage (%) by revenue	3.6 Product Safety and Lifecycle Management
	CG-AM-410a.3	Description of efforts to manage products' end-of-life impacts	Discussion and Analysis	n/a	3.6 Product Safety and Lifecycle Management
Annual Production Volume	CG-AM-000.A		Quantitative	Unit quantity	1.1.1 Business Overview

SDGs

Indicator	Disclosure Item	Corresponding Report Section	Corresponding Chapter
5	Gender Equality – Achieve gender equality and empower all women and girls	Gender Equality and Diversification Policy	7.3 Diversity and Inclusion
8	Decent Work and Economic Growth – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Corporate Governance and Operation	1 Corporate Governance and Operation
9	Industry, Innovation and Infrastructure – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Innovative Technology	3 Innovative Technology
12	Responsible Consumption and Production – Ensure sustainable consumption and production patterns	Innovative Technology	3 Innovative Technology
13	Climate Action – Take urgent action to combat climate change and its impacts	Sustainable Environment	5 Sustainable Environment
17	Partnerships for the Goals – Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	Diverse Workplace	7.3 Diversity and Inclusion

