



# 2024

## Sustainability Report



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## About GFC Ltd.'s Sustainability Report

GFC released the CSR Report in 2018 for the first time. It contains the concepts and response measures for various material issue management approach while GFC moves toward sustainable development, and explains the current key outcome for development and future plan of the Company. This report was jointly prepared by Chairman Tang Po-Loung, General Manager Yu Pen-Li of GFC Ltd., representatives from various departments, and members of the sustainability team. IR Trust Corporation Limited performed the data integration and drafting. Stakeholder opinions were collected through surveys, and quantitative analysis was used to identify six categories of stakeholders and their key considerations, resulting in the establishment of five material disclosure topics. This report also serves as a channel for dialogue between GFC and its stakeholders, aiming to foster mutual understanding of efforts and expectations through disclosure, communication, and feedback, as they progress together toward a better future.

### Rules for report writing and guarantee

The content structure of this report mainly refers to the GRI Standards issued by the Global Reporting Initiative (GRI). The report has been prepared in accordance with the GRI Standards and the "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies".

#### The reporting period and scope of the Corporate Sustainability Development Report

Reporting period: January 1, 2024 to December 31, 2024

Scope of report: The nationwide operations and primary production sites of GFC align with the consolidated financial statements. If the disclosure scope differs from the aforementioned, it is specified in the respective section.

Reporting cycle: One year

### Issuance of the Sustainability Report

### Contact Information

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In the future, GFC will annually publish a Corporate Sustainability Report, which will be available for download and viewing in the [ESG section of the official GFC website](#).

- Previous edition: August 2024
- Current edition: August 2025
- Next edition: Scheduled for release in August 2026



# Chairman's Sustainability Commitment

In 2024, GFC celebrated its 50th anniversary, firmly believing that "integrity" and "innovation" are the foundations of sustainable business operations. In addition to continuously accumulating profound technical expertise through various large-scale engineering projects, the Company has also actively developed high-end market products, completed the development of ultra-high-speed elevators, and advanced the R&D of high-speed MRL elevators and next-generation intelligent elevators. In 2024, GFC also launched the development project for heavy-duty, high-capacity double-deck elevators, continuing to provide customers with more energy-efficient, comfortable, and safe products and services through innovative and forward-thinking approaches.

On the environmental aspect, GFC continues to integrate climate resilience and carbon reduction actions into its core operations. Since 1998, the Yangmei Plant has implemented the ISO 14001 Environmental Management System and conducted GHG self-inventories in accordance with ISO 14064. The Company has gradually phased out high-energy-consuming production equipment and, in 2024, actively participated in tree planting and forest conservation projects to promote sustainability initiatives.

On the social aspect, GFC continues to dedicate efforts to promoting employee health and workplace care. In 2024, dedicated nurses and contracted physicians were stationed at the Taipei and Taichung offices, providing a total of 222 health consultation services throughout the year. The Company also launched the "2024 GFC Weight Loss Challenge," during which nurses offered personalized guidance and care. Employees collectively lost 397 kgs, with the group achieving the highest average weight and BMI reduction reaching 2.6%, effectively enhancing employee health and team cohesion. In addition, to protect the rights and interests of both labor and management and to promote harmonious labor relations, GFC officially signed a collective agreement with the labor union in May 2024. The agreement covers items such as working hours, overtime, year-end bonuses, and employee benefits, ensuring fair and reasonable labor conditions while further strengthening organizational unity and corporate competitiveness.



In terms of public welfare, GFC actively engages in social care and relief efforts. In 2024, together with the GFC Foundation, the Company donated NTD 2,000,000 to the Ministry of Health and Welfare's Hualien Earthquake Relief Fund and contributed over JPY 10 million to support reconstruction in areas affected by the major earthquake in Japan. GFC also donated new medical equipment to the Division of Pediatric Surgery, Surgery Department of Taipei Veterans General Hospital to help critically ill children receive comprehensive and timely medical care. Other public welfare initiatives included sponsorship of the WBSC Premier12 Baseball Tournament, the U18 Asian Baseball Championship, the Paris Olympic Games broadcast, and the National Police First Aid Training Demonstration Video. Through these efforts, GFC continues to promote the development of education, sports, and the arts, embodying the principle of giving back to society, fostering a cycle of goodwill and care, and fulfilling its corporate social responsibility.

On the governance aspect, GFC continues to strengthen its governance structure and risk management mechanisms. In 2024, the Company was included for the first time as a constituent in the MSCI World Small Cap Index and received several recognitions, including the "Senior Listing Award" from the Taipei Exchange, the 33rd Taiwan Excellence Award, the Silver Award in the 2024 Happy Enterprise Manufacturing Category, and recognition as one of the top 6%-20% outstanding listed companies in the Corporate Governance Evaluation.

Looking ahead, GFC will continue to integrate the talent and technological resources of Taiwan and Shanghai, upholding a professional, steady, and forward-looking management approach. The Company will further strengthen the implementation of strategies related to environmental protection, social engagement, and corporate governance, embedding the spirit of ESG into both business decisions and employees' daily actions. Together with stakeholders, GFC aims to create a prosperous future of economic growth, environmental sustainability, and social well-being, moving toward another half-century of sustainable excellence.

Chairman

A handwritten signature in black ink, appearing to read "T. P. 2024".

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# Corporate Overview

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## Annual Highlight Performance

- ◆ The Company achieved annual revenue of NTD **5.486 billion**, firmly maintaining its position as one of the top three leading elevator brands in Taiwan.
- ◆ Maintenance services continued to expand, with the number of elevators under maintenance contracts nationwide exceeding **43,610** units.
- ◆ Selected for the first time as a constituent of the **MSCI** Global Small Cap Index.
- ◆ Received the Taiwan Sustainable Action Award – **SDG 04** Silver Award for two consecutive years, recognizing the Company's long-term commitment to education and talent development.



GFC is the top three leading elevator supplier. It is devoted to elevator and escalator sectors. In technical collaboration with Toshiba and as the general agent of Toshiba, GFC's all-round operation and development have reached the top over the years. The main sales brands include Toshiba (exclusive agent for the Taiwan region), GFC (self-owned brand), and Genesis (self-owned brand). In addition to providing customers with a complete service that encompasses R&D, design, manufacturing, and installation of elevator products, GFC also offers 24/7 elevator maintenance and after-sales service. The business scope covers passenger elevators, freight elevators, hospital bed elevators, escalators, generators, and maintenance services. Since its establishment in 1974, more than 60,000 elevator products have been sold in the Taiwan region. As of the end of 2024, the number of elevators under contract for regular maintenance services with customers has reached 43,610 units. Currently, the headquarters is in Taipei, Taiwan, and there are operating locations throughout Taiwan. There are production bases in Yangmei, Taiwan and Jiading District, Shanghai, China.

Organization Name	GFC, LTD.
Founding year	1974
Headquarters Address	13F, No. 88, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City
Consolidated Revenue in 2024	NTD 5.486 billion
Paid-in Capital	NTD 1.77 billion
Number of Employees	The total number of employees is 1,468, including 151 manager-level staff and 1,317 general staff.
Primary Business	Sales include passenger elevators, freight elevators, hospital bed elevators, escalators, generators, and maintenance services
Products and Services	R&D, design, manufacturing and installation of elevator, and 24-hour elevator maintenance after-sales service
Operation and Service Locations	The headquarters is located in Taipei, Taiwan, with 7 branch offices, 12 service stations across Taiwan, and 4 liaison offices

# GFC Operation and Service Locations

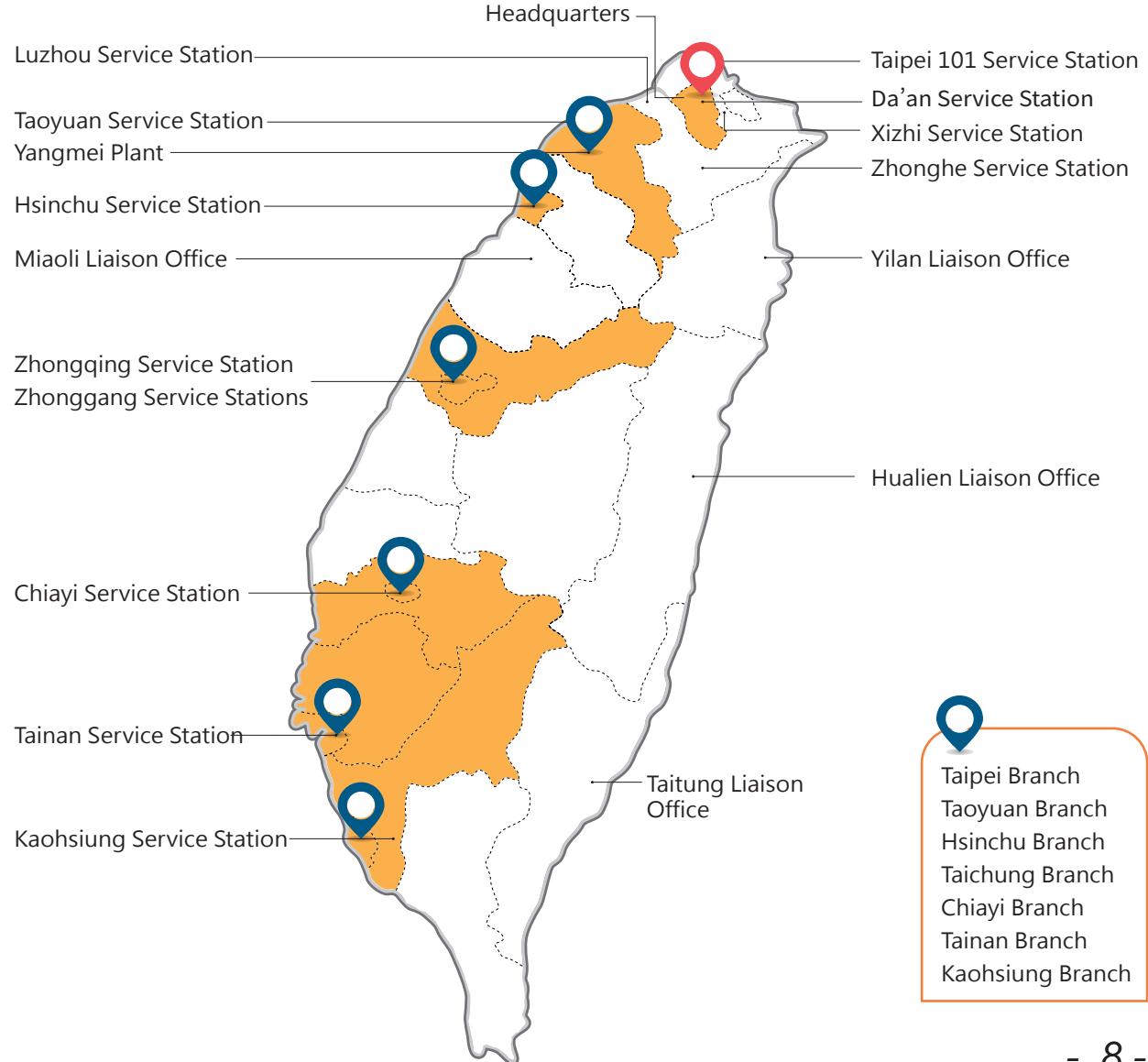


- ◆ Our service network covers Taiwan and our maintenance team received full education training, providing 24-hour service.
- ◆ GFC offers the fastest, the most complete lift repair and maintenance service based on the most professional, diligent and attentive attitude and the strictest standard.



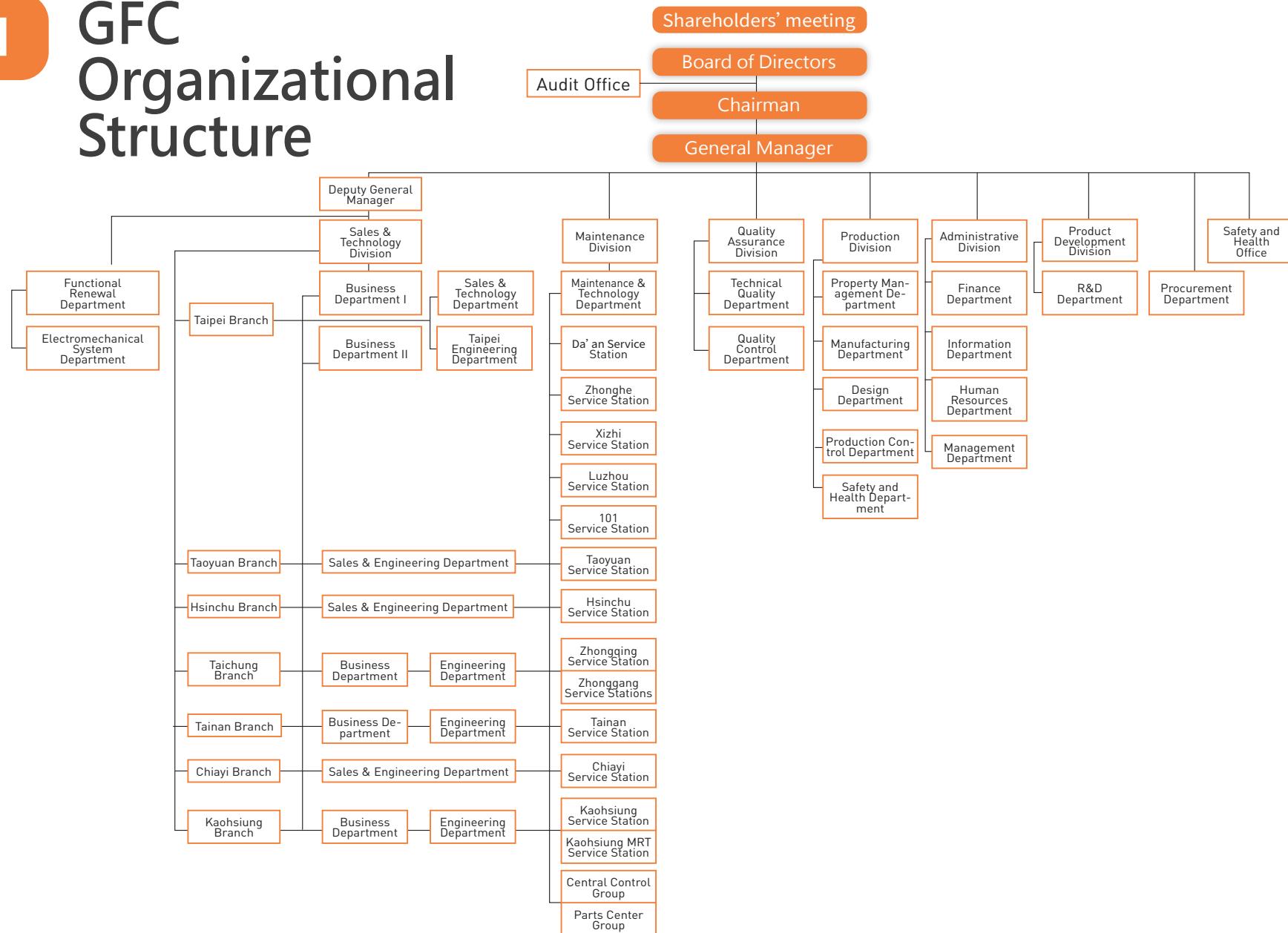
- ◆ Location : Shanghai (located in Jiading District, Shanghai).
- ◆ Service Market : Since 2016, due to the real estate market conditions in China and the central government's housing development policies, GFC's subsidiary, Shanghai GFC, has suspended orders in the domestic elevator market. GFC is simultaneously undergoing capacity reallocation, with GFC Shanghai responsible for manufacturing mature technology household small elevators and providing the parent company with household elevator equipment and components.

## Service Locations in Taiwan



1.1

# GFC Organizational Structure



## 1.2

## GFC Organization Function Introduction

## 【Business Activities】

Maintenance  
Division

Responsible for the management of after-sales services, including regular maintenance and troubleshooting for various types of elevators (and escalators), charging, signing maintenance contracts, parts replacement, repairs, operations, annual safety inspections, customer communications, and statistical analysis of elevator failures and maintenance attrition. Formulate nationwide maintenance policies. Integrate the failure repair services and customer service response mechanisms across various service stations and maintenance areas, providing statistical analysis of related record data. Establish and maintain a coordinated communication platform for implementation and progress tracking of work plans, along with a real-time information display mechanism for effectiveness assessment. Management and analysis of the supply and allocation of maintenance spare parts for various models, including statistical data.

Sales &  
Technology  
Division

Management of engineering, product sales, contract payment, client contact, production and marketing scheduling, and construction project closure. Construction planning, floor plan drawing, intensity calculation, and traffic flow calculation. Integration and preparation of sales technical specifications, planning of pre-sale technical specifications for major engineering contracts, project and domestic and international contract technical assistance, domestic and international technical development, overseas product market research and analysis, marketing planning, foreign sales order acquisition, implementation and management of import and export operations, and coordination with the Toshiba Elevator exclusive agent regarding contract sharing. Management of construction surveying, installation outsourcing, adjustments, completion inspections, handovers, warehouse management, and operations. Engineering technical improvements, anomaly handling, project management, technical document revisions, and coordination of related works across the entire nation, including engineering and plant affairs.

Administrative  
Division

Responsible for overseeing a range of tasks including accounting operations, taxation, finance, budget planning and execution, cash management and disbursement operations, and cost accounting. Also responsible for managing assets, public relations, documentation, filing, administrative tasks, environmental management, legal affairs, and shareholder services. In charge of the development and maintenance of Management Information Systems (MIS), information security policies, human resource policy planning, system implementation, training and development, remuneration and benefits, recruitment, and health management for employees.

Production  
Division

Responsible for drafting elevator (escalator) production contracts, implementing design modifications and improvements for existing products, and managing component and part production, manufacturing, processing, assembly, production planning and control, material receipt and issuance, subcontracted processing, and inventory management tasks.

Product  
Development  
Division

R&D, trial production, stabilization and verification of product, integration of electromechanical system, and final testing of test power

**Quality  
Assurance  
Division**

Analysis and discussion on countermeasures for engineering and quality abnormality management, tracking and management of client complaint handling, adjustment for reasonable working hours, and ISO quality certification Responsible for instrument verification management, overseeing and controlling the establishment of the plant's production quality management system, conducting quality inspections of the production system, statistical analysis of outcomes, and strategy development.

**Functional  
Renewal  
Department**

Responsible for promoting and planning functional upgrade services across the entire nation (excluding new elevator installations), supporting integration operations, coordinating supply, managing cost analysis and control, and overseeing installation project timelines. Formulate nationwide update of business policies.

**Electromechanical  
System  
Department**

Responsible for sales of generator products, promotion of building fire protection and electrical services, contract payment collection, customer communication, site inspection, installation and commissioning, maintenance and repair, and technical support.

**Safety  
and  
Health Office**

Establishment, maintenance, planning, supervision and management of safety and health system for the entire company

**Procurement  
Department**

Purchase of domestic and overseas parts and components and raw material

**Audit Office**

Responsible for auditing the internal control systems of GFC and its subsidiaries, monitoring and follow-up, managing evaluations of violations of the Company's operating regulations, and overseeing various administrative operations.

# 1.3 Memorabilia of GFC

## Deeply rooted in the elevator industry in Taiwan

**1974** GFC Ltd. was established

**1975** Exclusive agent for Toshiba (Japan) elevators and escalators

**1977** Signed a technology cooperation contract with Toshiba.

**1982** Established Taoyuan Plant No. 2.

## Opening up a new era for GFC

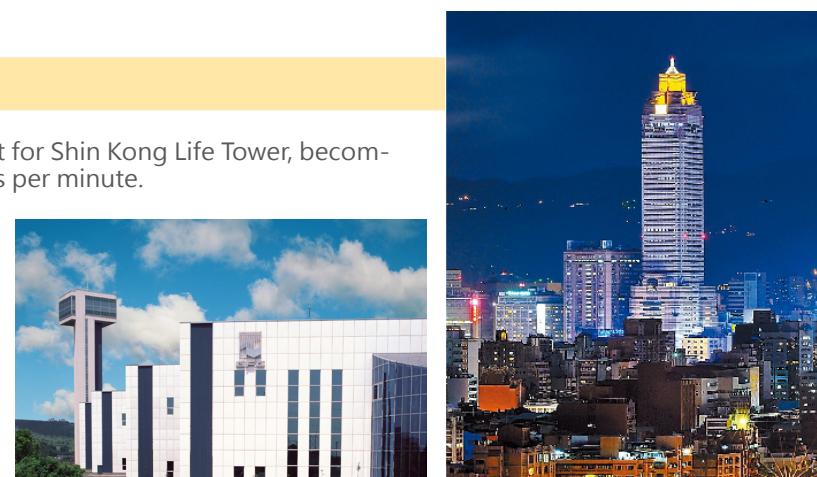
**1993** Established GFC Cayman Holdings Corp. Completed the elevator and escalator project for Shin Kong Life Tower, becoming the fastest elevator in the Chinese-speaking world, reaching a speed of 540 meters per minute.

**1996** Certified by SGS and ISO 9001

**1997** The Yangmei Plant and testing tower were put into operation. The Company was listed on the Taipei Exchange.

**1998** Achieved ISO 14001 environmental certification. Established Shanghai GFC Elevator Co., Ltd. Recognized by business magazines and CommonWealth Magazine as one of the top 200 influential companies.

**2000** Established Howtobe Technology Co., Ltd. After several years of profit reinvestment, the capital has increased from NTD 60 million in 1978 to NTD 3.107 billion.



## Elevating and constructing public infrastructure

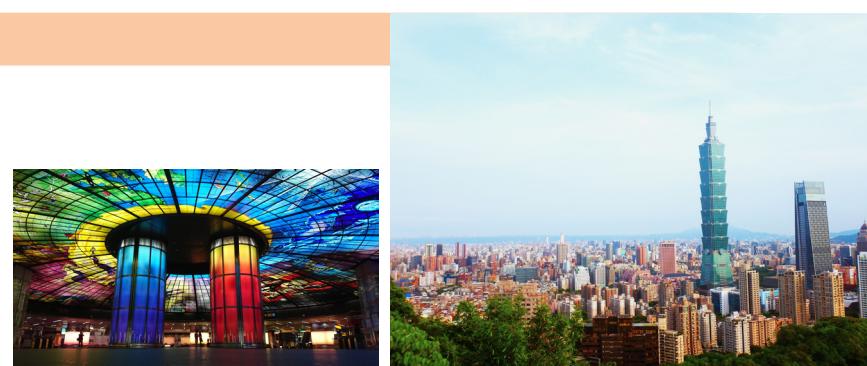
**2004** Completed the elevators and escalators for Taipei 101. Recognized by Guinness World Records as the fastest elevator.

**2005** Completed the elevator/escalator project for Taoyuan Station of Taiwan High Speed Rail

**2006** Completed the elevator/escalator project for Chiayi Station of Taiwan High Speed Rail

**2008** Completed the escalator projects of all 37 stations of Kaohsiung Metro

**2009** The capital was reduced to NTD 1,966.8 million after 10 repurchases of treasury stock.



**2010** Completed the elevator/escalator project of Beijing Parkview Green FangCaoDi

**2014** Completed the elevator/escalator project of Taipei Metro' s Taipei Arena Station and Nanjing Fuxing Station of the Songshan-Xindian Line

**2016** Completed the Taoyuan Airport MRT Line ME04A. Honored as one of the top 6 to 20% of companies in the corporate governance evaluation. Finished the installation of solar energy systems at the Yangmei Plant.

**2017** Completed the elevator projects at Caesar Metro Taipei in Wanhua, Cuncyue Hot Spring Resort in Luodong, and the Westin Yilan Resort. Received recognition for the second time as one of the top 6 to 20% of companies in the corporate governance evaluation. Supported the trial operation of elevators for the Taoyuan Airport MRT Line.

**2018** Completed the elevators and escalators of Hotels for the New Banciao Station Special District. Used the new eco-friendly PMSM for passenger lift, reducing power consumption significantly. Honored the Type II Label by EPA, Executive Yuan. Recognized as Corporate Governance Evaluation Top 6–20% Excellent OTC Companies for the third time.

**2019** GFC GF Series, integrated with numerous innovative products, was honored the 2020 Taiwan Excellence Award. Recognized as Corporate Governance Evaluation Top 5% Excellent Companies for the first time.

**2020** Completed the elevators and escalators for Kaohsiung Music Center. Completed the elevators for Ming Lun Public House.

**2021** Honored the 2021 Happy Enterprise Golden Award and Special Award, the Public Construction Golden Quality Award, the 30th Taiwan Excellence Silver Award, and the 7th Corporate Governance Evaluation Top 5% Excellent Companies.

**2022** Received the 2022 Taipei City Government Public Works Excellence Award in the facilities engineering category and achieved recognition as a top 5% companies in the eighth corporate governance evaluation.

**2023** Awarded the Silver Award in SDG 4 at the 3rd Taiwan Sustainable Action Awards 2023. Recognized as the Gold Award for Happy Enterprises in the manufacturing industry in 2023. Received the Silver Award at the 32nd Taiwan Excellence Awards. Ranked among the excellent listed companies with a score of 6 to 20% in the ninth corporate governance evaluation.

**2024** Received the "Senior Listed Company Award" from the Taipei Exchange; the 2024 Happy Enterprise Silver Award in the manufacturing industry; the 33rd Taiwan Excellence Award; recognition as one of the top 6 to 20% outstanding listed companies in the 10th Corporate Governance Evaluation; the Silver Award for SDG 4 at the 4th Taiwan Sustainable Action Awards; and was selected for the first time as a constituent of the MSCI Global Small Cap Index.



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# Corporate Sustainable Development

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## Annual Highlight Performance

- ◆ The energy-saving innovative technology for elevators fully incorporates permanent magnet synchronous motors, achieving energy efficiency of over **30%**.
- ◆ Implemented green manufacturing processes and equipment replacement strategies, completing the modernization of **386** old elevators in 2024.
- ◆ Engaged in cross-sector collaboration for tree planting and forest conservation, and promoted energy-saving programs to fulfill corporate environmental responsibility.

Climate change and global warming are challenges that the global community must confront today. While the physical risks posed by extreme weather events such as floods and droughts threaten the continuity of business operations, actively responding to these challenges through a transition to a low-carbon economy aimed at sustainable goals will also create opportunities for industries. To deepen corporate sustainable development, GFC positions the Board of Directors as the highest supervisory body for climate issues, coordinating overall climate strategy and overseeing senior management's implementation of climate-related risk management and key performance indicators. Starting in 2024, the Risk Management Team conducts comprehensive assessments and analyses of various risk scenarios, including climate-related risks, starting this year. Strategies for response and adaptation will be developed, resulting in a corporate risk management report to be presented to the Board of Directors, ensuring that climate issues are incorporated into the perspectives of senior management and managed with due diligence.

## 2.1

# Commitment and Policies for Corporate Sustainable Development

## 2.1.1 GFC's Corporate Sustainability Vision

In 2014, the GFC's Board of Directors resolved to establish the "Corporate Social Responsibility Best-Practice Principles." In 2022, the Board of Directors approved a name change to "Sustainable Development Best Practice Principles", reflecting the commitment to actively practice corporate sustainability while conducting business operations. Through corporate citizenship, the Company aims to improve the quality of life for employees, communities, and society. Additionally, the Company will continue to implement principles such as effective corporate governance, developing a sustainable environment, fulfilling social responsibilities, and enhancing the disclosure of corporate sustainability information.



## 2.1.2 Corporate Sustainable Development Policy History

Since 2008, GFC has implemented institutionalized sustainability governance initiatives and has gradually established a framework of Principles covering employee conduct, corporate social responsibility, and environmental sustainability. With the growing global attention to corporate social responsibility, by 2023, the Principle had undergone four amendments, demonstrating GFC's strong commitment to self-improvement and continuous advancement. This process has not only strengthened internal governance but also laid a solid foundation for GFC's steady progress toward a sustainable future.

**2023**

4th Amendment of the "Sustainable Development Best Practice Principles"

**2022**

3rd amendment to "Corporate Social Responsibility Best-Practice Principles" and renamed as "Sustainable Development Best Practice Principles"

**2020**

2nd Amendment to "Corporate Social Responsibility Best-Practice Principles"

**2016**

1st Amendment to "Corporate Social Responsibility Best-Practice Principles"

**2014**

Establishment of the "Corporate Social Responsibility Best-Practice Principles"

**2008**

Establishment of the "Employee Code of Conduct"



## 2.2

# Corporate Sustainability Brand Strategy



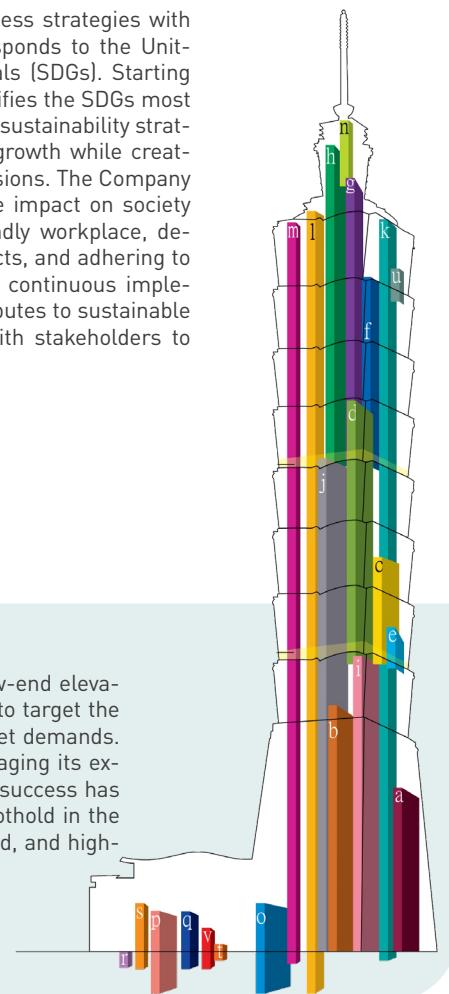
### Differentiated Brand Strategy



In addition to representing the “Toshiba” brand of elevators, GFC also focuses on the mid- to low-end elevator market under its own “GFC” brand. The Company has introduced the “Genesis Series” brand to target the mid- to high-end custom elevator market, leveraging brand differentiation to meet diverse market demands. The “Genesis” brand quickly established high brand recognition in the premium market by leveraging its experience from notable projects, such as creating the world’s fastest elevator for Taipei 101. This success has expanded its market share in the high-end commercial elevator sector and enabled a strong foothold in the elevator replacement market. In terms of technical specifications, GFC offers a variety of low, mid, and high-end elevators tailored to different brands.

Through resource integration, this strategy will enhance brand value, drive overall gross and operating profit margins, and continue to set new operational benchmarks.

GFC is committed to integrating its business strategies with sustainable development and actively responds to the United Nations Sustainable Development Goals (SDGs). Starting from its core elevator business, GFC identifies the SDGs most relevant to the Company and formulates a sustainability strategy blueprint to ensure stable business growth while creating positive impacts across all ESG dimensions. The Company strives to minimize any potential negative impact on society and the environment by fostering a friendly workplace, developing sustainable and beneficial products, and adhering to ethical marketing practices. Through the continuous implementation of concrete actions, GFC contributes to sustainable development and works hand in hand with stakeholders to create a better society.



## Provide Quality Education and Scholarships



GFC firmly believes that education is essential to societal progress and personal growth. As a result, we are committed to supporting quality education, aligning with the UN SDG 1 – “End poverty in all its forms everywhere” – and SDG 4 – “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.” Through its foundation, GFC established the “GFC Ltd. Scholarship” in 2019 to nurture outstanding talent, awarding a total of 388 students and distributing NTD 18,800,000 in scholarships by 2024. The scholarship is dedicated to recognizing exceptional students in electrical engineering, mechanical engineering, architecture, and civil engineering. This scholarship aims to encourage these students to pursue excellence by providing them with the resources and opportunities necessary to realize their aspirations. In addition to offering a generous scholarship, GFC also organizes an annual two-day meeting event. The event focuses on design thinking, guiding students to break out of conventional frameworks and apply human-centered thinking. This helps deepen their understanding of their professions while fostering interaction and communication among students. GFC will continue to uphold its corporate philosophy of “not striving to be the first, but striving for excellence,” encouraging young students and working together with award winners to pursue continuous breakthroughs and innovation. We look forward to guiding more students to continue their learning and giving back to society through this event, so that the love and wisdom can circulate indefinitely.

## Water Resource Management and Protection



GFC deeply recognizes the importance of water resources to society and the environment. To this end, GFC actively engages in water resource management and protection to achieve the UN SDG 6 – “Ensure availability and sustainable management of water and sanitation for all.” GFC is committed not only to reducing water waste but also to enhancing the efficiency of water resource utilization through technological innovation and effective management. In the factory’s production process, low-water-consumption technology has been specially designed, ensuring that no wastewater or polluted water is discharged, thereby reducing dependence on water resources and minimizing environmental impact. Effective water-saving measures are implemented for domestic water use to ensure the sustainability and efficient utilization of water resources. In addition, regarding the assessment of water risks, the annual water usage at the Yangmei Plant is less than one-third of the applied amount, and there has never been a water shortage issue. In the future, GFC will continue striving to reduce its environmental footprint and looks forward to working hand in hand with stakeholders to create a cleaner and healthier planet.



## Committed to technological applications, GFC focuses on developing high-speed, intelligent, and environmentally friendly products.



GFC adheres to environmental sustainability and high-efficiency transportation as its core development principles, aiming to maximize transportation efficiency and minimize environmental impact. Through this management philosophy, the Company seeks to establish a green operation model that integrates sustainable consumption and production into everyday life. GFC's main operations include the sales, installation, replacement, and maintenance services of elevators and escalators. The revenue ratio between new elevator sales and maintenance services is approximately 54 to 46. With the advancement of technology, environmental protection, and AI intelligence, GFC actively supports the UN SDG 7 - "Affordable and Clean Energy." The Company promotes the development of elevator equipment toward greater energy efficiency, intelligence, and performance. It is the first in the industry to fully adopt eco-friendly, energy-saving PM permanent magnet synchronous motor systems, which achieve over 30% energy savings compared with traditional motors. By applying AI algorithms to elevator dispatching, passenger waiting and riding times are reduced, while the use of IoT-based intelligent management in maintenance systems enables more efficient and real-time deployment of maintenance personnel. Other applications include face recognition, voice-hailing rides, crowd density detection, and car dispatch at destination buildings. In addition, in response to the rising land costs in metropolitan areas and the trend of developing super-high-rise buildings, GFC's products will continue to evolve toward safety, exquisiteness, user-friendliness, and ultra-high-speed elevators.

## Good Career Development Opportunities



GFC is committed to providing employees with quality career development opportunities and a comfortable working environment, upholding the UN SDG 8 - "Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all." GFC values employees' professional capabilities and personal growth by providing comprehensive training programs and career development support. These initiatives help employees continuously enhance their skills, realize their full potential, and find meaning and a sense of accomplishment in their work. In addition, GFC also places great emphasis on employee welfare. Beyond work, the Company hopes employees can enjoy a balanced and harmonious life. By providing a comprehensive benefits system, flexible work arrangements, and health promotion programs, GFC aims to enhance employees' quality of life and job satisfaction, helping them find passion and balance between work and life.

## Focus on the Replacement Market



Environmental sustainability is a key core value in GFC's business strategy. As elevators have become an essential means of vertical transportation in people's daily lives, GFC takes responsibility for mitigating its impact on the overall ecological environment through continuous improvement and innovation in its products and services. Considering the growing public awareness of elevator safety, the government's continuous enhancement of annual safety inspections and management, and society's increasing focus on environmental protection and social well-being, GFC actively supports the UN SDG 9 - "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation." The Company is dedicated to integrating elevator modernization and after-sales maintenance services by introducing multiple "old elevator functionality upgrade" programs and actively expanding the elevator modernization market. Currently, GFC's maintenance services include over 11,000 elevators with more than 20 years of use. Actively pursuing replacement opportunities for elevators from other brands, GFC completed 386 units for replacement and upgrades in 2024. The elevator replacement market is expected to sustain an annual growth rate of over 10% in the coming three years.

## R&D and Innovation for Better Performance



To reduce the environmental impact of products throughout their life cycle and in response to the growing demand from commercial projects for elevator operational safety, environmental efficiency, and space design, GFC promotes green manufacturing measures to implement the UN SDG 12 - "Ensure sustainable consumption and production patterns." The Company actively develops next-generation ultra-high-speed elevators and energy-efficient intelligent products and plans to integrate smart manufacturing to enhance overall production efficiency. While ensuring product eco-friendliness and environmental sustainability, GFC aims to increase the proportion of commercial new elevator sales to 20%.

## Ecological Conservation Actions on Land



GFC firmly believes in the importance of protecting and preserving terrestrial ecosystems and is committed to supporting the UN SDG 15 - "Protect, restore, and promote sustainable use of terrestrial ecosystems, halt biodiversity loss, and prevent land degradation." GFC actively participates in various initiatives to conserve terrestrial ecosystems and is committed to biodiversity and zero deforestation. The Company reviews its current operational activities related to timber usage, such as paper, packaging, and construction materials, and invests resources in forest conservation and restoration efforts. GFC collaborates with government agencies and private forest conservation organizations to participate in activities such as forest protection, afforestation, and ecological restoration. For example, GFC joined the "Chilin Ecological Restoration Foundation" initiative, where company volunteers worked together at Yangmingshan National Park to restore forest areas. Through such concrete actions, GFC demonstrates its commitment to sustainable operations and moves steadily toward achieving zero net deforestation and a net positive impact on biodiversity by 2030.

## Collaborative Development with Diverse Partners

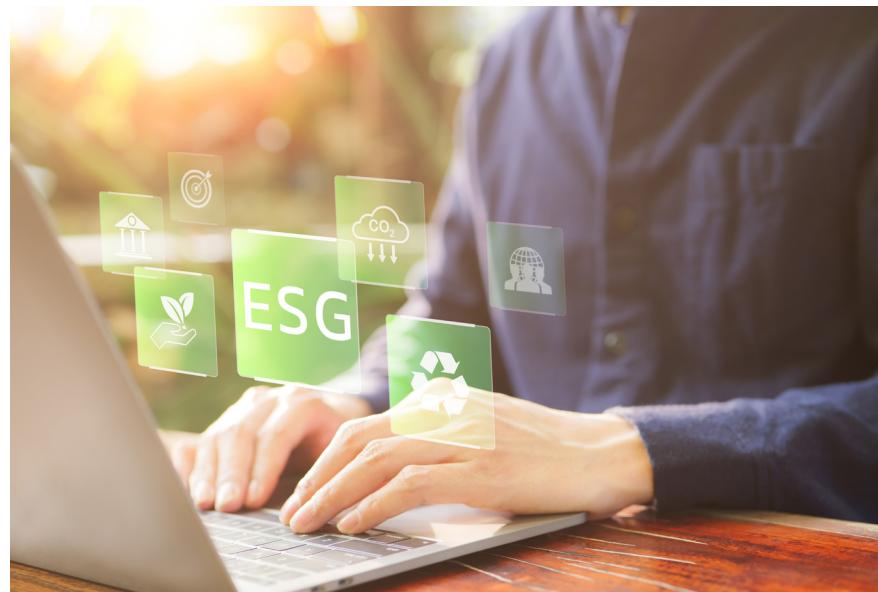
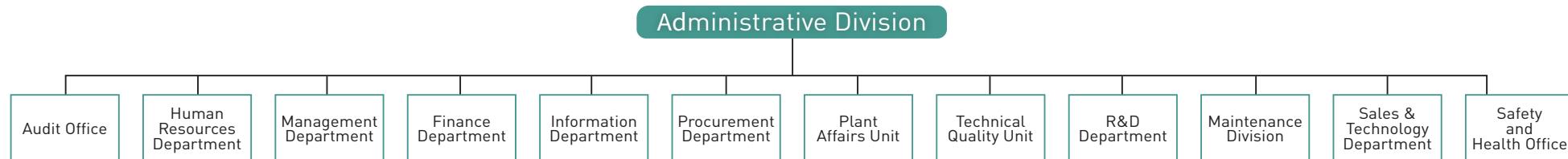


In the process of achieving sustainable development goals, GFC upholds a "people-oriented" philosophy, creating a human-centered working environment and building diverse partnerships to implement UN SDG 17 - "Strengthen the means of implementation and revitalize the global partnership for sustainable development." To attract diverse talent, GFC actively establishes and strengthens partnerships with various stakeholders, including government agencies, NGOs, industry associations, and academic institutions, to jointly promote sustainable development goals and actions. Starting from 2024, GFC has begun to introduce foreign employees. This initiative aims to address the imbalance between labor market demand and supply, and is also part of the Company's efforts to achieve its sustainable development goals. In the process of introducing foreign employees, GFC will comply with local laws and regulations, safeguard the rights and welfare of foreign employees, and strive to create a diverse and inclusive working environment. By collaborating with diverse partners, sharing resources, jointly addressing challenges, and fostering innovation and cooperation, GFC strives to achieve sustainable development goals.

## 2.3

# Responsible Unit for Corporate Sustainable Development

The Administrative Division of GFC serves as the primary unit for promoting corporate sustainability. It is responsible for formulating and implementing corporate sustainability policies, systems, and related management guidelines, as well as proposing and executing concrete action plans. The Head of the Administrative Division acts as the team leader, while the Manager of the Management Department serves as the executive secretary, assisting in the execution of various sustainability initiatives and facilitating cross-departmental coordination. To strengthen governance mechanisms and ensure senior management participation, the outcomes of sustainability initiatives are reported to the Board of Directors at least once a year to continuously enhance the Company's sustainability strategies and actions.



## Duties and Functions:

- ◆ Coordinate the implementation of the Company's corporate sustainable development policies and management guidelines.
- ◆ Responsible for collecting opinions from stakeholders and identifying key issues.
- ◆ Compilation of financial data along with non-financial data such as quality, environmental protection, energy conservation, and customer feedback.
- ◆ Report the outcome for corporate sustainable development and annual plan progress to the Board at the end of every year.
- ◆ Promote the green supply chain.
- ◆ Publish the ESG report.

## 2.4

# Corporate Sustainability Footprint

GFC upholds the philosophy of "giving back to society" and has long been dedicated to fulfilling its corporate social responsibility. The Company actively engages in areas such as "energy conservation and carbon reduction," "environmental protection," "social welfare," "community service," "talent cultivation," and "cultural development." Through concrete actions that promote sustainable values, GFC integrates its core expertise with local resources to address stakeholder concerns and strengthen its connection with society. The following highlights GFC's key achievements and milestones in the ESG field in 2024, demonstrating the Company's commitment and accomplishments on its path toward sustainable development.



## Environmental Protection

- ◆ Promoted the "Hand in Hand for Love - Planting Trees of Hope" project in collaboration with the "Chilin Ecological Restoration Cultural Association," engaging a total of 84 corporate volunteers to plant 27 Cinnamomum kanehirae saplings.

## Energy Conservation and Carbon Reduction

- ◆ Promoted the "Hand in Hand for Love - Lighting Up Happiness" energy-saving lighting replacement program, assisting 5 social welfare organizations in replacing lighting fixtures. A total of 40 corporate volunteers participated, replacing 339 energy-efficient lights.



## Social Welfare

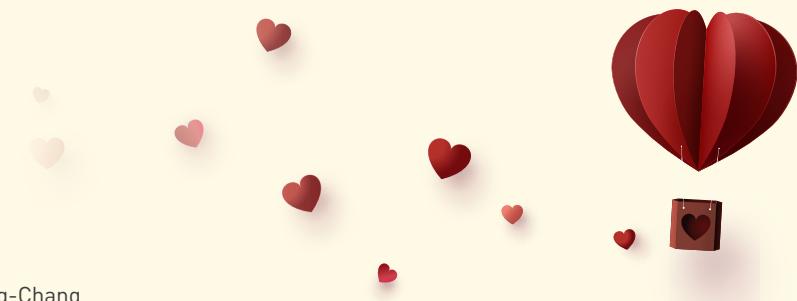
- ◆ GFC, together with the GFC Foundation, donated a total of JPY 10,000,000 (approximately NTD 2.2 million) to the earthquake relief fund established by the Ministry of Health and Welfare for Japan. The donation was transferred through the Ministry of Foreign Affairs to support the Japanese government in resettling disaster victims and facilitating the prompt recovery of affected areas.
- ◆ In response to the April 3 earthquake, which caused damage to residential buildings and casualties in the Hualien area, the GFC Industrial Union launched a fundraising campaign. With assistance from the GFC Foundation, a total donation of NTD 2,000,000 was contributed to the disaster relief fund established by the Ministry of Health and Welfare.
- ◆ Donated or sponsored a total of NTD 12,870,000 to give back to society, with the following initiatives:
  - U18 Asian Baseball Championship
  - Paris Olympic Games broadcast
  - National Police First Aid Training, with the production and release of a demonstration video
  - Soochow International Ultra Marathon Gold-Level Event
  - WBSC Premier12 Baseball Tournament - Taiwan-Japan Championship Game

### Social Service

- ◆ GFC Yangmei Plant took part in civil defense squad training in Yangmei in 2024
- ◆ GFC's Yangmei Plant supported a charitable blood donation campaign, collecting 88 bags of blood

### Talent Cultivation

- ◆ Youth Science Talent Development Program
- ◆ GFC Innovative Research Award
- ◆ GFC Scholarship Exchange and Award Ceremony
- ◆ Education and Promotion of Elevator Science and Safety
- ◆ Elevator Science Tour



### Cultural Development

- ◆ Soochow University Alumni Humanities Lecture by Tang Sung-Chang
- ◆ Sponsorship for the Development of Domestic Arts and Cultural Groups
- ◆ Studio Tang in Kaohsiung
- ◆ For 20 consecutive years, GFC has supported citizen diplomacy by inviting the Harvard Krokodiloes to perform across Taiwan



- ◆ In celebration of the 30th anniversary of the Taipei Exchange, GFC received the "Senior Listed Company Award."
- ◆ GFC received international recognition by being selected for the first time as a constituent of the MSCI Global Small Cap Index
- ◆ GFC has been recognized in the Corporate Governance Evaluation for 10 consecutive sessions, ranking within the top 6 to 20% range
- ◆ GFC Foundation was honored the SDG 4 Silver Award of "2024 Taiwan Sustainability Action Awards"

## 03

# Stakeholder Dialogue

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## Annual Highlight Performance

- ◆ Identified 6 categories of stakeholders, consolidated the frequency and level of engagement, and focused on 6 highly relevant stakeholder groups.
- ◆ In 2024, a total of 4 labor union meetings, 4 discussion sessions, 2 investor conferences, 1 annual shareholders' meeting, 1 supplier meeting, and 4 association exchanges were held.
- ◆ Distributed and collected 151 stakeholder issue concern questionnaires to gather perspectives from various stakeholders.
- ◆ Established a materiality analysis process to identify 5 key issues, which were included as disclosure priorities in the sustainability report.



## 3.1 Stakeholder Identification and Communication

Stakeholders related to GFC's operations include employees, suppliers, customers, community/non-profit organizations, media, shareholders/investors, key credit recipients, and government entities. Considering communication frequency and the level of interaction with the Company, GFC ultimately identifies employees, suppliers, customers, shareholders/investors, NPOs, and the media as stakeholders with high relevance. GFC believes that the expectations and opinions of stakeholders are crucial foundations for the Company's sustainable operations. Therefore, GFC has designated responsible units for each stakeholder based on their characteristics and established stable communication and complaint channels to ensure stakeholders can fully express their opinions. The feedback from stakeholders is also used as a foundation for shaping the Company's future sustainable development strategies.



## 3.1.1 Communication Status

Stake-holders	Important Issues of Concern	Communication Channels and Response Methods	Communication Channel and Frequency	Communication Channel and Frequency
Employees	Employee Rights and Benefits Smooth Labor-management Communication Talent Cultivation and Development Employee Diversity and Equality Human Rights Policy Talent retention Occupational Safety and Health	<ul style="list-style-type: none"> <li>The Company has an internal information network that allows employees to quickly access relevant announcements, procedures, and forms.</li> <li>The Company has established a “Employee Complaint Handling Procedure” and convenes labor-management meetings, occupational safety and health committee meetings, and employee welfare committee meetings in accordance with the law to protect employee rights.</li> <li>Employees have formed a corporate union in accordance with the Labor Union Act. In addition to being able to communicate suggestions to the Company, the Company also designates human resources personnel or specific individuals to participate in regular union meetings, providing employees with updates on the Company's operational status and related changes, thereby maintaining open communication channels between labor and management.</li> <li>Conduct satisfaction surveys after education and training or activities to understand employees' learning status and training needs, and respond appropriately.</li> <li>A Labor Safety and Health Office and a Occupational Safety and Health Committee have been established, with a safety management specialist responsible for formulating and supervising various safety and health measures and protective equipment across units.</li> </ul>	<ul style="list-style-type: none"> <li>Company internal information platform</li> <li>Manager's mailbox</li> <li>Employee union meetings: 4 times a year</li> </ul>	<ul style="list-style-type: none"> <li>Employee union meetings: A total of 4 sessions were held</li> </ul>
Share-holders/ Investors	Financial performance Customer service quality Ethical Corporate Management Product quality Corporate Governance Air Pollution and Waste Management	<ul style="list-style-type: none"> <li>Each year, the Company reports its operating performance and direction at the shareholders' meeting and to shareholders and investors.</li> <li>Publish the annual financial report and quarterly financial report as required each year.</li> <li>Committed to transparency in information disclosure, the Company has established an “Investment Section” on its official website to provide real-time access to financial and corporate governance information.</li> <li>Fulfill the Company's disclosure responsibilities and obligations.</li> <li>The Company has designated a spokesperson and an acting spokesperson to handle various investor inquiries. An “Investor Contact Section” is available on the Company's official website, allowing investors to connect with the spokesperson and acting spokesperson via phone or email for feedback and communication, providing multiple channels for contact.</li> </ul>	<ul style="list-style-type: none"> <li>Email addresses and telephone number of the spokesperson and acting spokesperson.</li> <li>Investment section on the Company's official website.</li> <li>Quarterly and annual financial reports: Once per quarter / Once per year</li> <li>Annual shareholders' meeting: Once a year</li> <li>Consolidated revenue announcement: Once a month</li> </ul>	<ul style="list-style-type: none"> <li>Forums: A total of 4 sessions were held</li> <li>Investor conference: A total of 2 sessions were held</li> <li>General shareholders' meeting: Once</li> </ul>

Stakeholders	Important Issues of Concern	Communication Channels and Response Methods	Communication Channel and Frequency	Communication Channel and Frequency
Customers	Customer service quality Ethical Corporate Management Product quality Customer Privacy Legal Compliance	<ul style="list-style-type: none"> <li>Regular customer satisfaction surveys are conducted annually to fully understand customer needs.</li> <li>Annual assessments of maintenance quality and surveys of repair service quality are conducted regularly for maintenance customers to ensure product quality and service standards.</li> <li>The Company has established a complaint handling process and designated a specialized unit responsible for addressing and tracking issues, aiming to achieve prompt and effective resolution policies.</li> <li>The Company's official website features sections for "Customer Inquiries" and "Service Locations," allowing customers to directly report issues via phone or message, thus implementing consumer and customer protection policies.</li> <li>Strictly comply with legal requirements and maintain good interactions with competent authorities, cooperating with their supervision and related activities.</li> <li>Regularly disclose corporate governance information on the MOPS and the Company website.</li> </ul>	<ul style="list-style-type: none"> <li>Customer complaint hotline</li> <li>Customer consultation section on the Company's official website</li> <li>Service Locations Section on the Company's official website</li> <li>Maintenance and repair quality survey</li> <li>Customer satisfaction survey: once a year</li> <li>MOPS and the Company's official website</li> <li>Annual report: Once a year</li> </ul>	<ul style="list-style-type: none"> <li>Anytime, 24/7 Customer Inquiry Hotline</li> </ul>
Suppliers/ Collaborating Contractors	Supplier Sustainable Management Customer service quality Ethical Corporate Management Product quality Occupational Safety and Health	<ul style="list-style-type: none"> <li>The Company has established a "Supplier Management Code of Conduct," which includes labor rights, environmental considerations, health and safety, ethical standards, and legal requirements. Suppliers are required to sign a "Supplier Commitment" to ensure that they understand and comply with the Company's demands for product safety and ethical standards, thereby enhancing their responsibility toward society and the environment.</li> <li>Conduct supplier and collaborating contractors evaluations and publicly commend outstanding vendors of the year.</li> <li>Communicate product policies, quality objectives, and review collaboration progress through face-to-face meetings, phone calls, and emails.</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated contact windows from the Procurement Department, Administrative Division, and Sales &amp; Engineering Division.</li> <li>Supplier evaluation: Once a month</li> <li>Supplier meeting: Held occasionally</li> <li>Supplier Management Code of Conduct and Commitment: Signing upon becoming a collaborating contractor of GFC</li> </ul>	<ul style="list-style-type: none"> <li>Supplier meetings: A total of 1 session held</li> </ul>
NPOs	Climate Change Risks and Responses Talent retention Employee Rights and Benefits	<ul style="list-style-type: none"> <li>Disclose GHG inventory report information on the Company's official website.</li> <li>Disclose environmental and energy-saving information in the Company's annual report.</li> <li>Collaborate occasionally with colleges and universities to promote environmental-friendly general education courses.</li> <li>The Company has joined the following associations to demonstrate support for external initiatives related to economic, environmental, and social charters, principles, or other advocacy.</li> </ul>	<ul style="list-style-type: none"> <li>Participation in activities organized by non-profit organizations: Occasionally.</li> <li>Support for NPO initiatives: Occasionally.</li> </ul>	<ul style="list-style-type: none"> <li>Association meetings: Participated in a total of 4 sessions</li> </ul>

Stakeholders	Important Issues of Concern	Communication Channels and Response Methods	Communication Channel and Frequency	Communication Channel and Frequency
		<ul style="list-style-type: none"> <li>④ Elevator Association.</li> <li>④ Lifting Appliance Safety Inspection Association of R.O.C.</li> <li>④ FIACBI-Taiwan.</li> <li>④ Taiwan Electrical and Electronic Manufacturers' Association.</li> <li>④ Labor Safety &amp; Health Management Association.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration with colleges and universities to promote general education courses on environmental awareness: Occasionally.</li> </ul>	
Media	Climate Change Risks and Responses Talent retention Supplier Sustainable Management Employee Diversity and Equality Ethical Corporate Management Occupational Safety and Health	<ul style="list-style-type: none"> <li>• Monthly operational information is published, along with occasional updates on related operational achievements and development trends.</li> <li>• At least two investor conferences are held annually to explain operational performance to investors.</li> <li>• In conjunction with the launch of new products, media visits are arranged to enhance journalists' understanding of the elevator industry.</li> </ul>	<ul style="list-style-type: none"> <li>• Press release publication frequency: Occasionally.</li> <li>• Investor conference: twice a year</li> <li>• Subject-specific interviews: Occasionally</li> </ul>	<ul style="list-style-type: none"> <li>• Press releases: 5 in total</li> <li>• Financial data announcement: once a month</li> </ul>



## 3.2 Analysis of Material Issues

### 3.2.1 Response from Stakeholders

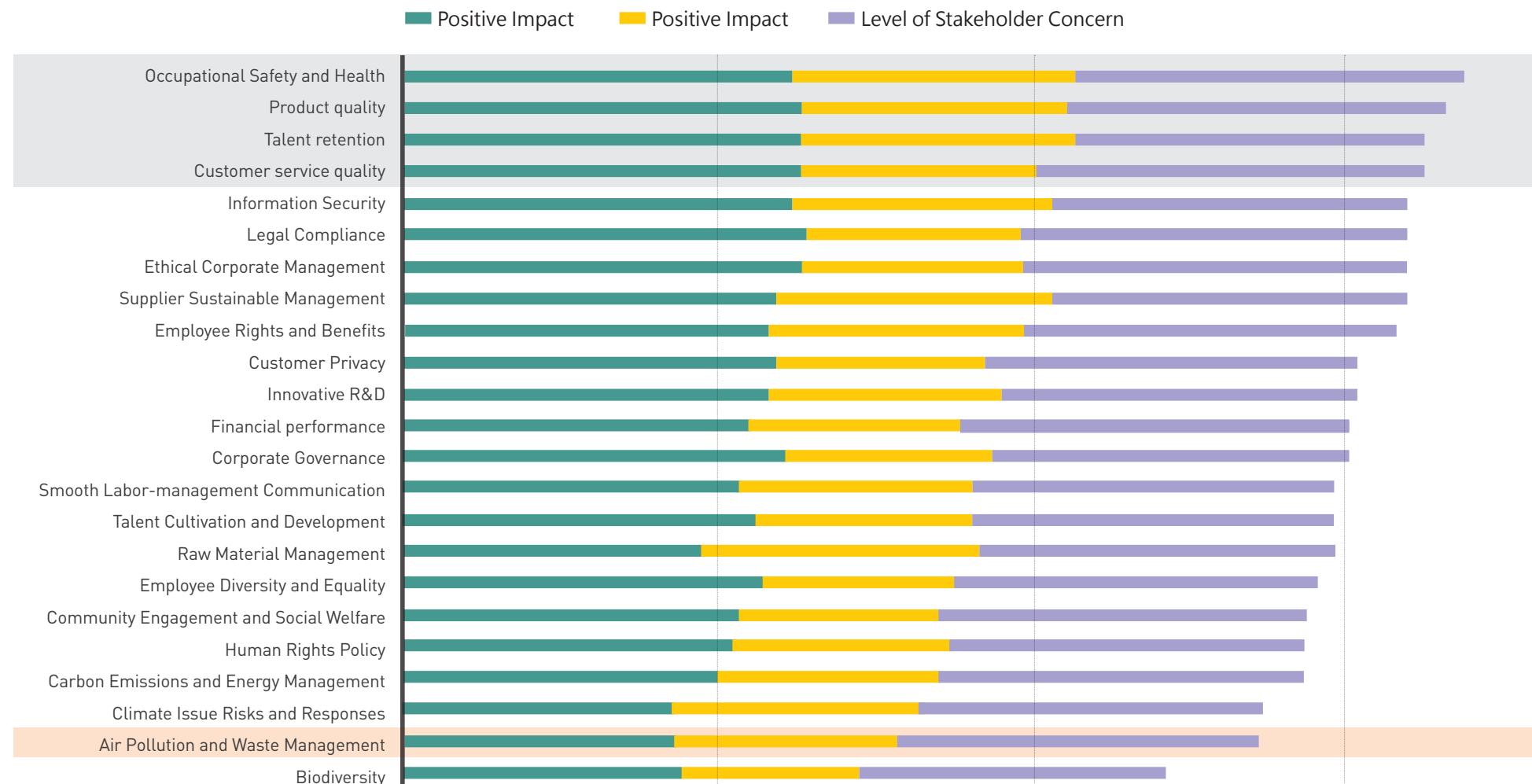
GFC evaluated the positive and negative impacts of sustainability issues based on GRI 3 material topics and identified 5 material issues.

1	Collect a List of Material Topics	With reference to international standards such as GRI and SASB, and through analysis of sustainability issues identified by peers, a total of 23 sustainability issues were summarized.	23 Sustainability Issues
2	Assess the Level of Stakeholder Concern	Invited six stakeholder groups of GFC to complete questionnaires assessing their level of concern regarding the Company's sustainability practices. A total of 164 responses were collected, of which 13 were invalid, resulting in 151 valid responses. The valid responses included 106 from employees, 3 from investors, 6 from customers, 32 from suppliers and collaborating contractors, 1 from a NPO, and 3 from media representatives.	151 stakeholder concern questionnaires
3	Assess the Degree of Positive and Negative Impacts	Assessed the positive and negative impacts and likelihood of the Company's influence on the environment, society (including human rights), and corporate governance. A total of six impact assessment questionnaires were completed by management team supervisors. The results were consolidated and presented in a matrix chart analyzing positive and negative impact outcomes.	6 impact assessment questionnaires on positive and negative impacts
4	Identify Material Topics	After calculating the average scores of positive and negative impacts assessed by senior management and the level of concern from stakeholders, the results were combined and ranked to identify four material issues. Since "Air Pollution and Waste Management" is identified as a SASB material topic for the electrical and machinery industry, it was incorporated as one of this year's material issues through internal resolutions by the Sustainability Promotion Team and the management team, resulting in a total of 5 confirmed material issues.	5 Material Issues

## 3.2.2 Materiality Matrix

Compared with last year's material topics, "Talent Cultivation Education Training," "Corporate Image," and "Financial Performance" were not included among this year's material topics due to their relatively lower overall impact and adjustments to the Company's sustainability strategy.

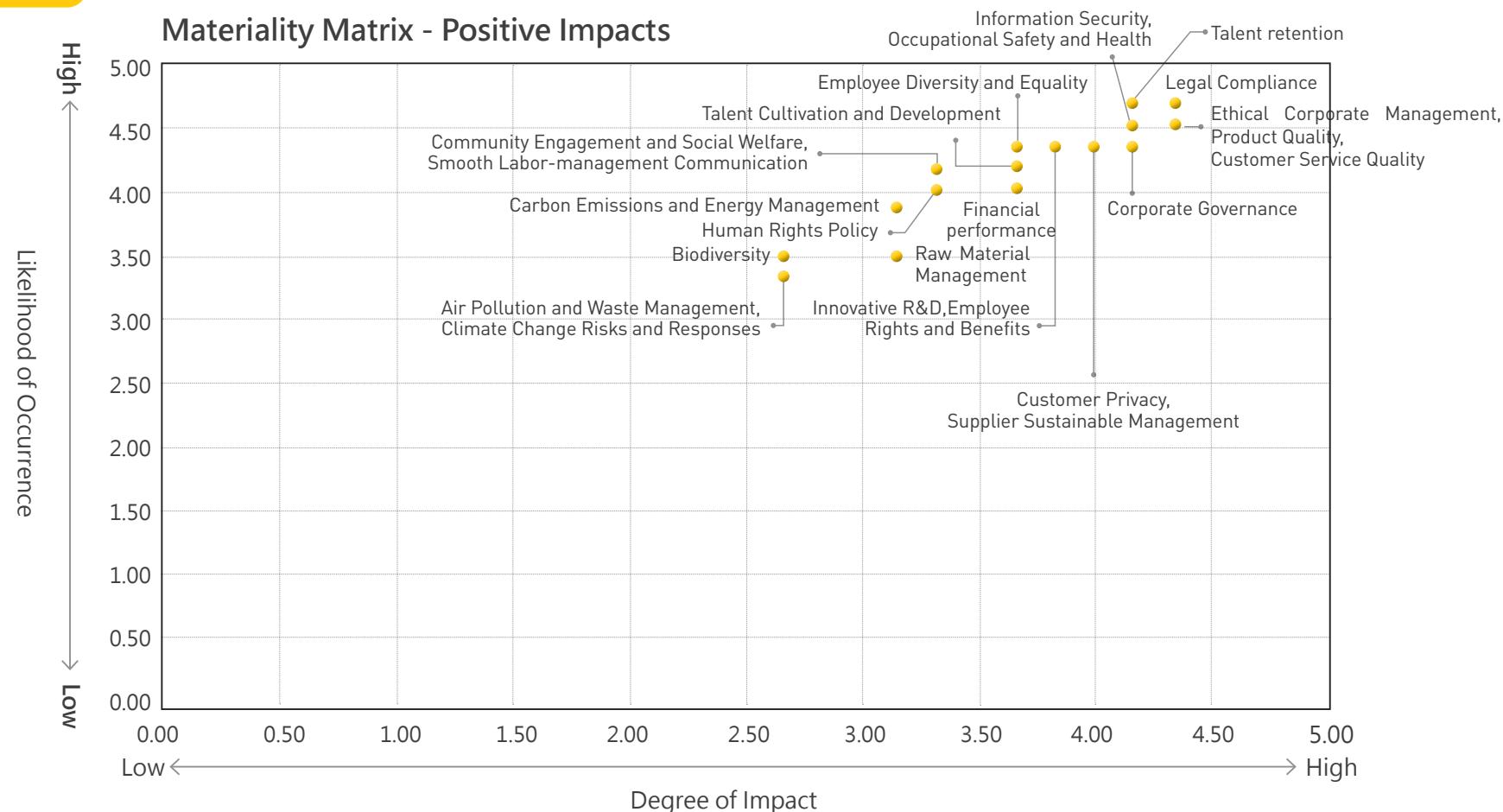
GFC will continue to monitor the degree of issue impact and changing trends to prevent any material negative effects on corporate governance, the environment, or society (including human rights).



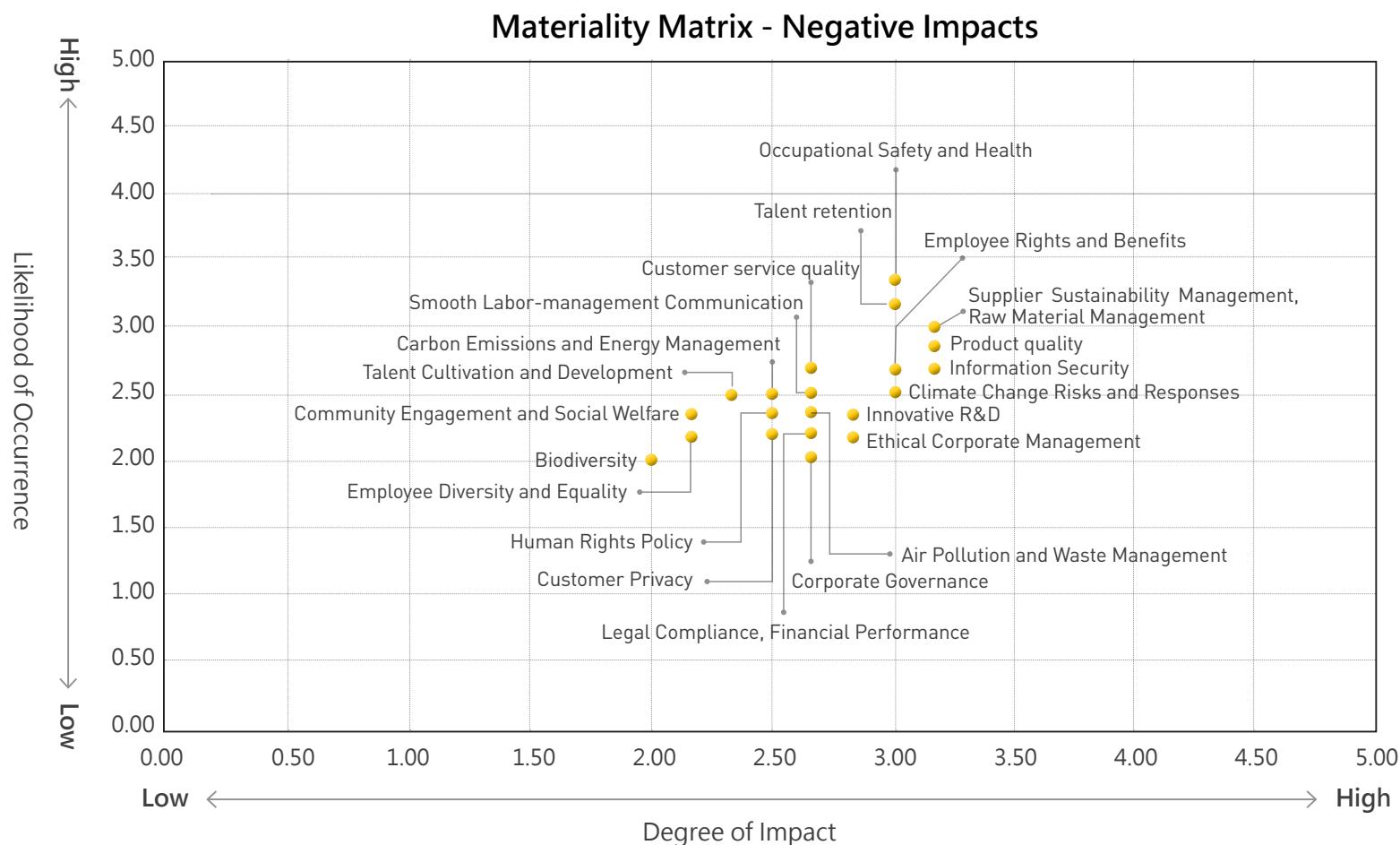
## ● Positive/Negative Impacts

Based on the results of stakeholder concern surveys, operational impact analyses, and sustainability impact assessments, GFC consolidated the data to create a materiality matrix. The Company ranked various sustainability issues according to the significance of their impacts. In the matrix, the X-axis represents the degree of impact, while the Y-axis represents the frequency or likelihood of occurrence. After discussions within the internal sustainability team and evaluations by the management team, the materiality matrix was completed. These issues play a key role in GFC's operations, and their progress continues to be disclosed in the Sustainability Report.

### Positive Impact



## Negative Impact



### 3.2.3 List of Material Issues and Impact Boundaries

Issue No.	Issue Aspect	Issue Content
1	Social	Occupational Safety and Health
2	Governance	Product quality
3	Social	Talent retention
4	Governance	Customer service quality
5	Environment	Air Pollution and Waste Management



Issue No.	Issues Aspect	Material Issues	Impact Description	Impact Boundary							Corresponding GR Standards
				Internal GFC	Employees	Suppliers	Customers	Shareholders/ Investors	Media	NPOs	
1	Social	Occupational Safety and Health	Establish a safe working environment to ensure employees feel secure while preventing workplace injuries that could severely damage the Company's reputation or result in compensation liabilities.	●	●	●			●		GRI 403 Occupational Health and Safety
2	Governance	Product quality	Enhance product quality and strengthen customer trust to promote long-term sales while preventing loss of customer confidence and revenue decline caused by poor quality.	●		●	●	●			GRI 416 Customer Health and Safety
3	Social	Talent retention	The Company provides remuneration systems, employee benefits, and care measures to reduce turnover, attract talent, and enhance competitiveness.	●	●					●	GRI 401 Employment
4	Governance	Customer service quality	The Company ensures product safety and transportation stability while reviewing service communication methods and customer relationship management to meet customer satisfaction, thereby enhancing reputation and increasing revenue.	●		●	●	●			Custom Topic
5	Environment	Air Pollution and Waste Management	Promote recycling and reuse programs to improve resource utilization efficiency and prevent regulatory risks associated with improper air pollution and waste management.	●				●			GRI 306 Waste

## 3.3 Material Issues Management Approach

Material Issues	Policy and Commitments	Management Approach and Countermeasures	Corresponding chapter
Occupational Safety and Health	Upholding the commitment to “providing a safe and healthy working environment to ensure the safety and well-being of employees,” GFC has established an occupational safety and health policy along with a comprehensive reporting and statistical system to fully monitor workplace safety conditions and create a secure working environment.	<ul style="list-style-type: none"> <li>Set up a Occupational Health and Safety Committee to maintain occupational safety.</li> <li>In accordance with the ISO 45001 Occupational Safety and Health Management System, an occupational safety reporting system has been established to ensure a prompt and effective crisis response mechanism.</li> <li>The Company employs 2 full-time nurses and contracted physicians in accordance with its scale to ensure a healthy workforce for sustainable operations.</li> <li>To enhance employees’ awareness of occupational safety and health and their ability to identify risks, and to reduce workplace accident risks, the Company has established an occupational safety and health education and training program.</li> </ul>	6.3 Occupational Safety and Health
Product quality	GFC adheres to the quality policy of “self-motivated and self-disciplined effort that withstands expert scrutiny” and is committed to providing customers with superior product quality.	<ul style="list-style-type: none"> <li>The superior quality of the products has been verified through testing at the elevator testing tower.</li> <li>Regularly provide comprehensive maintenance services to extend the lifespan of elevators.</li> <li>In accordance with the ISO 9001 Quality Management System, the Company has established internal quality control and standardization management regulations.</li> <li>Conduct on-site audits of suppliers’ or factories’ product quality and delivery schedules.</li> </ul>	5.4 Green Products and Services
Talent retention	GFC is committed to providing various welfare programs for employees and their families and ensuring that salaries remain competitive within the industry to attract and retain outstanding talent.	<ul style="list-style-type: none"> <li>An Employee Welfare Committee has been established to provide various welfare programs for employees and their families.</li> <li>Regular health check-ups and wellness programs, such as weight management and other diverse activities, are conducted to safeguard employees’ physical and mental well-being.</li> </ul>	6.4 Employee Benefits and Remuneration 6.4.1 Employee Care
Customer service quality	GFC upholds the principles of customer satisfaction and quality first. Through the implementation of quality control systems and continuous process improvement, the Company strives to become a trusted long-term partner for its customers.	<ul style="list-style-type: none"> <li>Conduct regular customer satisfaction surveys and feedback analyses.</li> <li>Relevant cross-departmental units within the plant propose improvement plans and suggestions based on customer feedback.</li> </ul>	5.5.4 Customer Relationship Management
Air Pollution and Waste Management	By gradually reducing waste intensity, the Company ensures that air pollution and waste impacts on the surrounding environment are minimized during the production process. It is also committed to achieving higher environmental protection standards and contributing to environmental preservation.	<ul style="list-style-type: none"> <li>Implement waste segregation and reduction measures, along with comprehensive resource sorting and recycling programs.</li> <li>Ensure that all waste is transported and processed by qualified and certified environmental companies in compliance with relevant standards.</li> <li>The Company phased out outdated coating equipment and successfully developed more environmentally friendly production technologies to eliminate the generation of hazardous waste.</li> </ul>	5.3.4 Air Pollutant Management 5.3.5 Waste Management

## 04

## Corporate governance

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## Annual Highlight Performance

- ◆ The total training hours for directors amounted to **72** hours, with an average of **10** hours per director.
- ◆ No incidents of corruption, major violations, or involvement in unfair competition occurred.
- ◆ No incidents of infringement, loss, or violations of customer privacy, nor any complaints or breaches related to information security regulations, occurred.
- ◆ A total of **57** patents were granted in 2024.

## 4.1

# Responsibilities and Composition of the Board of Directors

## 4.1.1 Responsibilities of the Board of Directors

The current Board of Directors at GFC consists of 7 members, including 3 independent directors. None of the board members hold positions as independent directors in other publicly traded companies, and none have concurrent roles as employees. All directors are elected by shareholder votes to ensure a fair, just, and open selection process. The election procedures follow the regulations outlined in the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".

The Board is held at least once every quarter. The directors of GFC possess the expertise, skill and competence essential to operation execution, and work independently. They exercise their function based on regulations, corporation by-laws and shareholders' meeting resolution, to provide opinions and counseling for operation approach, financial planning and expertise development. To implement corporate governance and enhance directors' capabilities, GFC clearly defines performance objectives and conducts an annual performance evaluation for both the Board of Directors and functional committees. Evaluation methods include self-assessment by board members, assessment by the administrative unit, and self-assessment by functional committee members. Additionally, an external evaluation is conducted at least once every three years. In addition, GFC arranged external training for its directors in 2024, covering 13 courses on topics such as sustainability and AI. Details of the training courses are provided in the section [Continuing Education of Directors](#).

The primary responsibilities of the directors are to oversee the achievement of the Company's operational objectives and the enhancement of its business performance, provide strategic guidance to the management team, and supervise the Company's compliance with all applicable laws and regulations to ensure the maximization of shareholders' interests. The Board of Directors has established functional committees, including the Remuneration Committee, the Audit Committee, and the Audit Office, each responsible for handling remuneration, reinforcing the board's supervisory duties, strengthening management mechanisms, and internal auditing matters. On June 19, 2020, the Board of Directors approved the voluntary appointment of a corporate governance officer to safeguard shareholder rights and enhance board functions.



## Remuneration Committee

To strengthen the remuneration system for company directors and managers, the Board of Directors established the “Remuneration Committee” in December 2011. The committee consists of three members appointed by the board, all of whom are independent directors. The Remuneration Committee is subordinate to the Board of Directors. In accordance with the “Management of the Remuneration Committee’s Function,” the Committee’s function is to objectively and professionally evaluate GFC’s remuneration policies and systems for directors and managers. The Committee convenes at least twice a year and may hold additional meetings as necessary, submitting recommendations to the Board of Directors for reference in decision-making. In 2024, the Remuneration Committee held 2 meetings, and all members achieved a 100% attendance rate.

**In 2024, the Remuneration Committee held 2 meetings (A). The attendance of each member was as follows :**

Title	Name	Actual attendance(B)	Number of attendance by proxy (A)	Actual attendance rate%(B/A)
Convener (Independent Director)	Lin Tung-Hsu	2	0	100%
Committee Member (Independent Director)	Wu Hsu-Hui	2	0	100%
Committee Member (Independent Director)	Cheng Ming-Sung	2	0	100%

## Audit Committee

To strengthen the Board of Directors’ supervisory responsibilities and enhance its governance mechanisms, GFC established the Audit Committee in July 2022, composed of all 3 independent directors. The Committee assists the Board in overseeing the quality and integrity of the Company’s accounting, auditing, financial reporting processes, and financial controls. In 2024, the Audit Committee held four meetings, with all members achieving a 100% attendance rate.

**In 2024, the Audit Committee held 4 meetings (A). The attendance of each independent director was as follows :**

Title	Name	Actual attendance(B)	Number of attendance by proxy (A)	Actual attendance rate%(B/A)
Convener and Chairperson (Independent Director)	Lin Tung-Hsu	4	0	100%
Committee Member (Independent Director)	Wu Hsu-Hui	4	0	100%
Committee Member (Independent Director)	Cheng Ming-Sung	4	0	100%

## Organization and Operation of Internal Audit

Full-time audit personnel are assigned under the GFC organizational structure. The Audit Office reports directly to the Board of Directors, upholding independence and objectivity to support management and the board in achieving established goals. The audit scope includes finance, marketing and engineering, production, maintenance and repair, administration, R&D and quality assurance. The internal control specifications for all units are included for supervision. In accordance with regulatory requirements, the audit process is divided into ten audit cycles. Annual plans are prepared for each cycle and executed after approval by the Audit Committee and subsequent endorsement by the Board of Directors. In addition to implementing the internal control system, GFC has established management systems in specific areas across its plants, such as ISO 14001 and ISO 45001 certifications. Each plant conducts regular compliance audits in accordance with the requirements of these management systems. A management reporting platform has also been established for all departments and subsidiaries, with internal audits and management reviews conducted occasionally to ensure that the Company's operations comply with regulatory requirements.

## Promotion of Corporate Governance Policies

To establish a robust corporate governance system, GFC has developed an effective governance framework based on the "Corporate Governance Best-Practice Principles" jointly formulated by the TWSE and TPEx. This framework is designed to safeguard shareholder rights, enhance board functions, strengthen the role of the Audit Committee, respect stakeholder rights, and improve information transparency. The Corporate Governance Manager serves as the primary responsible person, overseeing corporate governance matters and reporting regularly to the Board of Directors.



## 4.1.2 Members of the Board of Directors

Members of the Board of Directors are elected by all shareholders at the shareholders' meeting in accordance with applicable laws, the Articles of Incorporation, and the Company's Procedures for the Election of Directors. Each committee under the Board is established through Board resolutions, with members nominated and appointed in accordance with their respective organizational regulations. All three independent directors meet the professional qualifications, work experience requirements, restrictions on concurrent independent directorships, and independence criteria set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

Title	Name (or name of representative)	The name of the entity represented	Elected date	Educational background	2024Board of Directors' Meeting Attendance rate(%)
Chairman	<b>Tang Po-Loung</b>	DA WAY LEE CORP.	2022.6.27	• Hsing Wu University	100
Director	<b>Chiu-Lin Tang</b>	Changjiang Materials Co., Ltd.	2022.6.27	• Bachelor's in Public Relations and Advertising, Shih Hsin University • Bachelor's in Fashion Design, ESMOD • EMBA of National Chengchi University	94.44
Director	<b>Huang Pei-Ken</b>	Hua Rong Investment Co., Ltd.	2022.6.27	• Chinese Culture University	100
Director	<b>Huai-Yi Zeng</b>		2022.6.27	• Bachelor's in Civil and Environmental Engineering, UCLA • B.S. Business Administration, National Tsing Hua University, and B.S. Business Administration, MIT Sloan School of Management	94.44
Independent Director	<b>Tung-Hsu Lin</b>		2022.6.27	• Graduated from the Banking Group of the Department of Commerce, National Taiwan University • B.S. Accounting, San Diego State University	94.44
Independent Director	<b>Hsu-Hui Wu</b>		2022.6.27	• Bachelor of Economics, National Taipei College of Business and Technology • Executive Master of Business Administration, National Chengchi University • Ph.D. Business Administration, University of Leeds	100
Independent Director	<b>Cheng Ming-Sung</b>		2022.6.27	• B.S. Control Engineering, National Chiao Tung University • MBA, National Chengchi University	100

## 4.1.3 Diversity Policy of Board of Directors

GFC has clearly stipulated in its “Director Selection Process” and “Corporate Governance Best-Practice Principles” that the selection of directors should adhere to the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.” The overall configuration of the board should consider diversity among its members, including factors such as gender, professional knowledge, and varied skill sets. Members should generally possess the necessary knowledge, skills, and qualifications required to perform their duties. The board as a whole should have the following competencies: Operational judgment ability, management skills, accounting and financial analysis capabilities, industry knowledge, crisis management ability, international market perspective, as well as leadership and decision-making skills.

All directors of GFC are elected by shareholder votes, with no distinctions or limitations based on gender. In terms of gender composition, in 2024, the Board comprised five male directors, accounting for five out of seven seats, and two female directors, accounting for two out of seven seats, or approximately 28.6%. This did not meet the one-third target recommended by the “Corporate Governance Best Practice Principles.” The Company continues to strengthen the implementation of its board diversity policy. During the re-election at the 2025 shareholders’ meeting, gender balance was further considered, and the proportion of female directors reached one-third, thereby meeting the statutory target for board gender composition and demonstrating GFC’s long-term commitment to enhancing decision-making diversity and governance balance. The Company also carefully manages the tenure structure of its directors. None of the current independent directors have served more than three consecutive terms, thereby maintaining the independence of their supervisory function and promoting the introduction of new perspectives to enhance the objectivity and forward-looking effectiveness of the Board’s operations. The directors possess expertise in business, finance, and the necessary skills for GFC’s operations, along with rich knowledge and professional qualifications, ensuring a robust structure for the Board of Directors. The implementation status of the board members’ diversity policy is detailed in the table below.

Title	Director Name	Diversity core item	Basic Composition							Expertise						Whether there are instances under Article 30 of the Company Act	
			Nationality	Gender	Part-time employee of the Company	Age				Term in office of independent director	Accounting and financial analysis	Leadership and Decision-making	Domain knowledge	International market view	Operations management	Brand marketing	
						41 50	51 60	61 70	71 80								
Corporate director representative	Tang Po-Loung		Taiwan	Male	None				v	—	v	v	v	v	v	None	
Corporate director representative	Tang Chiu-Ling		Taiwan	Female	None				v	—			v	v	v	None	
Corporate director representative	Huang Pei-Ken		Taiwan	Male	None			v		—		v			v	v	None
Director	Huai-Yi Zeng		Taiwan	Male	None	v				—	v			v	v		None
Independent Director	Tung-Hsu Lin		Taiwan	Male	None			v		3-9 years	v	v		v	v		None
Independent Director	Hsu-Hui Wu		Taiwan	Female	None		v			3-9 years		v		v	v	v	None
Independent Director	Cheng Ming-Sung		Taiwan	Male	None		v			1-3 years	v	v			v		None

The age distribution of GFC’s board members includes 1 director aged between 41 and 50, 2 independent directors aged between 51 and 60, 2 directors (including 1 independent director) aged between 61 and 70, and 1 director aged between 71 and 80. There are 2 female directors (including 1 independent director), accounting for 28.57% of the board members.

## Performance evaluation of the Board of Directors

To implement sound corporate governance and enhance the effectiveness of the Board of Directors, GFC established the "Regulations for Board Performance Evaluation," which were approved by the Board on November 11, 2015. In accordance with these Regulations, regular performance evaluations are conducted to encourage self-discipline among board members and to improve the overall efficiency of board operations. Annual internal performance evaluations of the Board of Directors and functional committees are conducted, and every three years an evaluation is performed by an independent external institution or a team of experts and scholars. Beginning in 2022, external experts have been engaged to conduct external board performance evaluations, and the next external evaluation is scheduled for 2025. The evaluation targets include the overall operation of the Board of Directors and functional committees, as well as individual self-assessments of the board and committee members. The results of the overall self-assessment for the Board of Directors and functional committees, along with the self-evaluation of board members for 2024, were reported to the Board of Directors on March 13, 2024. For more details regarding the Board Performance Evaluation Regulations and evaluation methods, please refer to page 20 of GFC's [2024 Annual Report](#).

## Remuneration Policy for the Board of Directors and Senior Management

The remuneration of all GFC directors is determined based on their level of participation in the Company's operations and the value of their contributions, with reference to industry standards. The proposal is submitted by the Remuneration Committee and approved by the Board of Directors. The remuneration of senior management (including the General Manager and Deputy General Managers) consists of monthly salaries, year-end bonuses, and employee remuneration allocated at the rate specified in the Company's Articles of Incorporation. The amounts of year-end bonuses and employee remuneration are generally linked to the Company's profitability. These are proposed by the Remuneration Committee and approved by the Board of Directors. Information on the salaries, bonuses, and remuneration of the Board of Directors and senior management can be found in GFC's [2024 Annual Report under the section detailing the most recent year's remuneration for directors \(including independent directors\), the General Manager, and the Deputy General Managers](#).

For details on the resolutions regarding GFC's remuneration, please refer to [the section "Operation of the Remuneration Committee" in the Company's 2024 Annual Report](#). The Remuneration Committee oversees the process of determining remuneration, including the allocation ratios and distribution methods for directors' and employees' remuneration. Employee and director remuneration is distributed in accordance with Article 17 of GFC's Articles of Incorporation. As the Articles must be approved by the shareholders' meeting, the distribution of employee and director remuneration for the preceding year is reported annually at the shareholders' meeting. The proposed directors' remuneration for 2024 was reported at the shareholders' meeting held on June 23, 2025.



## Continuing Education of Directors

To continuously enhance the professional knowledge and skills of the Board of Directors, GFC regularly arranges a variety of training programs for its directors. Through external learning, the Company aims to strengthen the Board's leadership and decision-making capabilities, enabling directors to fulfill their fiduciary duties and the duty of care of a good administrator, thereby maximizing shareholder value and enhancing the Company's competitiveness in an ever-changing business environment. In 2024, all GFC directors met the statutory training requirement of 6 hours, with a total of 72 training hours completed and an average of 10 hours per director. For details regarding the annual directors' training, please refer to [pages 26-27 of GFC's 2024 Annual Report](#).

In addition, to stay informed of sustainability trends, the directors also attended courses related to sustainable development in response to the net-zero transition.

Sustainability-related training courses are listed in the table below, with a total of 42 training hours completed.

Date of continuing education	Organizer	Course title	Total Training Hours
11/08/2024	Taiwan Corporate Governance Association	ESG Lecture - Discussing Corporate Nature-positive Growth from the Perspective of COP28 Topics	Total of 27 hours
12/05/2024	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Applications of Carbon Management	Total of 3 hours
07/16/2024	Taiwan Corporate Governance Association	Zero-carbon Strategy Planning - ESG Mindset and Energy Practices that Enterprises Should Embrace	Total of 3 hours
07/05/2024	Taiwan Corporate Governance Association	The Latest Developments in Corporate Governance from the Perspective of Corporate Governance Evaluation Indicators	Total of 3 hours
07/19/2024	Taiwan Corporate Governance Association	Best Practices in the Exercise of Audit Committee Duties - The Functional Role of the Convener	Total of 3 hours
06/21/2024	Taiwan Corporate Governance Association	Legal Framework for Sustainability Reporting	Total of 3 hours

## Recusal from Conflicts of Interest

The Chairman of GFC, Mr. Tang Po-Loung, serves as the highest governing body of the Company. He possesses more than five years of relevant professional experience and expertise in leadership, operational decision-making, business management, and crisis management, as well as extensive industry knowledge and international market insight. The election of GFC's directors adopts the candidate nomination system. Independent directors are elected from the list of nominated candidates at the shareholders' meeting in accordance with Article 192-1 of the Company Act. The primary responsibilities of the Board of Directors are to enhance its supervisory and managerial functions. Functional committees, including the Remuneration Committee and the Audit Committee, have also been established to strengthen the effectiveness of the Board. GFC upholds a comprehensive conflict-of-interest avoidance policy, requiring members of the Board of Directors to fulfill their managerial and ethical duties with a high degree of self-discipline and prudence. Directors must faithfully perform their responsibilities and, in situations where their participation may harm the Company's interests, are prohibited from engaging in discussions or voting. They must also recuse themselves from such matters and may not act as proxies for other directors in exercising voting rights. For detailed information on the annual conflict-of-interest disclosures of board members, please refer to [page 14 of GFC's 2024 Annual Report](#).

## Independence of the Board of Directors

To ensure transparency in corporate governance, all GFC directors are elected by shareholders through voting without any gender-based restrictions or differences. None of the directors concurrently serve as employees, nor do any hold independent directorships in other public companies. The Board comprises 3 independent directors, representing one-third of the total board seats, in compliance with legal requirements. The 3 independent directors account for 42.85% of all board members. GFC continually evaluates the independence of its directors, including whether they are able to consistently raise constructive questions to management and other board members, express opinions independently of management or fellow directors, and demonstrate appropriate conduct both within and outside the Board.

Among the board members, 1 group has a relationship within the second degree of kinship, while the remaining members have no spousal or second-degree kinship relationships. In addition, none of the three independent directors concurrently serve as independent directors of other companies, nor do they hold any shares of the Company. They fully meet both the positive and negative qualification requirements set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." For detailed information on the annual independence of the Board of Directors, please refer to [page 9 of GFC's 2024 Annual Report](#).

## 4.2 Code of Ethical Conduct

GFC upholds high standards of Code of Ethical Conduct, committed to demonstrating integrity, transparency, and fairness in all business activities. GFC has established a detailed code of conduct as the foundation for guiding employees, management, and directors to maintain high ethical standards in daily operations.

To ensure the effective implementation of the code of conduct, GFC has established the "Ethical Corporate Management Best-Practice Principles," "Management Procedures for Handling Material Internal Information and Preventing Insider Trading," "Whistleblower Management Procedures," and "Employee Grievance Procedures" in accordance with the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and relevant laws in the operational locations of GFC and its group enterprises and organizations. Additionally, several initiatives have been implemented, including employee training, regular audits, and internal supervision, to ensure that all employees understand and comply with the Company's ethical standards. In addition, GFC encourages employees to report any potential violations through the anonymous whistleblowing channel at [ann.hsiao@gfc.com.tw](mailto:ann.hsiao@gfc.com.tw) to promote transparency and uphold ethical conduct standards.

In 2024, GFC achieved significant results in various aspects of its code of conduct. Firstly, GFC did not experience any significant incidents related to ethical or misconduct issues, indicating the code has effectively mitigated potential risks. Secondly, through ongoing employee education and supervision, we have enhanced the ethical awareness of all employees, fostering a more trustworthy and fair corporate culture.

The code of conduct at GFC not only aids in internal management but also enhances our reputation in society and the market. Our partners and customers have highly praised our integrity and transparency, further solidifying our position in the industry.



## The statistics for violations of the code of conduct at GFC for 2024 are as follows :

Code of Conduct Number of reports filed/number of cases handled		2024	
		Number of reports	Number of cases handled
Business Ethics and Operations	Corruption and Bribery	0	0
	Conflicts of Interest	0	0
	Fair Competition	0	0
	Insider Trading	0	0
	Trade Secrets	0	0
	Privacy/Personal Data Protection	0	0
	Others (political donations, charitable donations, and social engagement)	0	0
Total number of cases related to business ethics and operations		0	0
Human Rights Protection	Discrimination	0	0
	Harassment	0	0
	Occupational Safety and Health	0	0
Total number of cases related to human rights protection		0	0
Environmental Protection	Total number of cases related to environmental protection	0	0

Looking ahead, GFC will continue to enhance its code of conduct and take all necessary measures to ensure its effectiveness. We will continually refine our supervision and audit mechanisms to ensure that every employee operates within a framework of integrity, promoting the Company's sustainable development.

GFC will remain dedicated to upholding high standards of Code of Ethical Conduct to ensure our business activities consistently reflect integrity, transparency, and fairness.

## 4.2.1 Ethical Corporate Management

GFC values ethical corporate management. To establish a culture of integrity and establish sound business practices conducive to sustainable development, the Board of Directors resolved on August 12, 2014, to adopt the "Ethical Corporate Management Best Practice Principles." These Principles clearly prohibit the offering or acceptance of gifts or kickbacks from trading counterparts and require employees to refrain from exploiting their positions for personal gain or accepting improper benefits. The "Ethical Corporate Management Policy" has been incorporated into new employee training and regularly reinforced in departmental meetings. Moreover, the "Ethical Corporate Management Best Practice Principles" serve as a daily code of conduct for all employees. GFC also strictly complies with relevant laws and regulations, including the Company Act, Securities and Exchange Act, and Government Procurement Act, and has established an internal control system. Compliance is further ensured through periodic audits conducted by internal auditors.

GFC's "Ethical Corporate Management Team," a functional unit under the Board of Directors, is responsible for formulating and supervising the implementation of ethical corporate management policies and preventive measures, and regularly reports to the Board. The Team is chaired by a director, with the General Manager assigned to ensure the effective implementation of ethical management policies within each department's scope of responsibility. The Secretary-General of the Team reported the 2024 annual implementation status and the 2025 action plan to the Board of Directors on May 10, 2024, and December 20, 2024. A summary of the special reports has been disclosed on the Company's official website for investors' reference.

On December 2, 2024, GFC conducted an ethical corporate management education and training session during the monthly employee meeting at the Yangmei Plant, with a total of 229 participants and 229 training hours. The session covered GFC's Ethical Corporate Management Policy, Ethical Corporate Management Operating Procedures, Supplier Code of Conduct, and Integrity Clauses. It also aimed to strengthen employees' shared commitment to honesty and fairness, uphold a culture of integrity, and continue promoting sound and ethical business practices.

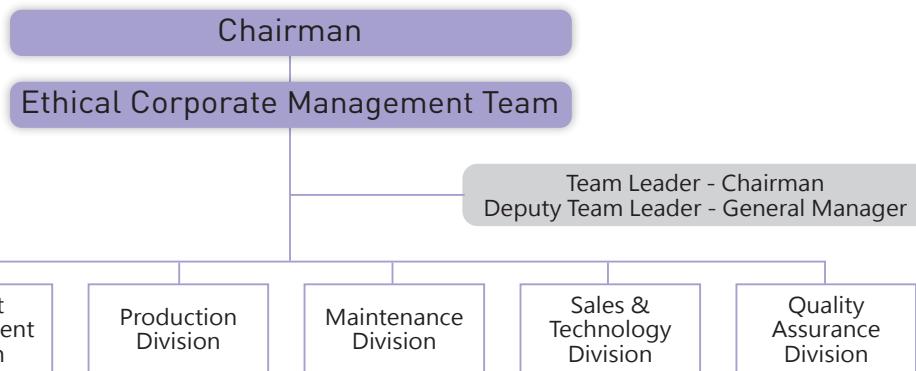
In 2024, all 13 newly appointed personnel at the supervisor level and above signed the "Statement of Compliance with Ethical Management," achieving a 100% signing rate. By signing, they pledged to fully comply with the Company's ethical corporate management regulations within their respective scopes of responsibility, including the Ethical Corporate Management Best Practice Principles, Ethical Corporate Management Operating Procedures, and Employee Code of Conduct.

In addition, in accordance with Article 9 of GFC's "Ethical Corporate Management Best Practice Principles," GFC, its directors, managers, appointees, employees, and actual controllers shall ensure that any direct or indirect donations to political parties or individuals or organizations engaged in political activities comply with the Political Donations Act and the Company's internal procedures. Such contributions must not be used to obtain commercial benefits or business advantages. Likewise, charitable donations or sponsorships must comply with relevant laws and internal procedures and must not serve as disguised forms of bribery. In 2024, GFC did not make any monetary donations to political parties or lobbying organizations.





## Organizational Structure



## Duties and Functions :

- ◆ Approved for establishment by resolution of the 14th Board of Directors at its 18th meeting on May 9, 2016.
- ◆ One leader and one deputy leader are appointed, with the Secretary-General serving concurrently as the head of the Management Department.
- ◆ The Ethical Corporate Management Team reports its implementation status to the Board of Directors on a regular basis twice a year, in the first and second halves of the year.

## Supporting Standards and Practices

Supporting Standards	Practices									
Education and Training	<p>Each regional branch conducts educational sessions on the “Ethical Corporate Management Policy” and related guidelines, providing training participants with an understanding of GFC’s ethical corporate management standards, supplier code of conduct, integrity clauses, and more. These sessions also foster a shared commitment among colleagues to uphold the values of “honesty” and “fairness,” thereby maintaining a culture of ethical corporate management and advancing sound business practices.</p>									
Compliance with Standards	<p>GFC has established an “Ethical Corporate Management Operating Standard,” requiring all managers, both within GFC and its subsidiaries, to sign a “Statement of Compliance with Ethical Corporate Management.” This statement affirms their commitment to strictly adhere to the Ethical Corporate Management Best-Practice Principles, Employee Code of Conduct, and various internal control systems.</p>									
Whistleblowing Channel	<p>GFC has established a “Whistleblowing Management Procedures,” designating the heads of the Audit Office and Human Resources Department as independent managers responsible for handling reports. Both internal and external whistleblowers may contact these managers via the “Unethical Reporting Hotline” (email, dedicated phone line) or in writing.</p> <table border="1" data-bbox="548 838 2052 1108"> <thead> <tr> <th data-bbox="548 838 1199 906">Incident Type</th><th data-bbox="1199 838 1581 906">Accepting Unit / Scope of Responsibility</th><th data-bbox="1581 838 2052 906">Contact Email of the Accepting Unit</th></tr> </thead> <tbody> <tr> <td data-bbox="548 906 1199 1029"> <ul style="list-style-type: none"> <li>Reports Involving Directors or Senior Executives (Note)</li> <li>Reports Involving Fraud, Misappropriation of Company Assets, or Acceptance of Improper Benefits</li> </ul> </td><td data-bbox="1199 906 1581 1029">Audit Office</td><td data-bbox="1581 906 2052 1029">chen-chen.kuang@gfc.com.tw</td></tr> <tr> <td data-bbox="548 1029 1199 1108">• Other Violations of the Code of Conduct</td><td data-bbox="1199 1029 1581 1108">Human Resources Department</td><td data-bbox="1581 1029 2052 1108">ann.hsiao@gfc.com.tw</td></tr> </tbody> </table>	Incident Type	Accepting Unit / Scope of Responsibility	Contact Email of the Accepting Unit	<ul style="list-style-type: none"> <li>Reports Involving Directors or Senior Executives (Note)</li> <li>Reports Involving Fraud, Misappropriation of Company Assets, or Acceptance of Improper Benefits</li> </ul>	Audit Office	chen-chen.kuang@gfc.com.tw	• Other Violations of the Code of Conduct	Human Resources Department	ann.hsiao@gfc.com.tw
Incident Type	Accepting Unit / Scope of Responsibility	Contact Email of the Accepting Unit								
<ul style="list-style-type: none"> <li>Reports Involving Directors or Senior Executives (Note)</li> <li>Reports Involving Fraud, Misappropriation of Company Assets, or Acceptance of Improper Benefits</li> </ul>	Audit Office	chen-chen.kuang@gfc.com.tw								
• Other Violations of the Code of Conduct	Human Resources Department	ann.hsiao@gfc.com.tw								
Regular Inspection	<p>To ensure the ongoing effectiveness of the system’s design and implementation, the Shareholder Affairs, Accounting, and other responsible departments occasionally review and propose revisions to the system. These efforts are complemented by audits to establish a robust corporate governance and risk control mechanism.</p>									

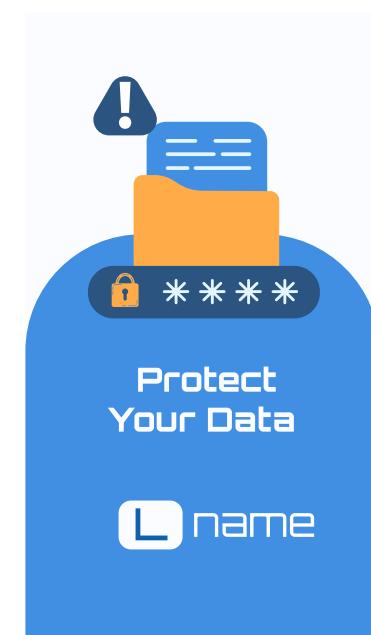
## 4.2.2 Privacy protection

To ensure the protection and proper management of personal data, GFC has established a Privacy Policy and Cookie Statement on its official website as guiding principles for privacy protection. These policies define the scope of personal data collection, processing, and use, covering individuals who provide personally identifiable information through GFC's official website. The policies clearly specify and regulate the use and protection of personal data to safeguard users' rights to information and choice regarding their personal data. The Audit Department has also established personal data protection management procedures in accordance with the Guidelines for Handling Internal Control Systems and the Personal Data Protection Act to ensure that the Company's relevant processes comply with legal requirements and internal codes of conduct.

GFC has established channels for privacy rights reflection and complaints. In the event of potential privacy rights violations or breaches of privacy policy, individuals can submit complaints or reports through the privacy protection hotline at (02) 2551-1166 ext. 577 or via email at [ann.hsiao@gfc.com.tw](mailto:ann.hsiao@gfc.com.tw). To implement the protection of privacy rights, GFC also conducts regular training on privacy protection for all personnel and evaluates the effectiveness of this training. GFC adopts a zero-tolerance policy for the protection of privacy rights. Any personnel found to be in violation will be subject to disciplinary action in accordance with GFC's code of conduct.

### Privacy Complaint

"Strictly adhere to customer confidentiality and integrity". This is GFC's commitment to customer privacy rights. During 2024, based on internal audits and the external grievance reporting mechanism, no complaints or disputes related to personal data protection were received. GFC strictly adheres to privacy policy regulations regarding customer data and will not use customer data for secondary purposes, resulting in a secondary data usage ratio of 0%. In 2024, there have been no complaints or penalties related to privacy rights from external sources or regulatory bodies.



## 4.2.3 Legal Compliance

Given that GFC's operations span across Taiwan and China, the Company closely monitors global policy and regulatory developments that may have a significant impact on its business or financial performance. This proactive approach ensures compliance with the laws of both countries and helps prevent any major penalties arising from potential legal violations. GFC's legal compliance unit is responsible for coordinating cross-departmental compliance matters. All departments are required to adhere to relevant legal regulations. In addition, a legal service platform has been established to provide consultation and assistance on legal issues, as well as training on regulatory compliance for all departments. Legal affairs unit also actively participate in external training programs to stay informed of the latest regulatory updates and compliance requirements, enabling timely responses and adherence to the most current legal standards.

### Implementation of Legal Compliance

In 2024, GFC did not incur any fines for violations of corporate governance, anti-corruption, or other laws and regulations. There were also no incidents of privacy breaches or infringements, nor any insider trading violations by directors or the management team. In addition, GFC places great importance on employee health and safety by managing related risks through various internal activities and operational controls, as well as regularly reviewing employees' health check-up results to ensure their well-being. In 2024, GFC also incurred no fines or financial losses arising from judicial proceedings related to employee health and safety.

- Health education information is provided monthly to all employees, and in-person sessions are conducted in each region to further promote health awareness.
- The "Procedures for Handling Material Internal Information and Preventing Insider Trading" have been established, and ongoing awareness programs are conducted for directors, the management team, and employees to reinforce the Company's policy and commitment to preventing insider trading.

### Legal Compliance Risk Control

Through the Risk Management Committee, GFC reviews both internal and external risks faced by the Company. Risks related to privacy and personal data protection, export control, and trade secrets have been evaluated and are deemed to have a low impact on the Company, as appropriate management and preventive measures have already been implemented.

### Whistleblowing Channel

GFC encourages all internal and external personnel to report concerns through whistleblowing channels and accepts anonymous reports. A reporting and grievance email address at [chen-chen.kuang@gfc.com.tw](mailto:chen-chen.kuang@gfc.com.tw), has been provided to ensure that the Company does not engage in any improper conduct.



## 4.3 Operating ability

### Financial Performance

In 2024, GFC's consolidated revenue reached NTD 5.486 billion, with an operating profit of NTD 1.107 billion and a net profit after tax of NTD 989 million. Both revenue and profitability showed growth compared to 2023, with net profit after tax hitting a ten-year high. To address the intense competition within the industry, GFC continuously enhances operational efficiency, strengthens material cost management, and increases manufacturing productivity. At the same time, the Company continues to invest in new technologies, energy-saving and environmentally friendly innovations, and differentiated R&D for ultra-high-speed elevators. These efforts aim to expand GFC's market share in Taiwan's mid- to high-end elevator segment, elevate the overall brand image, product value, and recognition of the Group, and create strong growth momentum for future operations.

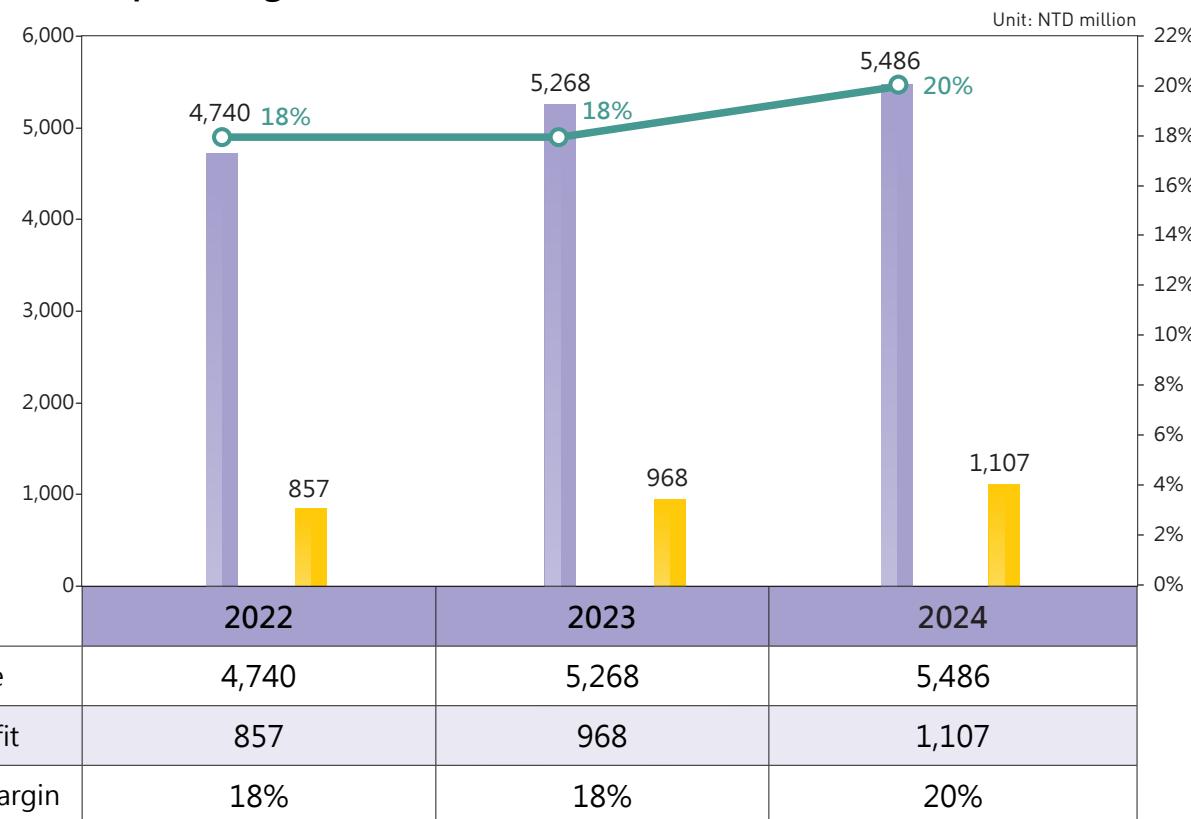
### Financial Performance Indicators Over the Past Three Years

Unit: NTD thousand

Year/item	2022	2023	2024
Operating revenue	4,739,507	5,268,255	5,486,423
Net operating profit	857,455	968,357	1,106,506
Consolidated net income after tax	847,811	895,062	988,500

## Business Performance

### Consolidated Operating Revenue/Profit and Loss Over the Past Three Years



## Earnings (EPS)/Dividends per Share in the Past Three Years

Unit: NTD



## Tax Policy

GFC's tax affairs are managed by the Finance and Accounting Center, which monitors tax compliance across all domestic and overseas operational sites. High-risk tax matters are reported to the Board of Directors to help management identify internal risks and tax trends. Through the effective operation of the risk management mechanism, the Company minimizes both the frequency and financial impact of potential tax disputes. As a global citizen, GFC upholds the continuous creation of sustainable business value and corporate innovation. We are committed to transparency and sustainable development, while supporting social responsibility in the countries where we operate, and bearing our fair share of taxes. In 2024, GFC was not subject to any penalties for violations of tax regulations. To reduce tax risks and pursue the best interests of the Company and its shareholders, GFC has established a sound tax management system and a strong tax governance culture, and has formulated the following tax policies:

1. All significant operational decisions comply with relevant laws and regulations of each country, and are evaluated for their impact on tax risk.
2. The related party transfer pricing policy is based on the principles outlined in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, defining related party transactions and ensuring compliance with customary practices.
3. In adherence to the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan, profit generation is based on companies with economic substance, securing tax residency status to comply with the tax regulations of the respective local jurisdictions.
4. Transactions in low-tax jurisdictions are structured and conducted without the intent of tax avoidance.
5. The content of the financial report fully complies with relevant regulations, and tax information is disclosed in accordance with applicable laws.
6. Based on integrity, we establish mutually respectful and communicative relationships with tax authorities in jurisdictions where we operate.

Note: For further details, please refer to the GFC's Tax Policy and Management Procedures.



## Tax Information over the Past Two Years

Unit: NTD thousand

Year/Item	2023	2024	Average
Net profit before tax	1,111,375	1,224,525	1,167,950
Income tax expense	216,313	236,025	226,169
Income tax rate (%)	19.46%	19.27%	19.36%
Income tax paid	202,976	207,569	205,273
Cash tax rate (%)	18.26%	16.95%	17.58%

Note: For detailed information, please refer to the [2024 consolidated financial report of GFC](#).

## Income tax paid by region for 2023 to 2024

Unit: NTD thousand

Year	2023		2024	
	Region	Amount	Percentage (%)	Amount
Taiwan	193,409	95.29%	206,063	99.27%
Asia	9,567	4.71%	1,506	0.73%
Total number of payments	202,976	100.00%	207,569	100.00%

## 4.4 Risk management

GFC upholds a sustainable management philosophy, establishing, implementing, and maintaining a proactive risk management mechanism. This approach allows continuous monitoring of internal and external issues and environmental changes, conducting operational impact analyses, and enhancing the ability to respond effectively and flexibly to related challenges. Regular self-assessments and continuous improvements strengthen the Company's resilience, fulfilling a commitment to uninterrupted operations and protecting the best interests of customers and stakeholders. Additionally, GFC continually enhances mechanisms for training, performance management, risk assessment, early warning notifications, and public disclosures. These efforts enable effective oversight of operational risks and foster a strong risk management culture.

To strengthen its risk management framework, in 2023, GFC approved revisions to the "Risk Management Policy and Procedures." The risk management organizational structure was updated to include the Audit Committee, which assists the board in executing its risk management responsibilities by supervising the effectiveness of risk management practices.

The Audit Committee assists the Board of Directors in performing its risk management responsibilities. Under the General Manager, a "Risk Management Team" has been established, with the General Manager serving as the convener to lead its operations. Members of the Team are appointed by the General Manager and execute risk identification and oversight according to a three-tier risk management framework. The Risk Management Team is responsible for revising risk management policies, implementing risk monitoring and supervision, and reporting the operation of risk management to both the Audit Committee and the Board of Directors at least once a year.



## 4.4.1 Risk Management Organizational Structure



**RISK  
MANAGEMENT**

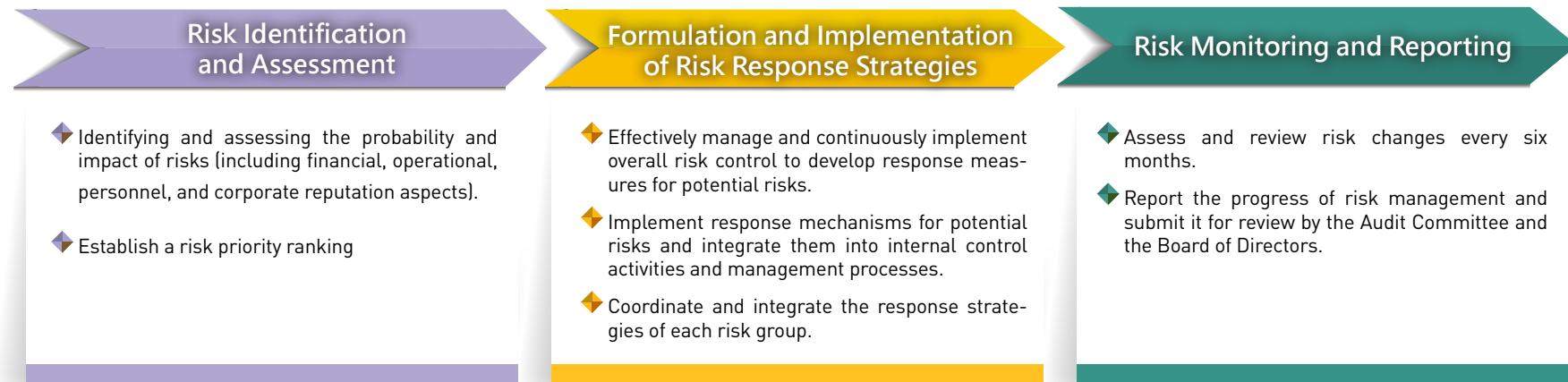
## Risk Management Operations and Responses

In recent years, geopolitical tensions and trade wars have led to global supply chain instability and tariff impacts, resulting in higher operating costs. Additionally, climate change has intensified the urgency for green energy adoption and carbon reduction, all of which may adversely affect business operations.

The risk management framework integrates all of GFC's risk management activities across the Company, adopting a proactive and cost-effective approach to managing risks that may impact operations and profitability. It is responsible for identifying and supervising potential risks and formulating response mechanisms and countermeasures for material risk issues, including but not limited to hazard risks, operational risks, financial risks, strategic risks, and compliance/contract risks.

Item	Content
<b>Four Major Categories of Risk Identification</b>	Strategy, Operations, Finance, Disaster
<b>Three Key Dimensions of Risk Identification</b>	Assessment of material risks related to environmental, social, or corporate governance issues in company operations.
<b>Continuous Improvement</b>	<ul style="list-style-type: none"> <li>◆ Management methods, processes, technologies, and tools are continually updated to ensure the effectiveness and efficiency of risk management.</li> <li>◆ By drawing on international and industry benchmark practices and considering the internal environmental needs of GFC, relevant measures are continuously optimized.</li> </ul>

## Risk Assessment Process



## Exchange Rate Risk

The Company's exchange rate risk primarily arises from foreign currency-denominated cash, accounts receivable, borrowings, and accounts payable, which result in foreign exchange gains or losses upon translation. A sensitivity analysis is conducted to assess the impact on the consolidated financial statements when the functional currency of the consolidated entities increases or decreases by 1% against the relevant foreign currencies.

Unit: NTD thousands

Currency	Effect on USD		Effect on RMB		Effect on JPY	
	Year	2024	2023	2024	2023	2024
Profit/Loss		3,335	2,318	305	1,327	8
						10

## Interest Rate Risk

Due to bank deposits, debt instrument investments, structured deposits, bank borrowings, lease liabilities, and bonds payable, including both fixed and floating interest rates, interest rate fluctuation risks arise within the consolidated company.

Unit: NTD thousands

Item	12/31/2024	12/31/2023
Cash Flow Interest Rate Risk		
Financial assets	2,720	2,415

## 4.4.2 Risk Management Operations in 2024

Each year, GFC identifies and reviews various risk factors through its risk management framework. Based on these findings, the Company develops appropriate response mechanisms for the year. The key risk factors, potential threats, and corresponding countermeasures are as follows:

Risk Type	Risk Assessment Item	Risk Factors	Responsibilities Unit	Impact	Operations and Countermeasures in 2024	Future Outlook - 2025 Risk Management Initiatives
Climate Risk	Natural Disasters	Product loss due to flooding, product damage due to earthquakes	Factory Parts Center	Loss of goods, semi-finished products, and inventory.	<ol style="list-style-type: none"> <li>When typhoon or natural disaster paths are forecasted, preventive measures are taken in advance, and sufficient parts inventory is prepared to facilitate prompt repair of customers' damaged equipment.</li> <li>As earthquakes and natural disasters are unpredictable, after such events occur, the Parts Center coordinates the allocation of materials based on the extent of customer damage to ensure timely supply to all stations for repair operations.</li> </ol>	Regarding the management of operational sites, products, work-in-progress, or inventory, factors such as potential flooding and earthquakes due to climate change are incorporated into the consideration.
Climate Risk	GHG Emissions	Costs of carbon reduction policies and regulations	Technical quality Others	The imposition of carbon fees and carbon taxes is expected to increase operational costs, leading to a decline in profit.	<ol style="list-style-type: none"> <li>In accordance with ISO 14064-1:2018, a GHG inventory was conducted, identifying purchased electricity as the primary source of emissions (1,090.1394 metric tons of CO<sub>2</sub>e per year), accounting for 63.29% of the Company's total emissions.</li> <li>In 2024, energy-saving initiatives were further promoted, including turning off lights and computer power when not in use and replacing equipment with energy-efficient certified models.</li> </ol>	<ol style="list-style-type: none"> <li>Establish a net-zero emissions target and implement GHG reduction plans to mitigate potential financial impacts.</li> <li>The carbon inventory for individual entities is scheduled to be completed in 2026, for consolidated subsidiaries in 2027, with assurance for individual entities to be completed in 2028 and for consolidated subsidiaries in 2029.</li> </ol>
Operational Risk	Engineering and Maintenance Direct Workforce	Absence of work	Engineering Maintenance HR	<ol style="list-style-type: none"> <li>Unable to meet construction progress.</li> <li>Risk of breach of contract and fines.</li> </ol>	<ol style="list-style-type: none"> <li>As of September 2024, a total of 154 new direct personnel were recruited (103 for installation, 18 for adjustment, and 33 for maintenance). Among them, 26 (17%) were hired through job banks, 81 (53%) through employee referrals, 3 (2%) were re-employed retirees, and 44 (28%) were foreign workers. As of September 2024, a total of 112 new direct personnel remained employed, representing a retention rate of 73%.</li> <li>Regularly review and analyze the latest staffing and turnover status, and utilize multiple recruitment channels. In response to the declining birth rate and industry characteristics, the recruitment of foreign workers has already been implemented to effectively supplement manpower, with training provided to alleviate future workload pressures.</li> </ol>	<ol style="list-style-type: none"> <li>Supplement or maintain a certain number of direct engineering/maintenance personnel.</li> <li>By leveraging industry-academia collaborations, online recruitment platforms, and employee referrals, the Company aims to address staffing shortages.</li> </ol>

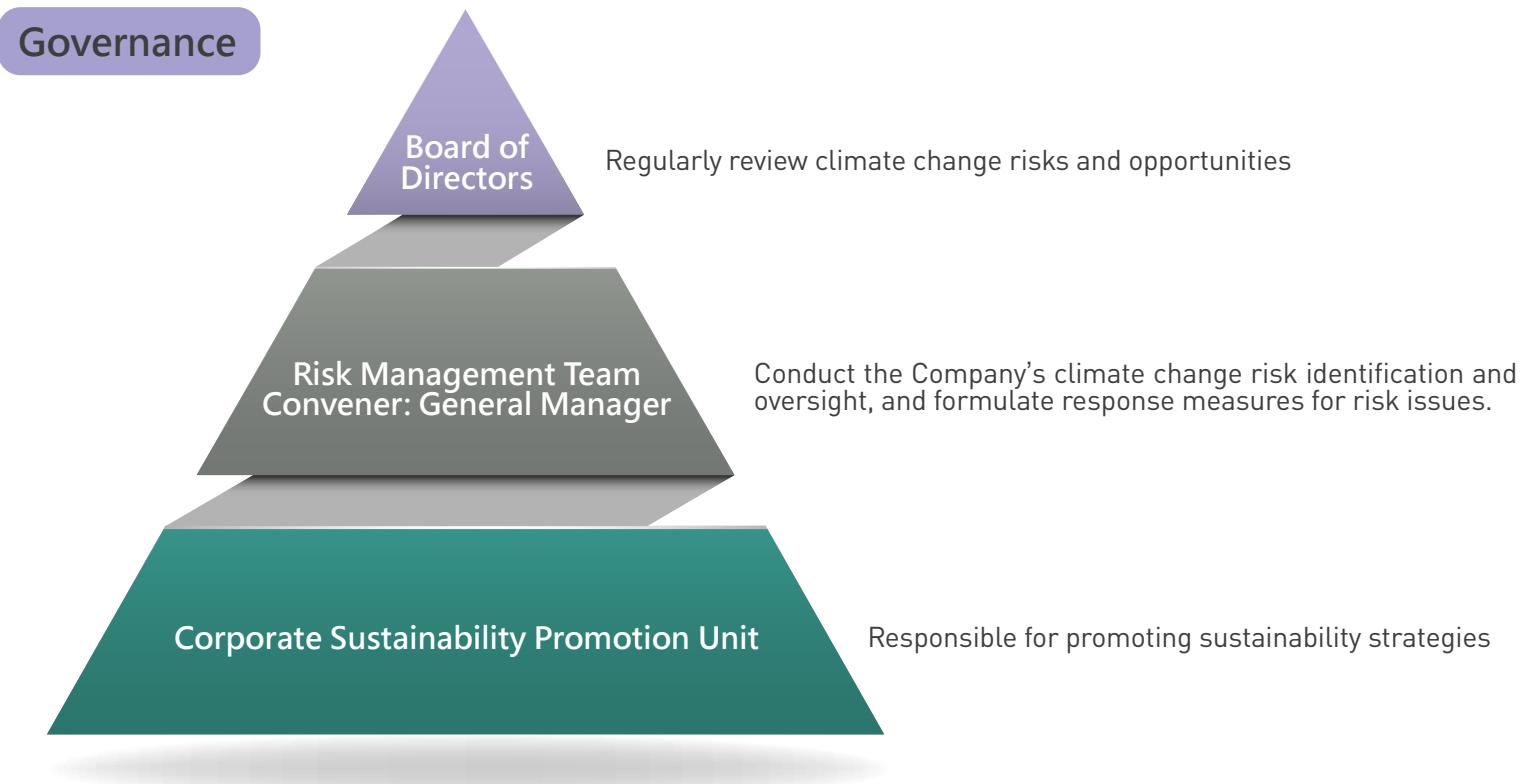
Risk Type	Risk Assessment Item	Risk Factors	Responsibilities Unit	Impact	Operations and Countermeasures in 2024	Future Outlook - 2025 Risk Management Initiatives
					<p>3. Review whether employee remuneration is in line with market trends and competitive, and design and conduct annual promotion procedures based on demand.</p>	<p>3. Expand overseas recruitment channels to hire foreign employees, supplement domestic manpower, and foster a diverse and inclusive workplace environment in line with sustainability principles.</p> <p>4. Regular workforce assessments are conducted to track the hiring and turnover status.</p> <p>5. Design competitive remuneration and benefits measures to attract and retain talent, thereby stabilizing the workforce.</p>
Operational Risk	Market Risk	Supply chain outages, shortage of raw materials	Procurement Production	<p>1. Factory unable to produce.</p> <p>2. Delivery time.</p> <p>3. The elevator is unable to operate normally or needs to be shut down waiting for parts.</p>	<p>1. The procurement unit implements supplier management in accordance with the "B1-00029 Collaborating Contractors Control Procedures" and the "B1-00032 Procurement Procedures."</p> <p>2. Material preparation planning will be based on actual contract shipment requirements, considering fluctuations in raw material prices and exchange rates:</p> <p>(1) For bulk material procurement, adjust the demand monthly starting 2 months prior to the procurement period.</p> <p>(2) Orders placed can utilize inventory, unaffected by price fluctuations.</p> <p>(3) The available inventory in transit averages about 2 months.</p> <p>(4) The available months of inventory for key components (main machines, steel cables, etc.) is approximately 3 months.</p> <p>3. Due to inflation, war, and geopolitical factors, the demand has slowed down in 2024, causing the prices of bulk materials to stabilize and trend downward, resulting in stable procurement costs.</p> <p>4. Due to the impact of the JPY exchange rate and labor shortage, the supply prices of steel cables have increased and lead times have lengthened. Therefore, the material procurement cycle remains consistent with last year's strategy, locking in costs in advance while maintaining some flexibility for orders.</p> <p>5. Monitor fluctuations in the bulk material price index and adjust the in-transit demand quantity on a monthly basis.</p> <p>6. Review safety stock levels monthly to align with production, sales, and market changes.</p>	Not included as a material risk for 2025

Risk Type	Risk Assessment Item	Risk Factors	Responsibilities Unit	Impact	Operations and Countermeasures in 2024	Future Outlook - 2025 Risk Management Initiatives
Operational Risk	Quality	Malfunction	Factory Technical quality Engineering Maintenance R&D	1. Loss of goodwill. 2. Loss of customers.	<p>1. Based on quality improvement feedback from field operations, enhance reliability verification items in the development process of intelligent elevator products, including environmental testing and electromagnetic compatibility, to improve overall system reliability.</p> <p>2. To address parts shortages or discontinuation caused by long service life of elevators, which in turn affects the reliability of electronic circuit boards, develop intelligent elevators (Intelligence Elevator System, project code IES).</p> <p>3. A monthly quality and technical meeting is held with maintenance, technical support, design, and R&amp;D personnel to address fault analysis data, implement temporary and preventive measures, and track outcomes.</p> <p>4. Regular on-the-job training is conducted for technical personnel to enhance professional skills. Technical evaluations are also performed for installation, adjustment, and maintenance staff with less than one year of service. Those who pass the evaluation and hold an elevator technician certification may be considered for rank promotion.</p>	<p>1. Improve and enhance the reliability of components to reduce failure rates.</p> <p>2. Conduct regular assessments of the professional capabilities of engineering and maintenance field technicians and strengthen training programs.</p> <p>2. Collect case studies and provide immediate solutions.</p>
Strategy Risk	Market risk	New Product Competition	R&D	Decreased business performance.	<p>1. In accordance with the "B1-00070 New Product Development and Design Procedures" and in response to global ESG initiatives, new product development strategies must incorporate carbon-reduction practices, embedding energy-saving and energy-storage concepts into system development to meet global energy-saving and carbon-reduction standards.</p> <p>2. Leveraging the surge of AI development and feedback from high-end smart building projects in the sales market, in addition to integrating AI-related functionalities into the existing 568 system and presenting them in technical documentation for the year, GFC also participates in the Southern Taiwan Science Park emerging technology project to develop an elevator energy storage system.</p> <p>3. Collaborate with professional battery manufacturers to develop an elevator system with an energy storage mechanism.</p>	Develop new elevator functions through the commercialization of various new technologies and industry trends, analyze market feedback, and gain insights from international activities to adjust the overall product development strategy and direction.

Risk Type	Risk Assessment Item	Risk Factors	Responsibilities Unit	Impact	Operations and Countermeasures in 2024	Future Outlook - 2025 Risk Management Initiatives
Strategy Risk	Selling price	Increase in raw material prices due to industry competition	Sales Factory	Increased competition.	<p>1. Classify clients into different types to better understand their needs and concerns, providing tailored sales solutions and building long-term relationships for each category. Continuously update sales strategies in response to market conditions.</p> <p>2. Review cost response plans for project indicator-type cases.</p> <p>3. In response to the rise in raw material prices and labor costs, a comprehensive review and adjustment of operations and costs were conducted. In 2023, the pricing standards were adjusted twice, and the value of the products was explained to customers. The focus was placed on the quality and functionality of the products to ensure that the products and services align with the pricing, and to gain customers' understanding.</p> <p>4. In 2024, manufacturing costs were kept under control, and the VACD program continued to be implemented effectively. Stable increases in production capacity and shipment planning facilitated cost control and helped reduce manufacturing costs.</p> <p>5. Actively develop new products and expand into new markets to increase the number of new customers.</p>	<p>1. Regular visits and discussions with key customers to ensure excellent customer service.</p> <p>2. Adjust sales strategies and categorize clients to diversify market risk.</p> <p>3. Through market research and regular performance reviews, appropriate responses are made based on the competitive landscape in the industry.</p> <p>4. Respond to increases in raw material and labor costs by promptly adjusting pricing standards.</p>
Financial Risk	Credit risk	Accounts receivable management	Sales Maintenance	Loss on bad debts	<p>1. The sales department, in accordance with the internal control "S05-Sales and Receivables Cycle – Credit Management" regulations, conducts a business registration and credit check for new customers before signing a contract, ensuring no concerns before proceeding.</p> <p>2. For customers who unreasonably delay payment, necessary measures such as issuing reminders and formal notices are taken in accordance with internal control procedures.</p> <p>3. As of September 2024, total accounts receivable amounted to NTD 828,317 thousand, with actual bad debts of NTD 103 thousand (0.01%). The actual bad-debt ratios for the three years from 2022 to September 2024 were 0.06%, 0.01%, and 0.01%, respectively, and remain under control.</p>	<p>1. Continually conduct thorough credit checks on sales customers. For high-risk customers, refrain from selling or implement strict sales and payment terms to prevent financial losses to the Company due to contract defaults by the counterparty.</p> <p>2. Sales/maintenance collection personnel are responsible for the recovery of receivables in accordance with the provisions of "IB-0109-3 Accounts Receivable and Bad Debt Loss Handling Procedures." Direct supervisors are required to monitor daily and regularly reconcile accounts, overseeing the recovery status of receivables for each period. For overdue payments, immediate necessary measures should be taken.</p>

## 4.4.3 TCFD Climate Risk Assessment

Climate change is a global issue of widespread concern. GFC refers to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and discloses climate change-related information based on four aspects, namely governance, strategy, risk management, and metrics and targets, while also explaining corresponding strategies and measures.



## Board of Directors

GFC regards the Board of Directors as the highest supervisory body for climate issues and regularly reviews climate change risks and opportunities. The Corporate Sustainability Promotion Unit reviews related response strategies and implementation plans, and regularly evaluates key information and the progress of targets.

## Management

The Company has established a Risk Management Team directly under the General Manager, with the General Manager serving as the convener. Members of the Team are appointed by the General Manager. The Team conducts GFC's climate change risk identification and oversight, formulates risk response measures for relevant issues, and reports the operation status of climate-related risks to the Audit Committee and the Board of Directors at least once a year.

The Corporate Sustainability Promotion Unit is responsible for promoting sustainability strategies. It routinely reports to the General Manager on the progress of sustainability strategies and projects, including climate actions, and reports at least once a year to the Board of Directors on the implementation results and future plans regarding climate change-related issues.

## Risk Management and Strategy

GFC has identified climate change factors as material risk issues for the Company and promotes corresponding risk response measures. In accordance with the TCFD framework, the Company analyzes the impacts and contributions of climate change risks and opportunities on its operations, coordinating relevant departments to jointly evaluate and identify potential internal and external risks, including those related to market, operations, environment, and operational hazards. The Company assesses the likelihood and severity of such risks, analyzes climate risks in the short-term (within 3 years), mid-term (within 10 years), and long-term (over 10 years), and formulates response measures and management strategies for climate risks.



## TCFD Risk and Opportunity Response Strategies

### ✓ Transition/Physical Risk

The timeframe is defined as follows: short-term as 1 to 3 years, mid-term as 3 to 10 years, and long-term as over 10 years

Risk Type	Type	Issues	Description of Risk Impacts	Possible Occurrence Timeframe	Countermeasures/Management Strategies
Physical Risk	Immediate	Extreme Weather	Frequent typhoons and intensified rainfall causing flooding may result in extreme weather events that interrupt operations at business locations, leading to losses or disposal of products, semi-finished products, and inventory. This may further affect GFC's profit and loss, resulting in decreased revenue or reduced assets.	Short-term	Regarding the management of operational sites, products, work-in-progress, or inventory, factors such as potential flooding due to climate change are incorporated into the consideration.
Transition Risk	Market	Market demand faced under the net zero emissions trend	As market demand for product carbon footprints and green buildings gradually increases, if the Company's sustainability transformation progresses too slowly or it is unable to develop green products to respond to market needs, revenue may decline and the Company's assets may decrease.	Mid-term	Continue monitoring low-carbon transition market demand and transition technologies to mitigate transformation pains and financial losses, and pursue green innovation and low-carbon transition within existing product lines to expand diversified green business opportunities and optimize environmentally friendly process design.
	Policy Regulations	Cost of carbon reduction policies and regulations	The government has implemented a carbon fee collection system. Although the Company is not currently included in the first batch of regulated entities, with the future expansion of the fee scope and the introduction of total emissions control, operating costs are expected to increase, resulting in reduced profitability.	Long-term	Continuously monitor domestic and international trends in carbon fees, carbon taxes, and related regulations. Develop 2050 net-zero emission targets and promote GHG reduction plans to minimize potential financial impacts.

## ✓ Opportunities

The timeframe is defined as follows: short-term as 1 to 3 years, mid-term as 3 to 10 years, and long-term as over 10 years

Type	Issues	Description of Risk Impacts	Possible Occurrence Timeframe	Countermeasures/Management Strategies
Resource Use Efficiency	Enhance energy use efficiency at business locations and production sites.	Improve energy use efficiency through measures such as adopting green building practices, upgrading operational equipment, and implementing energy management systems to reduce operating costs.	Mid-term	Actively upgrade existing outdated production equipment to more energy-efficient facilities, replace air conditioning systems with Grade 1 energy label products, and encourage employees to conserve electricity and water to implement energy-saving practices.
Product and Services	Develop and promote low-carbon products and services.	Coordinate with customers on the concepts of sustainability and green consumption. Develop and promote low-carbon products and services to meet customer needs and increase operating revenue.	Long-term	Introduce low-carbon and environmental concepts at the early stage of product development to guide subsequent green procurement, green manufacturing processes, reduction of packaging materials, and resource recycling. This helps reduce the carbon footprint throughout the product lifecycle and contributes to the sustainability of the planet.
Resilience	Natural disaster crisis management and early warning measures.	Formulate and ensure the effectiveness of adaptation measures to provide stable services for all business operations, enhance customer trust, and reduce operating losses.	Long-term	Equip with uninterruptible power systems, backup servers, and off-site backup mechanisms, conduct regular emergency response drills, and establish standard procedures to reduce the risk of operational interruption and ensure that equipment and operating mechanisms can function properly during crises.



## Indicators and Targets

### ✓ GHG Inventory Planning

In accordance with the FSC's "Sustainable Development Roadmap for Listed Companies," GFC is required to complete GHG inventory and verification within the specified timeline. Currently, the timeline for inventory and verification for the parent company and subsidiaries included in the consolidated financial statements is as follows:

Boundary Scope	Item	Regulatory Timeline	Current Progress
Parent company	Inventory	The 2026 annual report will disclose the 2025 inventory information	Self-conducted the inventory in June 2023
	Third-party assurance	The 2028 annual report will disclose the 2027 inventory and assurance information	Under planning
Subsidiaries included in the consolidated financial statements	Inventory	The 2027 annual report will disclose the 2026 information	Self-conducted the inventory in June 2023
	Third-party assurance	The 2029 annual report will disclose the 2028 inventory and assurance information	Under planning

### ✓ Electricity and Energy Conservation Plan

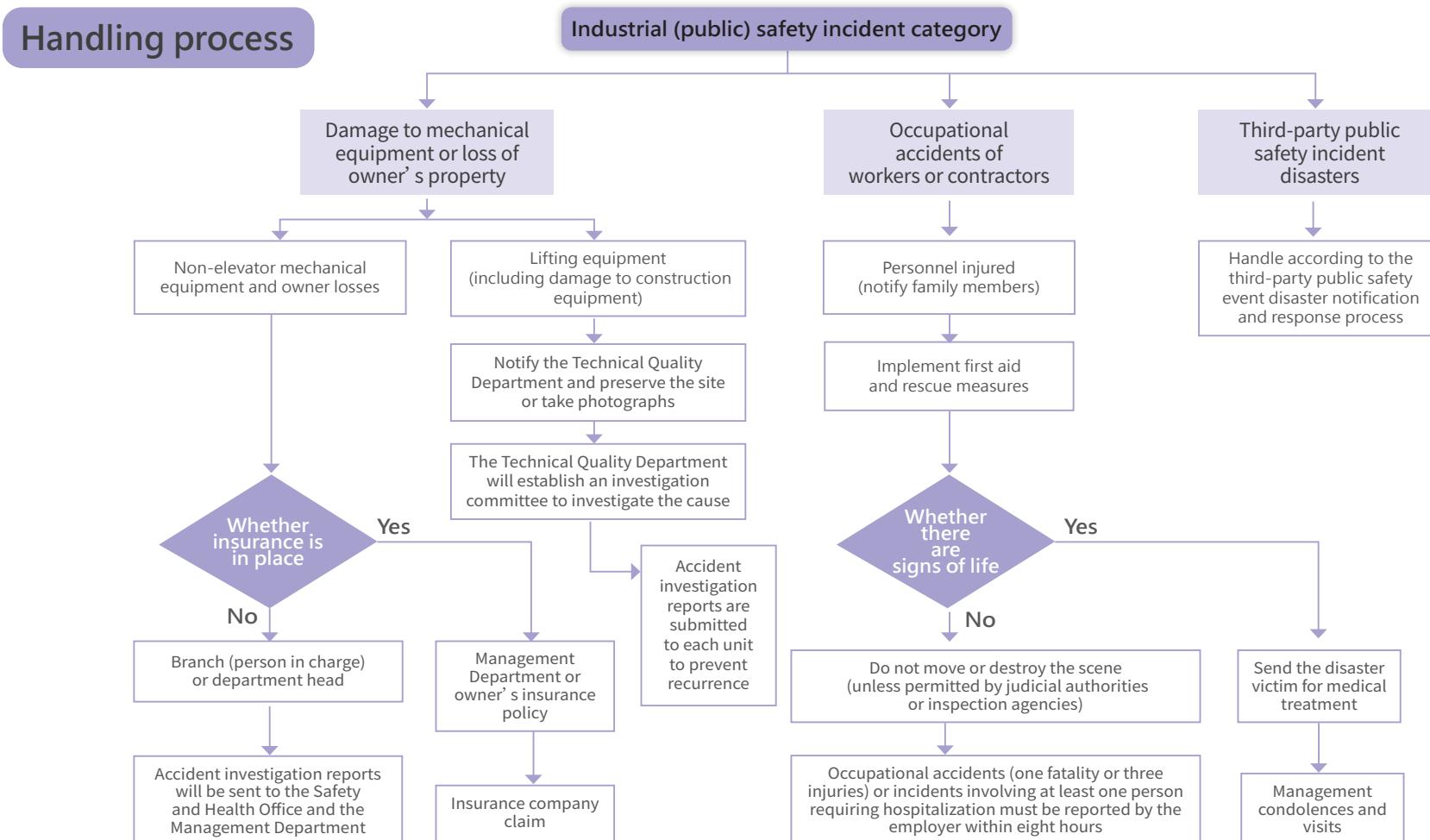
The five-year electricity conservation plan uses the 2022 carbon emissions of 1,020.1423 metric tons CO<sub>2</sub>e as the base year, with a reduction target of 2 percent in carbon emissions.

### ✓ Internal Carbon Pricing

In response to the launch of the domestic carbon fee collection system, the EU Carbon Border Adjustment Mechanism, and the Sustainable Development Roadmap for Listed Companies, which have resulted in carbon pricing and internal decarbonization costs, the Company is currently studying an internal carbon pricing calculation method as a reference for decarbonization planning and management.

## 4.4.4 Emergency Response Plan

To enhance operational resilience and ensure employee safety, GFC continues to conduct systematic assessment and management of potential risks such as various natural disasters, occupational injuries, and third-party public safety incidents. GFC has implemented actions corresponding to relevant risks and opportunities at its headquarters and branch offices. Plan and assess risks and opportunities in advance to implement effective control measures within a short period of time to eliminate or reduce potential hazards and losses, and continuously mitigate occupational safety and health-related risks to ensure sustainable business operations and safeguard the safety and well-being of stakeholders.



## 4.5

# Information Security Management

### 4.5.1 Information Security Measures and Implementation Results

GFC Ltd.'s information security policy focuses on the following six major management programs and objectives. With the goals of preventing viruses, hacking, and data leaks, the policy aims to establish firewalls, intrusion detection systems, antivirus systems, and various internal control systems to enhance the Company's ability to defend against external attacks and ensure the protection of internal confidential information.



```

1  # defaultrb
2  # default result of running an experiment
3  class Scientist
4  end
5  attr_reader :candidates
6  attr_reader :control
7  attr_reader :experiment
8  attr_reader :observations
9  attr_reader :unmatched
10 attr_reader :matched
11
12 # An Array of Observations in execution order.
13
14 # Internal: Create a new result.
15 # experiment - the Experiment this result is for
16 # observations - an Array of Observations, in execution order.
17 # control - the control Observation
18
19 def initialize(experiment, observations = [], control = nil)
20   @experiment = experiment
21   @observations = observations
22   @control = control
23   @candidates = observations - [control]
24   evaluate_candidates
25
26   freeze
27 end
28
29 # Public: the experiment's context
30 def context
31   experiment.context
32 end
33
34 # Public: the name of the experiment
35 def experiment_name
36   experiment.name
37 end
38
39 # Public: was the result a match between all observations and the control?
40 def matched?
41   unmatched.empty?
42 end
43
44 lib/scientist/result.rb 1:1

```

The six major management programs are as follows :

01/

**Cybersecurity management -**  
Prevent hackers from invading illegally.

03/

**Virus protection management -**  
Install antivirus software and implement real-time data backup to prevent ransomware incidents.

05/

**Ensure system availability -**  
Manage data backups at off-site locations.

02/

**System access control -**  
Forcing users to regularly update passwords to maintain the validity of access permissions.

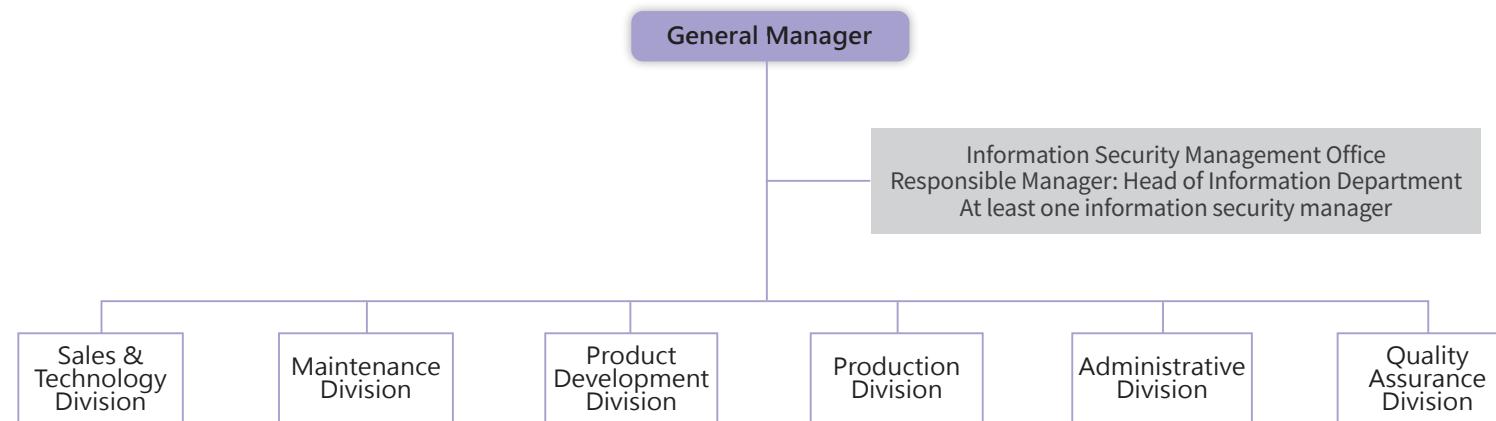
04/

**Information security training -**  
Promote the importance of not clicking on suspicious emails or links.

06/

**Computer security management -**  
Maintain continuous operation of computer hardware.

## Organization of the Information Security Committee



1. General Manager : The person in charge of the Company's information security

2. Information security management unit : Information Department

- ( 1 ) Responsible Manager: Head of Information Department
- ( 2 ) Appoint an information security manager responsible for the Company's information security planning, development, supervision, inspection, and implementation.
- ( 3 ) Submission of the Company's information security monthly report.

3. Top managers of each branch, service station, and each department : Responsible for overseeing the information security implementation within the responsible unit.

4. Information security implementation status is as follows :

- ( 1 ) Database disaster recovery drills.
- ( 2 ) Revisions to internal control documents related to information security control were approved by the Board of Directors in August.
- ( 3 ) Submitted information security investment deduction documents, which passed review in December.
- ( 4 ) Illegal software inspection was conducted, and no illegal software was found.
- ( 5 ) Company WiFi access policy.
- ( 6 ) Conduct vulnerability scanning.



**5. Resources invested in cybersecurity:**

( 1 ) IP Guard information security software maintenance fees, Infomix database maintenance, antivirus software maintenance fees, and hardware maintenance fees, with a total investment of NTD 1,041,700.

**6. Participated in the following cybersecurity meetings:**

Date Range	Activity Name	Number of Participants	Hours of Participation (person-hours)
May 14-May 16, 2024	CYBERSEC 2024	1	24
05/30/2024	Infoblox DNS Security Summit	1	3
July 23 - July 24, 2024	2024 Taiwan Cloud Summit	1	16
08/21/2024	2024 Synology solution dayw	1	4
09/04/2024	NETFOS “AI Smart New Era Real-time Early Warning Defense” seminar	1	3



## Information Security Management and Audit Mechanism

To protect the Company's intellectual property, including confidential information, and customers' confidential information, GFC has conducted multiple self-assessments each year since 1987 using the NIST CSF and ISO/IEC 27001:2013 standards. The above information security audit operations are all conducted to ensure the Company implements the information security regulations effectively.

In 2012, the internal control mechanism was further strengthened, including self-inspections by the operations units, audits by the Information Security Governance Office and the Audit Office, establishing a three-line defense mechanism for information security to ensure the effective implementation and continuous improvement of information security measures across all plants.

### Network and System Vulnerability Detection

To protect company and personal information, as well as internal and external communication systems from losses caused by leakage, theft, destruction, or natural disasters, third-party professional organizations are occasionally commissioned to conduct network and system penetration testing. This helps reduce the impact of both human and natural factors on the Company's operations. The purpose is to understand and evaluate the organization's network environment and system security status, verify the current level and effectiveness of information security protections, and provide a basis for strengthening vulnerabilities, improvement methods, and enhancing system security.

### Business Continuity Management and Disaster Recovery Drill

To ensure the continuous operation of business and critical operations, and to mitigate the risk of service disruption due to major disaster events affecting important information systems, GFC conducts at least one test or written drill each year for its business continuity plan or information security emergency response plan. This ensures the Company can leverage its disaster recovery capabilities during critical moments and quickly restore operations to normal or acceptable levels, ensuring the continuous operation of key application systems and preventing business interruptions.

To ensure the security and reliability of our information systems, GFC has implemented multiple layers of protection, including firewalls, encryption technologies, access controls, and regular security audits. In addition, the backup management personnel at the computer center select a portion of backup storage media or backup equipment at least once a year to conduct restore tests on backup data. This ensures the readability of the backup data, the usability of storage media, and the feasibility of the recovery process for critical assets, confirming that the backup operations can be completed within the designated recovery time frame. At the same time, GFC regularly updates security software and conducts information security awareness training for employees, ensuring that everyone understands the importance of safeguarding data security.

GFC also places great importance on emergency plans and incident response, ensuring that we can quickly react to potential threats and minimize their impact. Through these measures, GFC ensures that the data of all employees and customers is protected at every stage.

GFC will continue to strengthen information security and will consistently update and improve relevant measures to address the ever-changing information security risks. GFC will continue to work with experts and relevant institutions to ensure that our information security measures meet the strictest standards. GFC will continue to dedicate itself to effectively managing information security risks and adhering to the highest information security standards in all business activities.

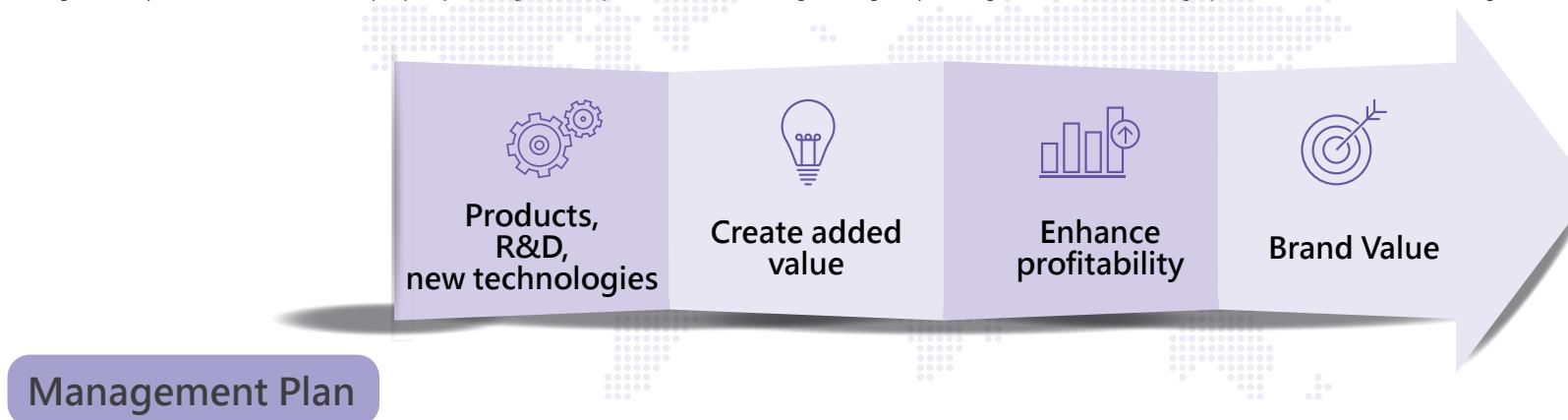
## Status of information security incidents over the past three years

Number of information security violations and fines/year	2022	2023	2024
Information security or cybersecurity violations (number of cases)	0	0	0
Data breaches incidents (number of cases)	0	0	0
Number of information security violations involving customers' personal data	0	0	0
Number of customers and employees affected by data breaches	0	0	0
Amount of fines imposed due to information security or cybersecurity-related incidents (NTD)	0	0	0



## 4.5.2 Intellectual Property

To continuously expand and deepen its brand presence in the elevator market, GFC actively promotes products, R&D, new technologies, and the creation of added value to enhance profitability. On this foundation, intellectual property is the core asset that drives GFC's brand development and innovation momentum. GFC ensures the protection and utilization of technological achievements through a comprehensive intellectual property management system, further strengthening corporate governance, reducing operational risks, and securing sustainable business operations.



GFC places great importance on the protection and management of intellectual property, viewing it as a key asset for innovation momentum and competitive advantage. To protect technological achievements, brand value, and operational confidentiality, the Company has established a comprehensive intellectual property management mechanism covering patents, trademarks, trade secrets, and copyrights. Through systematic registration, licensing, and confidentiality mechanisms, the Company ensures that R&D achievements and business information receive legal protection, and implements rights and obligations agreements with partners. In addition, employee confidentiality agreements and classified protection measures are also used to strengthen internal intellectual property security control, thereby supporting sound corporate governance and the Company's long-term goals for sustainable development.

### ✓ Patent Management :

1. During the product development process in the R&D unit or when launching improved or new products, registration and application procedures are carried out to protect the Company's inventions or new design patents.
2. When collaborating with others on development, the ownership of intellectual property shall be determined according to the terms of the contract between both parties. If joint ownership is necessary, the rights and obligations of the joint ownership should be clearly specified.

### ✓ Trademark Management :

The General Affairs unit of the Management Department is responsible for entrusting an external trademark agency to handle trademark registration applications and manage the registration and maintenance process.

## ✓ Trade Secret Management :

1. All employees sign a "Confidentiality Agreement" to ensure that they remain bound by confidentiality obligations during their employment and even after leaving the Company. Violators will be subject to legal action for damages.
2. Continue to establish confidentiality classification and reasonable protection measures for the Company's trade secrets.

## ✓ Copyright Management :

The intellectual property rights of works created in cooperation with others should be stipulated in the cooperation agreement to belong to the Company. Works created by employees in the course of their duties, according to the employee code of conduct, shall be owned by the Company.

### Implementation Status

Patent registration				
Year of application	Region	Patent type	Number of applications	Progress
2021 ~ 2024	Taiwan	New type	7	Approval - 6 cases
				Under application - 1 case
		Invention	3	Approval - 2 cases
				Under application - 1 case
	China	New type	5	Approval - 5 cases
		Invention	2	Under application - 2 cases

Trademark registration			
Year of application	Region	Number of applications	Progress
2021 ~ 2024	Malaysia	5	Approval - 2 cases
			Under applications - 2 cases
		3	Under application - 1 case
	Singapore	3	Under application - 3 cases
	Philippines	3	Under application - 3 cases
	Vietnam	3	Under application - 3 cases

Item	2021	2022	2023	2024
Number of patents owned by the Company in the year	54	55	57	57
Number of patents obtained in the year	5	1	2	0

## 05

# Environmental Protection and Energy Conservation

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## Annual Highlight Performance

- ◆ **Zero** incidents of wastewater violations and fines.
- ◆ Waste intensity decreased by **12%** compared with the base year (2022).
- ◆ Material recycling rate for production was **100%**.
- ◆ Took the lead in the industry by fully adopting environmentally friendly and energy-saving PM permanent magnet synchronous motor hosts, achieving energy savings of over **30%**.
- ◆ **Zero** product recalls.

Environmental sustainability is an important core value in GFC's operational strategy. GFC is committed to conducting its operations and management in compliance with environmental protection principles, striving for pollution prevention and reduction control under applicable environmental regulations, and progressively moving toward the 2050 net zero emissions target. Please refer to the Company's official website for GFC's environmental sustainability policy statement and related commitments.

## Environmental Management Approach

- ◆ Comply with environmental regulations and conduct regular regulatory checks to ensure that current practices meet new legal requirements.
- ◆ Conduct annual internal audits to ensure the effective operation of the management system.
- ◆ Integrate various environmental resources to achieve circular economy and net zero goals.
- ◆ Committed to environmental protection and reducing GHG emissions, GFC has implemented the ISO 14001 environmental management system at its Yangmei Plant to ensure compliance with government environmental regulations while pursuing operational performance, enhance environmental management performance, and ultimately achieve sustainable development.



## Compliance with Environmental Laws and Regulations

GFC adopts "zero environmental incidents" as its fundamental goal. To ensure full compliance with environmental regulations, the Company establishes comprehensive environmental, safety, and health management procedures to control potential negative environmental risks. The environmental protection department conducts quarterly regulatory compliance assessments for air pollution, water pollution, waste, and toxic substances, and implements corresponding measures for applicable regulations. If any regulatory non-compliance risks are identified, immediate corrective and preventive actions are taken. Over the past two years (2023 to 2024), GFC has not experienced any environmental violations, fines, or settlement payments related to environmental or ecological issues, demonstrating GFC's commitment to environmental protection, adherence to all relevant environmental regulations and standards, and continuous improvement and enhancement of environmental management.

# 5.1 Green Operations

## Hosted a climate lecture to connect with key sustainability trends from COP28

To deepen corporate understanding of global climate governance trends, the GFC Foundation specially invited Dr. Tsai Ming-Che, Professor at the College of Bioresources and Agriculture of National Taiwan University and Director of the NTU Experimental Forest, to deliver a keynote speech on November 8, 2024: "Discussing Corporate Nature Positive Growth from the Topics of COP28." The lecture invited nearly one hundred participants, including GFC Board members, mid to senior-level managers from the Taipei and New Taipei areas, and stakeholders concerned about climate issues.

Professor Tsai Ming-Che was invited to serve as a keynote speaker for the World Climate Foundation (WCF) at the 2023 United Nations Climate Change Conference (COP28) held in Dubai. In this lecture, Professor Tsai Ming-Che shared first-hand insights from participating in the COP conference and the latest international developments, encouraging companies to actively engage in Nature Positive initiatives through scientific strategies and cross-sector collaboration to contribute to mitigating climate change and preserving ecosystems. Participants expressed that they gained valuable insights and committed to incorporating sustainability concepts into future operational strategies.



Opening remarks by GFC Chairman Tang Po-Loung



Participants included GFC's Board of Directors and mid to senior-level managers.



Group photo of board members, distinguished guests, and the keynote speaker.

## 5.1.1 Commitment to Biodiversity and Forest Conservation

GFC recognizes the importance of biodiversity and zero deforestation for maintaining ecological balance and climate stability. Therefore, GFC is committed to actively preserving biodiversity in its business operations, eliminating any deforestation activities, and promoting tree planting and forest conservation programs. All of GFC's manufacturing sites are located within industrial parks, and none of its operating locations are situated in areas designated as globally or nationally important for biodiversity. The General Manager signed the "GFC's Commitment to Biodiversity and Forest Conservation," declaring the Company's stance on ecological conservation through supervision and promotion by the corporate sustainability governance structure. Biodiversity and zero deforestation requirements have also been incorporated into the Supplier Code of Conduct, requiring suppliers to comply and encouraging the value chain to jointly support biodiversity. Therefore, GFC commits not only to managing its own operations but also to leading partners in jointly maintaining and promoting biodiversity, avoiding deforestation activities, and further advancing forest conservation and restoration. This supports UN SDGs 6, 12, 13, 14, and 15 and aligns with the UN Post-2020 Global Biodiversity Framework to achieve the 2030 milestone of reversing biodiversity loss and deforestation and the 2050 vision of living in harmony with nature.

### Actions of GFC

- 1 As a principle, avoid conducting new operational activities (including establishing offices, stores, data centers, base stations, etc.) near key biodiversity areas. If infrastructure for Company operations requires developing facilities near such areas, comply with national regulations to conduct environmental impact assessments, including evaluating and monitoring risks of harm to biodiversity and forests. Develop mitigation strategies, including prevention, reduction, restoration, and offset measures, and collaborate with external partners to protect the ecosystems of these key areas and strive to achieve No Net Loss.
- 2 Actively participate in various terrestrial ecological conservation programs and strive to promote biodiversity and zero deforestation principles.
- 3 Inventory the current wood usage in operations and replace traditional wooden crates with reusable metal cages for shipments to construction sites to reduce wood consumption.
- 4 In terms of forest conservation, GFC collaborates with the "Chilin Ecological Restoration Foundation" to organize volunteer activities, sending GFC volunteers to Yangmingshan National Park for forest protection, reforestation, and other ecological conservation efforts.
- 5 Through concrete actions, GFC fulfills its commitment and gradually achieves the 2030 goal of zero deforestation and net positive impacts on biodiversity.



## 5.1.2 Food Strategy

To effectively implement strategies for reducing food loss and waste, GFC has posted a “Food Conservation Notice” in the employee cafeteria at its Yangmei Plant to continuously remind employees to cherish food. In addition, for the disposal of food waste, GFC has entrusted a third-party professional organization to handle it, ensuring effective resource recovery and treatment. GFC will continue to monitor the total amount of food waste in order to better manage and reduce food waste, contributing to the Company's sustainable development. The total amount of food waste in 2024 was 4.49 tons. Going forward, the Company will further strengthen meal planning and leftover food management measures to gradually reduce food waste generation, continuing to contribute to sustainable corporate development and circular resource utilization.



## 5.2 Energy Management Policy

### 5.2.1 Electricity

To effectively reduce the environmental impact of the greenhouse effect and lower energy consumption, GFC has established energy conservation and carbon reduction development goals and plans. The Company integrates energy-saving and carbon reduction strategies and programs across departments, continuously introduces various energy-saving technologies, and implements energy efficiency improvement projects for related facilities. In addition to implementing energy-saving measures, improving energy efficiency, and setting up renewable energy systems, we also promote energy management plans for offices and public areas. This is supported by relevant awareness campaigns and training sessions to enhance employees' understanding of energy conservation and carbon reduction.

As a company in the elevator manufacturing industry, GFC's factory operations consume energy in the production of elevators. GFC's green operations focus on improving energy efficiency in the Company's manufacturing processes.

**The electricity consumption statistics of the Yangmei Plant in 2024 are as follows :**

Year		2022	2023	2024
Non-renewable energy	Purchased electricity	885.1	940.2	961.6
	Natural gas	0	0	0
	Diesel	0	0	0
	Steam, heating, cooling, and other purchased energy	0	0	0
	Non-renewable energy sold externally	0	0	0
Total non-renewable energy (a)		885.1	940.2	961.6
Renewable energy	Total renewable energy (b)	0	0	0
	Renewable energy sold externally (c)	0	0	0
Total energy consumption (a+b-c)		885.1	940.2	961.6

Note 1: Diesel is based on purchased volume; natural gas, diesel, and other data are calculated according to the calorific values of energy products published by the Energy Administration

Note 2: The disclosure scope covers GFC Ltd., its subsidiaries, and factories

Note 3: GFC has not yet established a base year for energy management and will promote and finalize the establishment of the relevant base year in the future

## Continuous energy-saving improvement

In recent years, extreme climate risks have intensified. As of the end of 2024, approximately 145 countries worldwide have set net zero emissions targets and related policy goals. Taiwan has also announced its commitment to pursuing a 2050 net zero transition, aligning with global efforts toward achieving net zero emissions. As the only local elevator manufacturer in Taiwan and one of the top three in market share, GFC actively implements energy-saving and carbon reduction measures to better control energy consumption, continuously monitor low-carbon trends, steadily promote decarbonization and elevator operations, develop renewable energy, and track electricity and fuel usage to avoid significant fluctuations. GFC aims to work hand in hand with all stakeholders to expand its new operational landscape and move toward a new era of net zero sustainability.

In line with the national energy-saving and carbon reduction policies, GFC promotes multiple energy-saving initiatives, including process improvements and energy management measures. Dedicated personnel have been assigned at offices and various operating locations to continuously reduce emissions.

Item	Specific Measures	2024 Actual Results and Goal Achievement Status
Energy conservation, carbon reduction, and GHG emissions reduction	<ul style="list-style-type: none"> <li>Promote switching off lights and ensuring computers and equipment are powered off after working hours.</li> <li>Assign managers for each unit's usage areas to inspect and turn off power after working hours.</li> <li>Turn off lighting in office areas when not in use.</li> <li>Adjust office air conditioning operating hours and temperature as needed.</li> <li>Conduct regular equipment cleaning and maintenance to improve efficiency (such as periodic inspection and cleaning of air conditioning systems)</li> <li>Occasionally replace outdated equipment.</li> <li>Set office machines and computer equipment to sleep mode.</li> <li>Occasionally conduct energy conservation and carbon reduction training and promote related practices.</li> </ul>	<p>GFC's electricity consumption in 2024 was 2,125,865 kWh. Due to an increase in production activities (shipments), the Company did not achieve the second five-year electricity reduction target (2020 to 2024) of a 2% reduction based on 2019 levels. However, GFC will continue to adjust its energy conservation and carbon reduction plans and targets in line with operational changes.</p>



### Energy-saving measures to continue being promoted in 2025:

- Promote switching off lights and ensuring computers and equipment are powered off after working hours.
- Assign managers for each unit's usage areas to inspect and turn off power after working hours.
- Turn off lighting in office areas when not in use.
- Key energy-saving measures continued in 2024.

## 5.2.2 Water Resource Management

### Wastewater

GFC is committed to environmental protection and sustainable development, placing particular emphasis on the effective use of water resources in its factory production processes. Over the past two years (2023 to 2024), GFC has not experienced any wastewater violations, fines, or settlement payments related to environmental or ecological issues, ensuring no wastewater discharge and reducing environmental impact. In daily operations, the factory's water usage is restricted to essential daily needs. All wastewater generated complies with local regulations and is discharged through the sewage system, ensuring that factory operations do not negatively impact water bodies or surrounding ecosystems.

**The statistics for wastewater discharge over the past three years are as follows:**

Wastewater discharge over the years	2022	2023	2024
Taipei Headquarters	0	0	0
Yangmei Plant	0	0	0

Note: GFC's Taipei Headquarters is an office building with minimal water requirements, primarily for domestic use, and thus does not generate wastewater discharge.



## Water Consumption

GFC recognizes the value of water resources and places great importance on their management and use. To this end, GFC not only strives to reduce water waste but also enhances water resource utilization efficiency through technological innovation and effective management. In addition, GFC actively supports various water resource conservation initiatives, including raising awareness, promoting recycling technologies, and ensuring the sustainable use of water resources. Currently, water usage at each plant is primarily for general domestic purposes. No industrial process wastewater is generated during operations; the discharged water mainly consists of domestic wastewater and rainwater. GFC will continue to implement effective water resource management by adopting production processes that require lower water consumption to reduce water usage, ensuring efficient use of water resources and minimizing environmental impact.

Statistics of GFC's total water withdrawal, total discharge, and water consumption over the past three years (data scope: GFC Yangmei Plant) are shown in the table below:

Type		Year	2022	2023	2024
			Item	Factory	Factory
Total water withdrawal (a)			11.338	12.905	12.121
Classified by water sources for intake	Tap water		3.460	3.201	3.319
	Reclaimed water		-	-	-
	Rainwater and condensed water		-	-	-
	Others (such as groundwater, surface water, etc.)		7.878	9.704	8.802
Total emissions (b)			11.338	12.905	12.121
Classified by discharge destination	Surface water, groundwater, seawater				
	Third-party treatment				
	Water provided to third parties for use				
Water consumption (a-b)			0.000	0.000	0.000
Water consumption per NTD 1 million of revenue (ML/NTD 1 million) (Note)			0.002439	0.002490	0.00225

Note 1: Water intensity is calculated based on the parent company only financial statements' revenue of NTD 4,648 million in 2022, NTD 5,182 million in 2023, and NTD 5,377 million in 2024.

Note 2: The 2024 water consumption figure in the annual report is calculated based on the 2024 water bills.

Note 3: The 2024 and 2023 water consumption data were subjected to limited assurance by Ernst & Young (EY).

To uphold the commitment to environmental protection and sustainable development, GFC has specially designed low-water usage technologies in manufacturing processes and ensured that no wastewater is discharged, thereby reducing our reliance on water resources and minimizing environmental impact. GFC has implemented effective water-saving measures for domestic water use to ensure the sustainability and efficient utilization of water resources.

## Ultrapure water

GFC primarily engages in the manufacturing and maintenance of elevators and automated transportation systems, and its business nature does not belong to water-intensive or high-purity water consumption industries. Therefore, the Company mainly uses general domestic water, and no ultrapure water or other high-grade process industrial water is used in operations. Water usage is simple in nature and imposes relatively low environmental impact. To continuously enhance water resource efficiency, GFC incorporates water-saving process design as a core principle of water management and actively sets water-saving targets at each stage to ensure the implementation of management policies and performance improvement.

The following table presents the ultrapure water intake statistics for GFC over the past three years:

Year	2022	2023	2024
Yangmei Plant	0	0	0

Unit: Tons

## Water Risk Assessment

In assessing water risk, GFC takes into account the characteristics of its industry. Currently, the annual water usage at its Yangmei Plant is less than one-third of the approved underground water extraction limit. In addition, due to the Company's focus on efficient water resource utilization in the production process, it has never encountered water shortages. Regarding domestic water usage, GFC also takes a cautious approach and implements effective water-saving measures to ensure the sustainability and efficient use of water resources during operations.



## 5.2.3 Carbon Emissions Management

Driven by concerns over global climate change, resource utilization, and the importance of corporate sustainability, GFC, in 2022, engaged consultants Kao Kai-Hsiang and Kuo Chien-Hung from the Electric-Electronics & Environmental Technology Development Association. Following the requirements of ISO 14064-1:2018, we initiated an internal, systematic GHG inventory, created a registry, and implemented verification procedures. These steps are aimed at formulating improvement measures to further enforce our carbon reduction goals, contributing to global efforts in reducing carbon emissions. In the future, GFC will continue to conduct GHG inventories in accordance with the requirements of ISO 14064-1:2018 and obtain external verification according to the scheduled timeline.

### GHG Policy Statement

GFC understands that the impact of GHG has gradually worsened the Earth's climate and environment. As a responsible enterprise, GFC firmly responds to the international standards set by the United Nations Framework Convention on Climate Change and the Kyoto Protocol, actively conducting GHG emissions inventory work. Through inventorying, GFC will comprehensively understand the current status of the Company's GHG emissions, and subsequently implement more emission reduction measures, promoting GHG verification and voluntary reduction plans. GFC is committed to doing its utmost to fulfill corporate social responsibility and contribute to building an environmentally friendly and sustainable future.

### Definition of GHG emission sources and carbon emissions over the past three years

Type	Type I		Type II		Intensity	Category III		Category IV		Category V		Category VI		Total	Operating Revenue
Item Year	Emissions (tCO2e)	Percent-age	Emissions (tCO2e)	Percent-age	(metric tons/NTD million)	Emissions (tCO2e)	Percent-age	Emissions (tCO2e)	Percent-age	Emissions (tCO2e)	Percent-age	Emissions (tCO2e)	Percentage	Emissions (tCO2e)	NTD million
2022	372.5664	22.94%	1020.1423	62.81%	0.2938	1.9098	0.12%	229.4304	14.13%	Not significant	Not significant	Not significant	Not significant	1624.049	4740
2023	373.8575	21.70%	1090.1394	63.29%	0.2779	Not significant	Not significant	258.5385	15.01%	Not significant	Not significant	Not significant	Not significant	1722.535	5268
2024	372.1174	19.22%	1247.9831	64.45%	0.3013	109.3026	5.64%	206.9037	10.69%	Not significant	Not significant	Not significant	Not significant	1936.307	5377

Note 1 : The significance threshold for the Company's GHG inventory operation is set at 5.0%. When changes in operational boundaries, ownership, control, or quantification methods result in a variation of total emissions greater than 5.0%, the baseline inventory established for the reference year will be revised according to the new circumstances.

Note 2 : The scope of disclosure covers: Head office, Taipei Branch - Sales, Engineering Service Center - Da'an Station, Zhonghe Station, Xizhi Station, Luzhu Station, 101 Station, Taipei Branch, Taoyuan Branch, Hsinchu Branch, Taichung Branch, Tainan Branch, Kaohsiung Branch, Chiayi Branch, Yangmei Plant, Howtobe Technology Co., Ltd., Shanghai GFC.

Note 3 : For detailed information on GHG emissions in 2024, please refer to [GFC's "2024 GHG Inventory Report" on the Company's official website.](#)

## 5.2.4 Air Pollutant Management

GFC's Yangmei Plant complies with local environmental regulations and adopts the best available treatment technologies to ensure that the surrounding environmental impact is minimized. Over the past three years, the overall production facilities did not generate any direct nitrogen oxides (NOx), perfluorocarbons (PFCs), or hazardous volatile organic compounds (VOCs) during the production process.

**Air pollutant emissions statistics over the most recent three years are shown in the table below :**

Year	2022	2023	2024
Sulfur oxide (SOx)	0	0	0
Nitrogen oxide (NOx)	0	0	0
Perfluorocarbons (PFCs)	0	0	0
Volatile organic compounds (VOCs)	0	0	0



## 5.2.5 Waste Management

GFC successfully developed more environmentally friendly production technologies after phasing out old coating equipment from years ago. In the new production process, GFC has eliminated the generation of hazardous waste. At the same time, GFC adheres to the principle of waste classification and ensures that all waste generated at the Yangmei Plant is transported and treated by a professional and qualified environmental company. In addition, GFC submits waste disposal plans annually in accordance with local environmental regulations, ensuring that all waste is handled in compliance with the relevant standards.

In terms of key performance indicators, the waste intensity for 2022 was 0.1089. As the baseline year, our goal is to reduce the intensity by 2%. The waste intensity in 2024 was 0.0978, representing a 10.2% reduction compared with the 2022 base year.

Waste item	Disposal method	Disposal method after recycling	Recycling amount in 2024 (kg)
Domestic waste	Outsourced to external units	Incineration and burial/physical disposal	11,540
Plastic waste mixtureD - 0299		Incineration and burial/physical disposal	9,840
Waste plasticR-0201		Recycled (raw material use)	4,600
Waste fiber or other mixtures such as cotton and cloth		Incineration and burial/physical disposal	50
Waste wood		recycling (used for fuel)	75,680
Food waste R - 0106		Reuse	4,490
Waste paper		Announced for recycling	3,212
Metal scrap		Announced for recycling	185,680
Other resource recycling		Reuse	1,548



To further reduce the environmental impact of waste, the Company is continuously advancing waste classification and reduction measures, while fully implementing resource classification and recycling programs. A dedicated recycling area has been established within GFC's Yangmei Plant to collect recyclable waste materials. Clear labels and containers are provided for various types of waste, making it easier for employees to sort and classify waste. In addition, potential recyclable waste materials such as metal, packaging materials, plastic, paper, and batteries are collected and sent to professional recycling facilities for further processing and reuse. GFC is committed to continuously achieving higher environmental standards and looks forward to collaborating with all stakeholders to protect the environment.

Unit: metric tons/unit

Year	2022	2023	2024
Hazardous waste	0	0	0
Non-hazardous waste	254.736	252.169	296.64
Intensity (Note)	0.1089	0.0969	0.0978

Note 1: Waste intensity is calculated based on shipment volumes of 2,340 units in 2022, 2,602 units in 2023, and 3,033 units in 2024.



Unit: metric tons/unit

Year	2022	2023	2024
Not recyclable			
Incineration and burial	21.17	21.96	21.43
Intensity (Note 1)	0.0090	0.0084	0.0071
Recyclable			
Reuse	176.586	163.199	194.93
Converted into alternative raw materials	0	1.93	4.6
Incineration (with energy recovery)	56.97	65.08	75.68
Waste recycling	233.556	230.209	275.21
Waste recycling rate (%)	91.69%	91.29%	92.78%

Note 1: Waste intensity is calculated based on shipment volumes of 2,340 units in 2022, 2,602 units in 2023, and 3,033 units in 2024.

Note 2: The 2024 and 2023 waste weight data were subjected to limited assurance by EY.

Waste item	Disposal method	Disposal method after recycling	Recycled amount in 2023 (kg)	Recycled amount in 2023 (kg) /units	Recycling amount in 2024 (kg)	Recycled amount in 2024 (kg) /units	Recycling target for 2025 (kg) /units
Domestic waste	Outsourced to external units	Incineration and burial/physical disposal	14,680	5.6	11,540	3.8	<=5.6
Plastic waste mixture D-0299		Incineration and burial/physical disposal	7,230	2.8	9,840	3.2	<=3.5
Waste plastic R - 0201		Recycled (raw materials)	1,930	0.7	4,600	1.5	<=1.5
Waste fiber or other mixtures such as cotton and cloth		Incineration and burial/physical disposal	50	0.0192	50	0.0165	<=0.03
Waste wood		recycling (used for fuel)	65,080	25	75,680	25	<=26
Food waste R - 0106		Reuse	4,230	1.6	4,490	1.5	<=1.8
Waste paper		Announced for recycling	2,912	1.1	3,212	1.1	<=1.2
Metal scrap		Announced for recycling	154,610	59.4	185,680	61.2	<=65
Other resource recycling		Reuse	1,447	0.6	1,548	0.5	<=1.0

Note : In 2022, 2,340 units were produced and shipped; in 2023, 2,602 units; and in 2024, 3,033 units.



## 5.2.6 Raw Material Management

GFC upholds environmental protection and human health as top priorities, committed to developing and producing safe and environmentally friendly elevator products. Therefore, in the product design and manufacturing process, GFC is committed to eliminating the use of any harmful substances to ensure that consumers can enjoy truly safe and reliable elevator products. GFC will continue to focus on and develop the latest energy-saving and environmentally friendly technologies and materials, continuously reducing environmental impact while protecting consumer health.

GFC classifies materials into renewable and non-renewable categories according to the definitions provided by the Ministry of Environment. The calculation method for each raw material is currently based on the data provided by the raw material suppliers. To facilitate unified recording and tracking in the future, GFC's Procurement Department will gradually revise the system, using weight in kilograms as the standard unit for each item. Please refer to the table below for details.

**The statistics of renewable/non-renewable materials used in shipments over the past three years are as follows :**

Name of renewable material	Unit	2022	2023	2024
Zip bags 50mm*70mm*0.04mm (No. 1 bag)	PC(kg)	1	—	1
Zip bags 70mm*100mm*0.04mm (No. 3 bag)	PC(kg)	2	—	0
Zip bags 85mm*120mm*0.04mm (No. 4 bag)	PC(kg)	2	3	0
Zip bags 100mm*140mm*0.04mm (No. 5 bag)	PC(kg)	—	—	2
Zip bags 140mm*200mm*0.04mm (No. 7 bag)	PC(kg)	—	—	3
Zip bags 150mm*200mm*0.04mm	kg	40	40	20
Zip bags 250mm*350mm*0.06mm	kg	140	100	120
Plastic film (double-sided) 0.12*2400m/m	kg	8,250	8,850	10,502
H/W plastic bag 160mm*200mm*0.025t	kg	100	125	50
Plastic bag 200mm*280mm*0.04mm	kg	150	220	195
C/P plastic bag 65cm*50cm*100cm	PC(kg)	198	810	210
Protective film 250mm	Rolls (kg)	4,000	4,435	5,258
Storage cage	Units	125	150	200

Name of renewable material	Unit	2022	2023	2024
Iron pallets	Units	75	100	100
Stainless steel plates	kg	636,239	495,671	751,570
Cosmetic steel sheets	kg	640,035	803,730	884,642
Sub-lead iron sheets	kg	568,782	518,524	620,850
Ordinary iron plates	kg	8,909	12,543	8,546
Hot-dip galvanized	kg	5,414	19,519	6,028
Polished iron plates	kg	235,553	251,597	210,725
Mirror slabs	kg	32,945	28,642	35,241

Name of non-renewable materials	Unit	2022	2023	2024
Wooden slats for shipping	Units	24,600	35,400	41,250
Wood slats for main rail	Units	5,400	6,000	6,600
Large flat pallets	Units	2,841	2,927	3,378
Small flat pallets	Units	357	295	431
Wooden box	Units	812	1,656	2,371
Polyester cotton yarn (filter)	PC	9	6	3
Paper	kg	2,432	2,912	3,212
Tap water	Metric tons	3,197	3,225	3,308

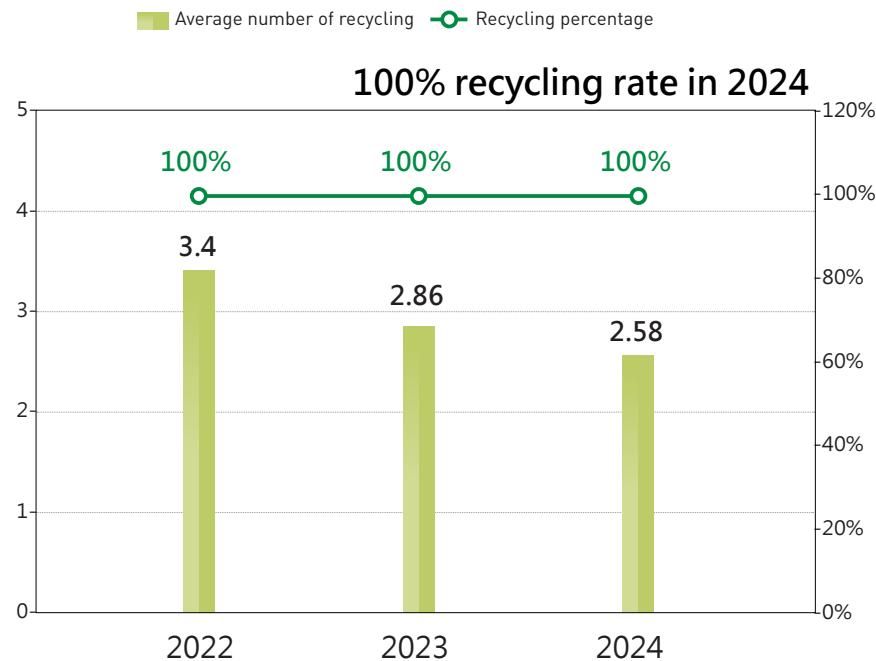
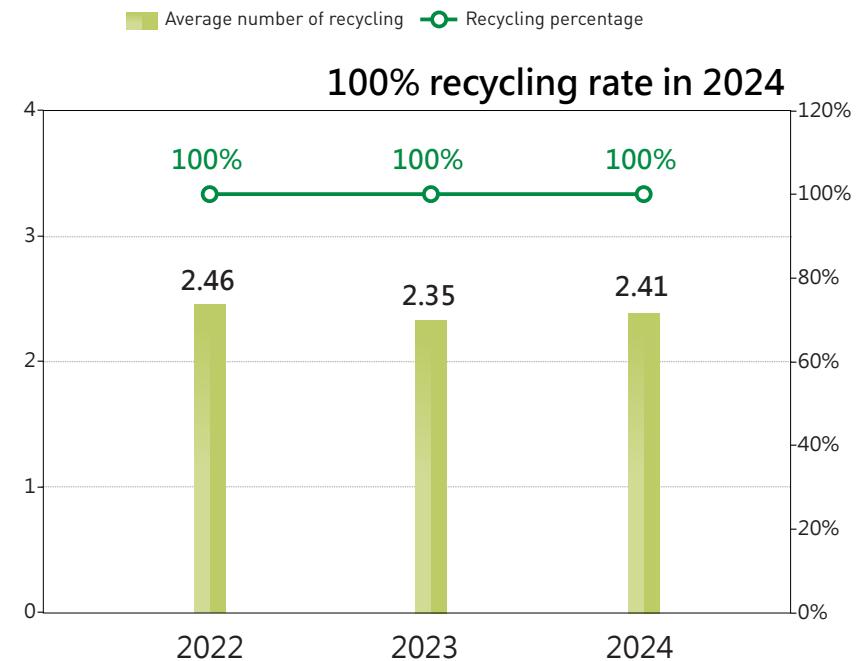
## 5.2.7 Information on Recycling of the Material Used for Production

GFC outsources the materials and semi-finished production of elevator parts to external contractors. Once these individual parts are completed by the contractors, they are sent to GFC's factory for further processing and assembly of the elevator components. When elevator parts are damaged, GFC's technicians will assess the situation and replace the damaged or faulty components, opting for repair rather than recycling to extend the elevator's lifespan. During the elevator assembly process, the storage cages and iron pallets used for part packaging are recyclable and reusable items.

Statistics on material recycling used in production over the past three years, as shown in the table below :

Name	Year	Total	Total number of times of recycling	Average number of times of recycling	Recycling percentage
Storage cage	2024	1588	4,096	2.58	100%
	2023	1402	4,012	2.86	100%
	2022	1252	4,262	3.4	100%
Iron pallets	2024	791	1,908	2.41	100%
	2023	713	1,675	2.35	100%
	2022	613	1,510	2.46	100%

Note: Iron cages and iron pallets were recycled more than once after shipment, so the recycling rate was calculated as 100%.

**Iron storage cage****Iron pallets**

## 5.3

# Green Products and Services

GFC took the lead in the industry by fully adopting environmentally friendly and energy-saving PM permanent magnet synchronous motor hosts, which save over 30% more energy than traditional motors. It is estimated that every 10,000 units installed over five years can reduce carbon emissions by 8,847 metric tons per year. Through AI-powered dispatching, passenger waiting and travel time is shortened, and the use of IoT in maintenance systems enhances efficiency by enabling timely deployment of maintenance personnel. GFC's passenger elevators demonstrated outstanding energy-saving performance during their usage phase and received the Class II Environmental Protection Label certification from the Environmental Protection Administration in 2018.



## Product Life Cycle

GFC follows the guidelines of ISO 14001 Environmental Management System. Throughout the product lifecycle, from development and design, active growth, maturity and stability, to decline, responsible units follow operational models that take environmental considerations into account. This ensures that the impact on water resources, air quality, waste, toxic substances, soil pollution, and energy consumption is fully evaluated, with the goal of reducing environmental impact.

In GFC's product development planning, various energy-saving products such as power regeneration or energy storage are developed, along with high-efficiency, low-pollution permanent magnet motors. During the design process, materials with low manufacturing pollution are selected. The goal is to minimize the environmental impact during the production process of the product and to maximize energy efficiency by utilizing the regenerative power generation feature of the elevator products.



## Product R&D and Innovation

GFC's sustainable development relies on the continuous improvement and innovation of technology and products. The decision-making process for new product development incorporates departments such as sales planning, R&D design, quality assurance, maintenance, and engineering from the proposal review stage. Based on customer and market demands for product quality, cost, and delivery time, the structured process of new product development is followed. This includes established checkpoints throughout the various stages of development, ensuring that new products meet market needs through reviews, pilot production, and mass production planning.

To motivate the enthusiasm and creativity of R&D personnel and promote the commercialization of new product R&D achievements, a product R&D bonus system (IB - 0275) has been established. Based on the technical level of the development project, reward amounts are determined and distributed in two stages, one at the conclusion of the development project and the other upon mass production and shipment. For intellectual property planning and infringement disputes, GFC has established an incentive system for patent applications to encourage employees to continuously improve and pursue innovation.

**In past three years, the proportion of R&D expenses to revenue, the proportion of R&D personnel to total company personnel, and the number of patent applications are shown in the table below:**

Innovation and R&D investment	2022	2023	2024
R&D expenditure (NTD thousand)	42,367	40,483	43,418
R&D expenditure to revenue ratio (%)	0.91%	0.78%	0.81%
R&D personnel (people)	35	34	35
Ratio of R&D personnel to employees (%)	2.38%	2.32%	2.38%
Number of patents owned by the Company in the year	55	57	57
Number of patents obtained in the year	1	2	0

For addressing the operational needs of mid- and long-term new technology and product development, as well as short-term product cost-performance improvements, GFC continues to innovate and R&D based on the Company's core technologies. By collaborating with different industries and research organizations, the Company develops new technologies and applications, accelerates the development timeline, and cultivates technical talent together.

The main product R&D achievements in recent years are as follows:

1. Facial recognition system

2. AGV intelligent robot control system

3. Intelligent elevator control system

4. Ultra-high-speed elevator

5. High-speed machine-room-less elevator

6. Large-capacity machine-room-less elevator

## All Products Comply with International Regulations

Based on the rising trend of green environmental protection, the use of electronic material substrates emphasizes pollution reduction. Therefore, material suppliers have strengthened their R&D capabilities for eco-friendly materials, driving a material revolution in the copper foil substrate industry. Currently, major electronics companies have gradually introduced eco-friendly substrates. Under the awareness of environmental protection and regulatory requirements, eco-friendly materials will become the basic threshold for products. In 2024, GFC did not have any product recalls.

Item	Description	Product compliance
EU RoHS	The Restriction of Hazardous Substances Directive (EU RoHS) limits the concentration of lead, cadmium, hexavalent chromium, polybrominated biphenyls (PBBs), and polybrominated diphenyl ethers (PBDEs) in products (<1,000 ppm). The EU's updated RoHS 2.0 adds four restricted substances, including di(2-ethylhexyl) phthalate (DEHP), benzyl butyl phthalate (BBP), dibutyl phthalate (DBP), and diisobutyl phthalate (DIBP), each limited to < 1,000 ppm.	Fully qualified
Halogen-free electronics	Bromine and chlorine content <900 ppm, total <1,500 ppm	Fully qualified
Control of perfluorooctane sulfonic acid (PFOS), perfluorooctanoic acid (PFOA), and related substances	No raw materials containing PFOS/PFOA and their related substances are used in the process	Fully qualified
EU Chemical Substances Registration and Control Regulations (EU REACH)	The hazardous substances and substances of very high concern (SVHC) published by the EU REACH	Fully qualified
EU Waste Electrical and Electronic Equipment (WEEE) Directive (WEEE)	In response to the increasing amount of electronic waste, to reduce the burden on landfills and incinerators, and to prevent harmful substances in electronic waste from entering the environment, GFC's products are not considered end products and are not directly subject to this regulation. The flexible board material becomes waste after being used by the end user in the final product and is the responsibility of the end product manufacturer for recycling.	Not applicable

## 5.4

# Sustainable Supply Chain

## 5.4.1 Supplier Management Policy

Policy	Based on the principle of mutual cooperation, the goal is to achieve sustainable development for the enterprise.
	Together, establish a sustainable supply chain that values the environment, labor rights, occupational safety, and ethical corporate management.
	Assist collaborating contractors in enhancing their green competitiveness.
Implementation	Establish the "Supplier Management Best-Practice Principles."
	Hold an annual supplier meeting to promote the establishment of a green supply chain management policy.
	The supplier signs the fulfilling corporate social responsibility letter of undertaking to promise to actively strive for good corporate governance and caring about environmental sustainability issues.
	Revise the internal control system – Collaborating Contractor Management Regulations, guiding suppliers to prioritize environmental protection and encouraging them to obtain ISO 14001 environmental management certification.
	Conduct regular evaluations of suppliers to review their implementation of labor rights protection, occupational safety, and environmental protection issues. Suppliers with ISO 14001 environmental management certification will receive additional points in the annual evaluation and be awarded special recognition at the supplier conference.
	Perform irregular internal audit. Conduct on-site check for product quality and lead time, and check the outcome of management policy at the same time. Implement educational training if there are some parts not conforming to the green supply chain management policy.
	New suppliers will be selected based on priority for those who have obtained ISO 14001 environmental management certification.

## Supplier Management Regulations and Requirements

GFC adheres to the principle of responsible supply chain management and actively fosters sustainable partnerships with suppliers, striving to establish a transparent, fair, and compliant procurement process. To ensure that all suppliers understand and comply with GFC's product safety requirements and the shared goal of corporate sustainable development, the Company requires 381 suppliers to adhere to the following guidelines and submit a commitment letter. Covering core issues such as labor rights, environmental health and safety, ethical conduct, and regulatory compliance. Through this mechanism, GFC continues to implement supply chain risk control and promotes suppliers' joint development toward a sustainable value chain.



### Emphasis on Labor Rights

Respect employees' labor rights and their lawful right to association, handle labor disputes appropriately and fairly, prohibit child labor, prevent discrimination based on gender, age, religion, race, disability, or marital status, and comply with labor regulations.



### Environment, Health and Safety

Provide employees with a safe and healthy working environment, appropriate training, and relevant safety equipment or tools to protect their workplace safety.



### Ethics and Legal Requirements

Avoid conflicts of interest, prohibit bribery, comply with fair trade laws, report improper conduct, and adhere to GFC's corporate social responsibility standards.



### Comply with the Supplier Management Best-Practice Principles

If violations are not rectified after guidance, GFC may terminate the partnership early and seek compensation for damages.



### Comply with the "GFC Supplier Management Policy"



## Implementation Status

**1. Annual Supplier Seminar** - In addition to conveying GFC's goals for sustainable development and establishing a green supply chain management policy, the seminar specifically recognized the top ten suppliers for their excellence in quality improvement and delivery accuracy. These suppliers were invited to share their implementation experiences during the seminar for the benefit of other vendors.

**2. Regular Evaluation** - Supplier performance on issues such as labor rights protection, occupational safety, energy conservation, carbon reduction, product quality, and delivery timeliness is assessed with a rating scale of 1 to 5. Suppliers scoring below level 2 in any category are provided with training and support for improvement.

The 2024 evaluation results identified 6 excellent suppliers in Taiwan, 3 overseas, and 3 in China.

**3. Encouraged to Obtain Quality Environmental Management Certifications** - Guiding suppliers to prioritize environmental protection and quality safety management, with additional evaluation points awarded to suppliers who obtain third-party management certifications, along with special recognition at the annual conference to achieve the goal of corporate social responsibility and mutual benefit. The suppliers have obtained the following management certifications:

Name of the Certificate	Number of suppliers
ISO 9001:2015	18
ISO 14001:2015	10
ISO 45001:2018	3
CNS 45001:2018	1
IECQ (QC 08000)	1
IATF 16949:2016	1

**4. On-site Inspection** - Through on-site inspections of product quality and delivery timelines, the effectiveness of management policy implementation is also verified, with special training provided for areas not aligning with the green supply chain management policy. In 2024, a total of 54 suppliers were audited on-site, with an audit rate of 17.58%, demonstrating GFC's strong commitment to supply chain risk control and sustainable collaboration.

## 5.4.2 Green Procurement

### Energy saving green purchase

For replacing or purchasing new production machinery, office equipment, or company vehicles, GFC prioritizes energy-saving equipment, products with energy or environmental labels, or vehicles that meet the latest EPA emission standards. In 2024, GFC invested a total of NTD 7,804,703 in energy-saving or environmentally friendly equipment, replacing 11 air-conditioning units, 1 refrigerator, 1 production machine, and acquiring 4 company vehicles that meet the latest environmental emission standards.

### Conflict Minerals

GFC has formulated a “Non-conflict Metals Declaration” to address the issue of conflict metals management. Suppliers are required to conduct thorough investigations into their supply chains to ensure that metals such as gold (Au), tantalum (Ta), tungsten (W), cobalt (Co), and tin (Sn) are not sourced from conflict areas in the Democratic Republic of Congo (DRC) or through illegal mining and smuggling routes. By strengthening supply chain management, the Company aims to effectively identify and trace the origin of raw materials, ensuring that conflict minerals are not used. Additionally, metals exported from the following countries, as recognized by the United Nations Security Council, do not meet the “conflict-free” standards: Democratic Republic of the Congo (DRC), Rwanda, Uganda, Burundi, and Tanzania.

Procurement of 100% non-conflict metals	
<b>Copper and aluminum metal materials</b>	Procured from Walsin Lihwa Corporation, Ta Ya Electric Wire & Cable Co., Ltd., Hua Eng Wire & Cable Co., Ltd., Alformer Industrial Co., Ltd., and Yu-wei Aluminum Co., Ltd.
<b>Steel materials</b>	Procured from China Steel Corporation, Yieh United Steel Corporation, and Tang Eng Iron Works Co., Ltd.

## 5.4.3 Emerging Markets

Amid rapid changes in the global economy and industrial landscape, GFC continues to monitor development trends in the global electromechanical machinery industry and evaluates the potential impacts of supply chain restructuring, policy drivers, and market competition on corporate operations from a forward-looking perspective. In the face of challenges such as geopolitical disruptions, increasing capital expenditure pressures, and longer equipment procurement cycles, GFC proactively adjusts its business strategies and resource allocation to ensure stable corporate development and international competitiveness.

- ◆ Due to the optimistic outlook for long-term demand in the electrical machinery industry, global electronics and machinery manufacturers are increasing capital expenditures to expand production capacity, which may cause fluctuations in market supply and demand in the future.
- ◆ International powers are using state forces to intervene and sanction competitors, leading to the restructuring and changes in the supply chain. GFC continues to monitor its impact.
- ◆ Major international powers are reconstructing local electronic machinery manufacturing through incentives, subsidies, and policy encouragement to secure their electronic machinery supply. In response, GFC will continue to closely monitor the impact on company operations and develop corresponding plans.
- ◆ Future investments are becoming increasingly expensive, and global electronic machinery manufacturers are facing high capital expenditure pressures. Industry leaders may use this as a competitive differentiator, while powerful nations may create unfair competition through subsidies and other means. Equipment supply is expected to require a longer lead time. Therefore, future capacity planning and construction need to be more cautious.
- ◆ According to statistics from the Procurement Department, GFC currently has business dealings only with Singapore and Malaysia. Based on 2024 data, the revenue from exports to Singapore amounted to USD 127,158.77, while the revenue from Malaysia was USD 3,124.24.



## 5.4.4 Customer Relationship Management

### Customer Satisfaction Survey

With a commitment to customer satisfaction and quality first, GFC utilizes a customer satisfaction system to distribute questionnaires and proactively gather customer feedback. This allows the Company to understand customer responses regarding quality, delivery, service, and technology, providing guidance for operational management and improvement across departments. Overall, GFC's total satisfaction level has consistently remained high, with average scores above 4 points. In 2024, the average total customer satisfaction score across all business units was 4.37 out of 5. Unlike other industries, customer satisfaction plays a critical role in business development in the elevator industry. Based on customer satisfaction factors, GFC organizes, analyzes, and feeds back evaluation results to identify causes and implement improvements. The Company actively responds to customer needs and makes relevant improvements to enhance service quality. If customers explicitly express dissatisfaction or if customer satisfaction targets are not met, the issue will be discussed during management review meetings. Relevant cross-departmental units will then propose improvement plans and suggestions, with the goal of becoming a trusted long-term partner for customers. A total of 131 surveys were collected in 2024.

Item	Evaluation					Total Score	2023	2024
	Very satisfied (5)	Satisfied (4)	Neutral (3)	Dissatisfied (2)	Very dissatisfied (1)		Average Score	Average Score
1. Complaint handling timeliness	310	256	15	0	0	581	310	256
2. Whether product delivery meets contractual requirements	265	228	51	8	0	552	4.36	4.21
3. Staff service attitude	Sales	390	200	9	0	599	4.63	4.57
	Engineering	290	232	42	0	564	4.41	4.34
4. Coordination during project execution	275	224	60	0	0	559	4.43	4.27
5. Professional competence	340	236	12	0	0	588	4.59	4.49
6. Product quality	245	280	36	0	0	561	4.38	4.28
Average Score	Total					4004	4.47	4.37

Note 1: Total score ÷ number of surveys/7 items = average score.

Note 2: When a customer expresses strong dissatisfaction in an individual case, a report must be submitted.

Note 3: The 2023 customer satisfaction score was 4.47, and the 2024 target was set at 4.5.

Note 4: The 2024 customer satisfaction score was 4.37, representing a decrease of 0.1 compared with 4.47 in 2023.

Note 5: The overall average score was 4.37, between satisfied and very satisfied, but there are still unsatisfactory items that need improvement.

Note 6: The 2025 customer satisfaction target is planned to be set at 4.37.

## 06

# Friendly Workplace

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## Annual Highlight Performance

- ◆ No human rights violations or discrimination incidents occurred.
- ◆ The employee hiring rate reached **17.57%**, an increase of **4.46%** compared with the previous year.
- ◆ In 2024, total training hours exceeded **520,000** hours.
- ◆ The professional certification coverage rate reached 100%, with **1,067** employees obtaining Class B/Class C elevator technician licenses.
- ◆ The number of disabling injuries decreased by **39.3%** compared with last year, and the disabling injury frequency dropped to **5.09**, the lowest level in the past three years.
- ◆ The reinstatement rate after unpaid parental leave reached **67%**, and the return rate for female employees remained at **100%**.
- ◆ The health check-up participation rate reached **89.5%**, and **222** health consultation sessions were completed.
- ◆ The total weight loss achieved through annual health promotion activities reached **397** kilograms.



## 6.1 Employee Composition

In 2024, GFC welcomed a total of 258 new employees, with 244 male and 14 female. The overall new hire rate was 17.57%, an increase of 4.46% compared to 2023. Due to the characteristics of the industry, the workforce consists mostly of male employees, resulting in a larger gap in the male-to-female employee ratio. To cope with continuous business growth and the transfer of expertise and experience from retiring senior employees, GFC actively attracts talent through diversified recruitment channels to ensure sufficient and professionally capable staffing across operating units, maintaining operational stability and technical succession. At the same time, GFC places great importance on talent development and retention mechanisms, striving to create a friendly workplace environment and implement various retention programs, including regular salary adjustments, promotions, technical evaluations, referral bonuses, and retention bonuses, to enhance employee retention and further strengthen corporate competitiveness.

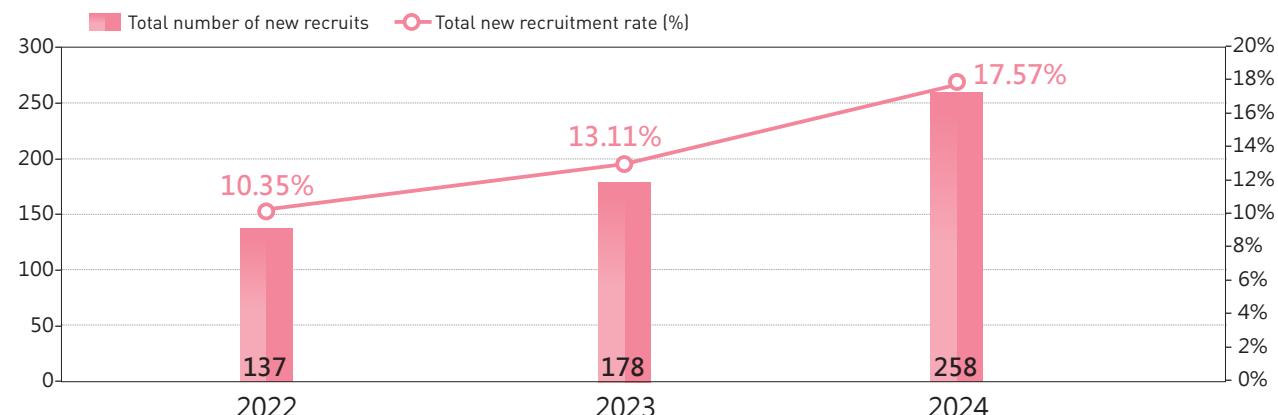
## The gender and age distribution of new employees from 2022 to 2024 are as follows:

Year	2022				2023				2024			
	Male		Female		Male		Female		Male		Female	
Age/Gender	Number of people	New recruitment rate										
Under 30 years old	75	5.66%	2	0.15%	92	6.77%	8	0.59%	119	8.10%	6	0.40%
31-50 years old	42	3.17%	14	1.06%	61	4.49%	4	0.29%	109	7.42%	6	0.40%
51 years and above	3	0.23%	1	0.08%	13	0.96%	0	0.00%	16	1.08%	2	0.10%
Total number of new employees	137				178				258			
Total number of employees	1,324				1,358				1,468			
Total new recruitment rate	10.35%				13.11%				17.57%			

Note 1: New recruitment rate (%) = Number of new hires in that category for the year / Total number of employees in that category at the end of the year.

Note 2: The number of new recruits includes employees who left partway.

### New recruitment rate from 2022 to 2024



## Analysis of Turnover Rate

In 2024, GFC had a total of 143 employees resign, including 132 male employees and 11 female employees, resulting in an overall turnover rate of 10.10%, a decrease of 0.36% compared with 2023. The steady decline in turnover rate reflects the gradual effectiveness of the Company's talent management and retention strategies. To gain deeper insight into employee turnover reasons and use the findings to optimize human resources systems, GFC has established a comprehensive resignation management process. When an employee submits a resignation request, the direct supervisor immediately arranges an exit interview, and the HR Department also identifies the primary reasons for resignation, conducts turnover analysis, and uses the results to improve retention mechanisms, with the aim of retaining outstanding professional talent within the Company. In addition, GFC values the experience and contributions of mid- to senior-aged talent. For individuals who have retired but wish to continue working with the Company, a rehire system has been established to help them extend their careers, allowing their experience to be passed on and strengthening the Company's knowledge capital and organizational resilience.

## Resignation management process



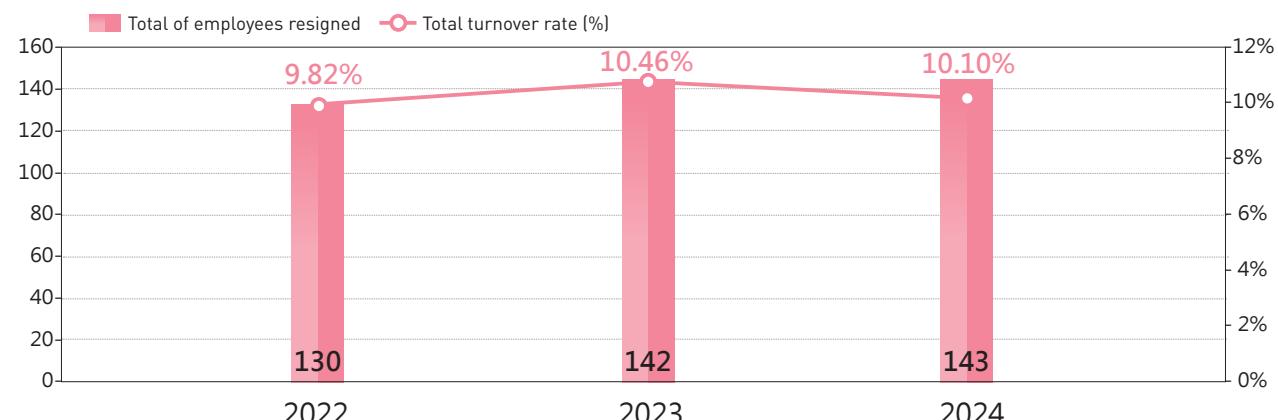
## Statistics on the gender and age distribution of employees who resigned from 2022 to 2024

Age/Gender	2022				2023				2024			
	Male		Female		Male		Female		Male		Female	
	Number of people	Turnover rate										
Under 30 years old	52	3.93%	4	0.30%	54	3.98%	1	0.07%	51	3.58%	3	0.21%
31-50 years old	49	3.70%	7	0.53%	54	3.98%	0	0.00%	62	4.36%	2	0.14%
51 years and above	17	1.28%	1	0.08%	32	2.36%	1	0.07%	19	1.33%	6	0.42%
Total number of resignations	130				142				143			
Total number of employees	1,324				1,358				1,468			
Total turnover rate	9.82%				10.46%				10.10%			

Note 1: Turnover rate (%) = Number of resignations in that category for the year / Total number of employees in that category at the end of the year.

Note 2: The number of resignations includes employees who left the organization due to voluntary resignation, retirement, severance, dismissal, or death in service.

## Turnover rate from 2022 to 2024



## Unpaid Parental Leave

In accordance with the rights granted under Taiwan's Gender Equality in Employment Act, GFC employees may apply for unpaid parental leave to support balancing family responsibilities and career development. Based on contracts ending in 2024, one female employee returned to work, with a reinstatement rate after unpaid parental leave of 100%, and three male employees returned, with a reinstatement rate of 60%. To ensure a smooth transition for employees returning to work, GFC also continues to monitor their employment status after their return. In 2023, the proportion of female employees who returned from unpaid parental leave and remained employed for one year reached 100%, while the proportion for male employees was 50%. Employees who did not return upon completion of their unpaid parental leave did so voluntarily because their leave period had ended and they still had family caregiving needs. GFC will continue to strengthen its unpaid parental leave system and related support measures, fostering a friendly workplace environment to help employees develop steadily at different life stages, demonstrating the Company's commitment to gender equality and family support.

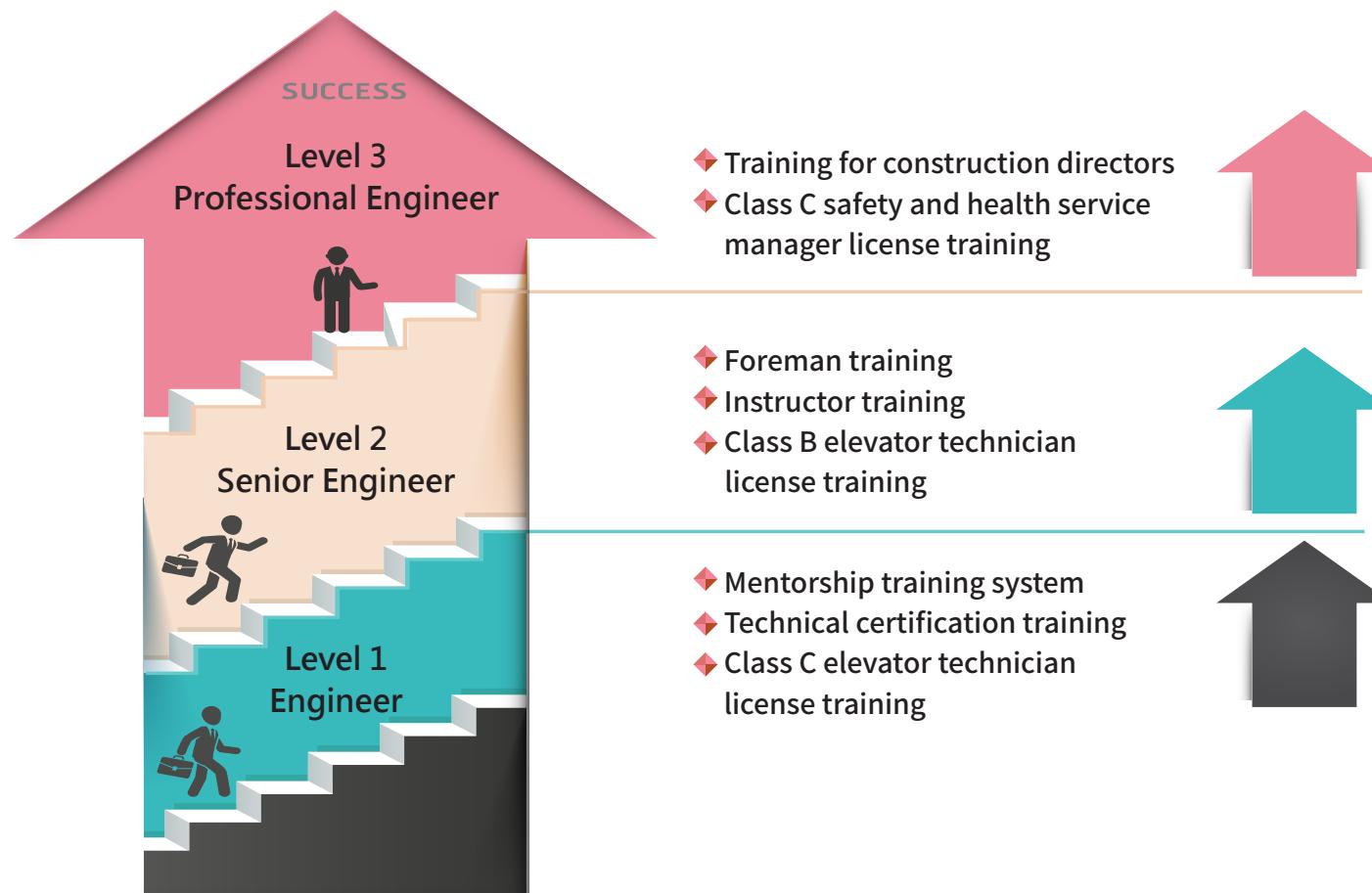
### 2024 Employee Unpaid Parental Leave Gender Distribution Statistics

Parental leave in 2024	Female	Male	Total
Total number of employees eligible for parental leave (A)	12	87	99
Total number of employees who actually took parental leave (B)	2	7	9
Unpaid parental leave application rate (B/A)	17%	8%	9%
Total number of employees scheduled to return to work after parental leave (C)	1	5	6
Total number of employees who actually returned to work upon expiry of unpaid parental leave (D)	1	3	4
Reinstatement rate upon expiration of unpaid parental leave (D ÷ C)	100%	60%	67%
Total number of employees who completed unpaid parental leave and returned to work in 2023 (E)	1	2	3
Total number of employees who completed unpaid parental leave in 2023 and remained employed for 12 months after returning to work (F)	1	1	2
Percentage of employees who completed unpaid parental leave in 2023, returned to work, and remained employed for one year (retention rate) (F/E)	100%	50%	67%

## 6.2

# Talent Cultivation and Development

The role of the elevator industry in modern society has become increasingly important and cannot be ignored, driven by the demand for urban high-rise buildings and the growing awareness of public safety. The cultivation and retention of high-quality technical engineers within elevator companies have also become particularly important. GFC conducts professional education and training for new engineers and in-service engineers each year, offering different categories and stages of training. Through the courses and experience passed down during the process, the Company enhances the professional literacy and skill level of engineering technicians, ensuring the safety of the public when using elevators and continuously promoting the progress and development of the Company.



## Education and Training Center

To provide professional elevator technical training, GFC has the industry's earliest-established training center, which is an important component of GFC's ongoing efforts to enhance employee skills and promote professional development. Through these elevator facilities, a high-quality learning and exchange simulation platform is provided for employees.

The GFC Education and Training Center is equipped with comprehensive elevator teaching facilities, offering various models of physical elevator equipment and complete audiovisual equipment to ensure that every training session is conducted in the clearest and most intuitive manner. In addition, special attention is given to the comfort, convenience, and safety of participating employees. A rest area, tea room, accommodation area, and complete fire safety equipment and first-aid measures are provided, allowing employees to safely relax during training breaks and fostering informal communication and connections among employees.

**The statistics and expenditures related to employee continuing education and training for 2024 are as follows:**

Job Title	Gender	Total number of participants of the training	Total number of hours of training	Average number of hour of training per person	Total training expenditure
Managerial employee	Male	295	7,576	26	150,817
	Female	20	106	5	43,100
Non-managerial employee	Construction	Male	1,017	488,458	480
		Female	0	0	0
	Maintenance and repair	Male	1,022	23,400	23
		Female	9	15	2
	Factory	Male	337	1,876	6
		Female	121	550	5
	Logistics	Male	44	2,350	53
		Female	62	608	10
Total	Male	2,715	523,660	193	2,784,266
	Female	212	1,279	6	83,090

## 6.2.1 New Employee Training Expenses

To ensure that elevator technical professionals receive qualified training and certification, GFC invested significant care and resources in the training activities and courses for new employees. In addition to conducting onboarding training and on-site mentorship, the Company is committed to supporting internal employees in obtaining certifications through various training and exam preparation activities. This ensures that new employees not only acquire knowledge and skills but also enhance their safety awareness and obtain the necessary certifications for their profession. The acquisition of technical certifications is not only a guarantee of the qualifications and skills of elevator technicians but also serves as a testament to GFC's commitment to the safety of its customers' elevator use.

### Training Indicators and Outcomes

Professional certification		
Class	Number of people	Percentage (%)
Class B elevator installation certification	535	50.1
Class C elevator installation certification	532	49.9
Total	1,067	100

Note: Individuals holding both Class B and Class C certifications are only counted in the number of those holding the Level B certification.



## 6.2.2 Employee Skills and Employee Development Programs

GFC emphasizes that its employee development strategy focused on continuous learning has always been a key factor to the Company's success, and it has become even more important in the current highly challenging economic environment. GFC provides employees with extensive learning opportunities and resources, and tailors individual development plans for each employee based on personal career development needs and the Company's requirements. GFC's training system is aligned with the Company's strategic vision and is designed with tier-specific content to develop a comprehensive training framework, enabling each talent to perform in the most suitable role.



## Performance Management Evaluation

To achieve GFC's operational plans and the goals of departments and individuals, all employees undergo performance evaluations each quarter. The subjects and results of the evaluations are not influenced by gender, race, religion, political stance, marital status, or job category.

Key areas of performance evaluation include goal setting and achievement of work results, as well as work attitude and cooperation. The evaluation serves as a reference for employee management, future talent cultivation and development, and as the basis for the distribution of year-end bonuses for the year. For employees with poor performance evaluation results, performance discussions and communication are also conducted to achieve the goal of performance improvement.

GFC's year-end bonus distribution is directly linked to the Company's operational performance. Individual bonuses are determined based on personal performance evaluation results, which are classified into Excellence, A, B, C, and D grades.

## Incentive Measures

To enhance the recognition of and commitment to the Company's long-term goals among senior management and all employees, GFC promotes forward-looking incentive systems and career development plans to strengthen the sustainable investment in human capital and overall competitiveness.

Incentive Measures	Specific Content	Description
Performance bonus	◆ Set three-year operational targets. Based on the level of target achievement, distribute "year-end bonuses" and "management bonuses" from operating profit allocations.	◆ Closely align employees' interests with the Company's long-term development. ◆ Enhance employees' sense of belonging and responsibility. ◆ Attract and retain talent.
Career Development Planning	◆ Provide employees with opportunities for long-term development within the Company. ◆ Including promotion opportunities, rotation programs, and training and development.	◆ Meet employees' growth needs. ◆ Enhance employees' skills and knowledge. ◆ Strengthen employees' long-term commitment to the Company.

## 6.2.3 Management Succession Plan

According to GFC's future development plans and direction, in the succession plan, successors must not only possess excellent leadership and work capabilities but also align with the Company's values. They must have integrity, honesty, and a responsible personality, demonstrating a willingness to take on duties.

### Succession Plan for Board Members

GFC currently has a total of seven board members (including three independent directors), all of whom possess professional skills in management, leadership decision-making, industry knowledge, and financial accounting. To ensure continuous improvement, the Company regularly arranges professional courses related to operations for board members, ensuring they stay updated with new industry knowledge. Regarding the succession plan for the Chairman, it was approved at the 13th meeting of the 14th Board of Directors in June 2015. The transition was successfully completed as former Chairman Tang Sung-Chang handed over the position to former Executive Director Mr. Tang Po-Loung, while founder Mr. Tang Sung-Chang now serves as GFC Honorary Chairman. As for the independent directors, according to regulations, they must possess work experience in business, law, finance, accounting, or relevant company operations. GFC also plans to invite domestic and international professionals to serve as potential successors for the current independent directors.

### Succession Plan for Key Management Positions

The plan for successor of GFC's key management focuses on discovering employees with high potential, and help them continue to improve themselves via internal and external education training opportunities. Complete promotion specifications and channels are available for employee development to cope with succession of the management. GFC's senior management is responsible for relevant business operations within the organization. Through job rotation, overseas assignments, and management philosophy seminars, they deepen their understanding and capabilities regarding the Company's business philosophy. This process also serves as a means to select key members of the succession team. In August 2015, the 14th Board of Directors, in its 14th meeting, passed a resolution to select Mr. Yu Pen-Li, Deputy General Manager of the Engineering Division, from the senior management to serve as the General Manager. The position of Deputy General Manager of the Sales & Technology Division was then passed to Mr. Cheng Hung-Mou, former Assistant Manager of the Sales Division, where he continues to serve to this day. GFC also has a performance evaluation system for senior management, conducted quarterly. Through continuous observation and assessment, the Company evaluates their performance in work-related aspects and behavioral attitudes, using these results as a reference for selecting successors.

Number of employees promoted to management positions	2022	2023	2024	Total
Assistant Manager	1	0	0	1
Department Manager	4	2	2	8
Director	7	16	13	36
Total	12	18	15	45

## 6.3

# Occupational safety and health

GFC adopts the High Level Structure (HLS) for establishing its management systems, standardizing the Company's three major internal management systems and assigning dedicated personnel to each. Through the Plan-Do-Check-Act (P-D-C-A) continuous improvement cycle, governance effectiveness is strengthened.

#### I. Quality Management System: ISO 9001:2015 quality policy :

“Self-motivated and conscientious effort that withstands professional scrutiny.”

#### II. Environmental Management System: ISO 14001:2015 environmental policy :

“Effectively utilize energy and resources to protect the environment, continuously pursue improvement, and strive to prevent environmental pollution.”

#### III. Occupational Safety and Health Management System: ISO 45001:

2018 occupational safety and health policy: “Ensure a safe and healthy working environment to protect employees' safety and health.”

## System Operations and Governance

- ◆ **Scope of application :** The Company's occupational safety and health management system has been implemented in accordance with the ISO 45001 framework, including internal audits and management reviews. Although external certification has not been conducted, the system still meets the requirements and continues to strengthen internal governance.
- ◆ **Integration and alignment with sustainability goals :** In February 2024, during the Company's promotion meeting, workplace health and safety issues were integrated into the ESG sustainability framework, and system management was carried out in accordance with the following standards and indicators:
- ◆ **ISO 45001 4.0 internal and external issue analysis :** Covers relevant aspects before and after organizational operations, evaluates internal and external factors, and serves as the basis for policy formulation and governance decisions.

Guidelines from the Occupational Safety and Health Administration of the Ministry of Labor on SDGs, as well as GRI 403:2018 “Occupational Health and Safety” disclosure indicators, are followed to enhance governance transparency and sustainability performance management.

## Health Management

In accordance with Company size requirements, 2 full-time nurses and a contracted physician are employed to conduct employee health management, occupational disease prevention, and worker health protection. Daily health consultation services are provided to safeguard employees' physical and mental well-being and ensure a healthy workforce for sustainable corporate development.

## Occupational Safety and Health Education and Training

To enhance employees' occupational safety awareness and risk identification capabilities and reduce workplace hazard risks, the following training programs have been established:

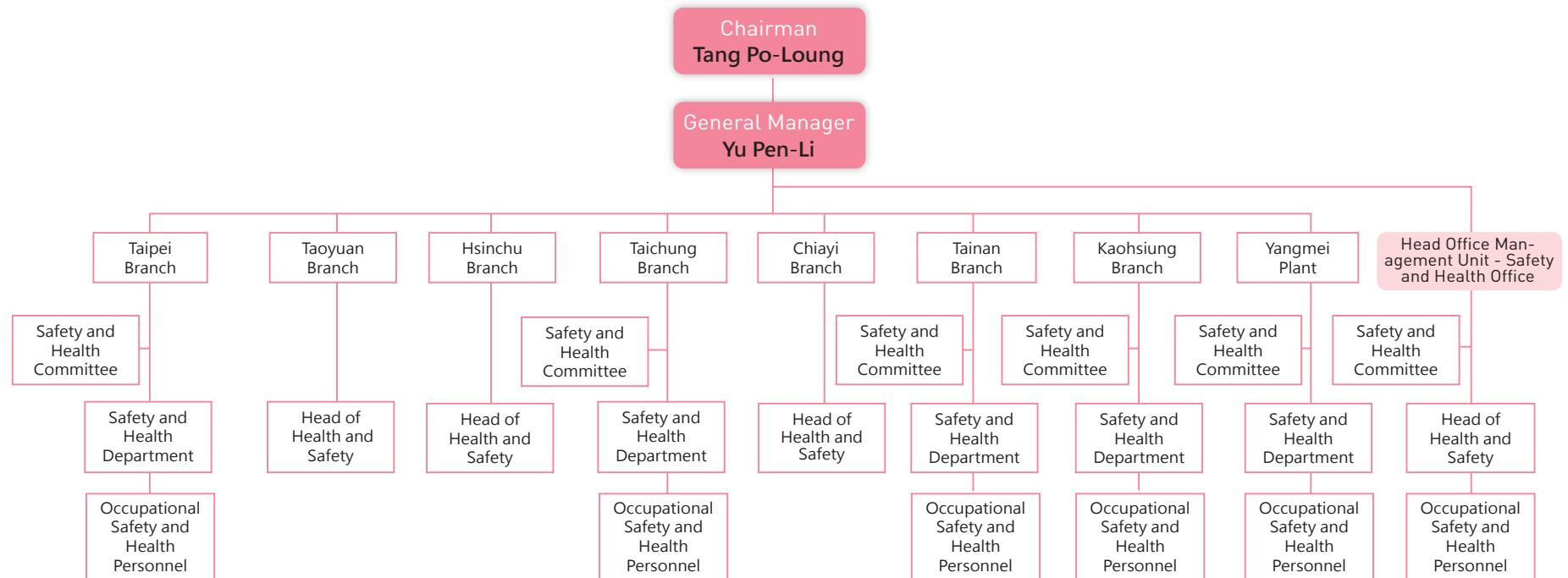
- ◆ **General worker occupational safety and disaster prevention training :** Course content includes the importance of occupational safety and health, understanding workplace environments and hazards, safety and health regulations, and correct use of protective equipment to implement disaster prevention and ensure personnel safety.
- ◆ **Advanced training - site supervisors and workplace managers :** Conduct tiered training according to job requirements to ensure personnel possess the necessary occupational safety and health knowledge and competencies.

Regularly review business unit needs and plan annual training and retraining programs.



## Occupational Health and Safety Organization Operations (Organizational Chart)

The Company has established a comprehensive safety and health management structure based on its organizational scale to ensure systematic promotion and operation.



**Headquarters (Safety and Health Office) :** ♦ An Safety and Health Office is established to formulate, audit, plan, supervise, and manage the Company' s safety and health policies. The Occupational Safety and Health Committee convenes once every quarter to review implementation results and improvement plans. ♦ Responsible for the planning, implementation, evaluation, and improvement measures of the ISO 45001 occupational safety and health management system through a systematic management framework.

**Branch Offices :** ♦ Dedicated occupational safety and health departments are established for units above a certain scale; smaller units are supported by part-time personnel to promote related work. ♦ The management unit is responsible for formulating safety and health management plans for branch offices and supervising their implementation. ♦ Establish an Occupational Safety and Health Committee to conduct quarterly reviews, coordination, and propose safety and health-related recommendations.

## Occupational Safety and Health Committee

Established an Occupational Safety and Health Committee, dedicated to overseeing the Company's safety and health-related operations, with a commitment to ensuring workplace safety. When the business operations manager is on leave or away on official business, the committee will assume the role of the agent responsible for managing the unit's safety and health affairs. Additionally, the committee is fully responsible for executing and tracking the Company's internal safety and health operations, as well as formulating safety and health management matters. The primary goal of the Occupational Health and Safety Committee is to prevent workplace accident. Besides regular various safety and health seminars and training, the Committee draws the Occupational Safety and Health Management Plan and fulfills it, to create the friendliest workplace for GFC staff.

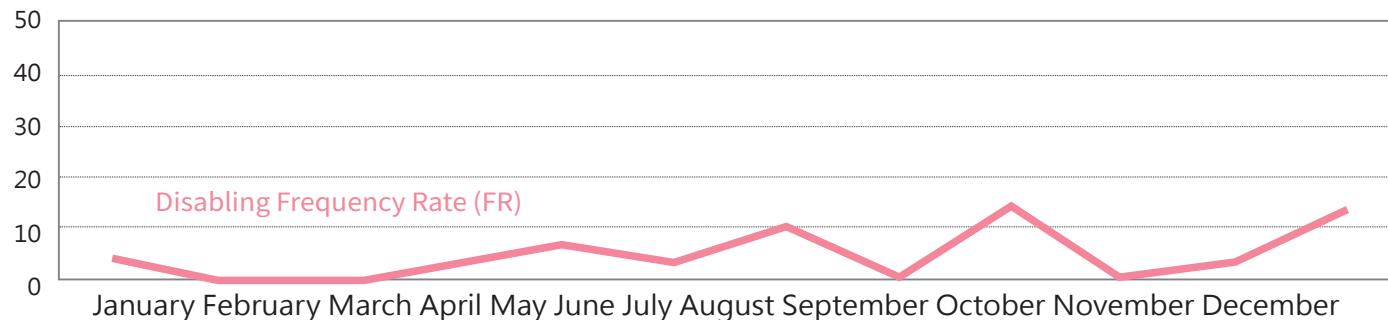
Monthly occupational injury statistics for 2024 are shown in the table below :

Item \ Month	January	February	March	April	May	June	July	August	September	October	November	December
Total number of employees	1,378	1,380	1,388	1,406	1,417	1,445	1,445	1,443	1,446	1,459	1,458	1,468
Total number of days	30,316	22,080	29,148	28,120	31,174	28,900	31,790	31,746	30,366	30,639	30,618	32,296
Total working hours	272,844	198,720	262,332	253,080	280,566	260,100	286,110	285,714	273,294	275,751	275,562	290,664
Number of disabling injuries	1	0	0	1	2	1	3	0	4	0	1	4
Number of days lost due to disabling injuries	3	0	0	18	65	3	70	0	24	0	3	35
Disabling Frequency Rate (FR)	3.66	0	0	3.95	7.12	3.84	10.48	0	14.63	0	3.62	13.76
Disabling Severity Rate (SR)	11	0	0	71	231	11	244	0	87	0	10	120
Average days lost due to disabling injuries	3	0	0	18	32.5	3	23.3	0	6	0	3	8.75

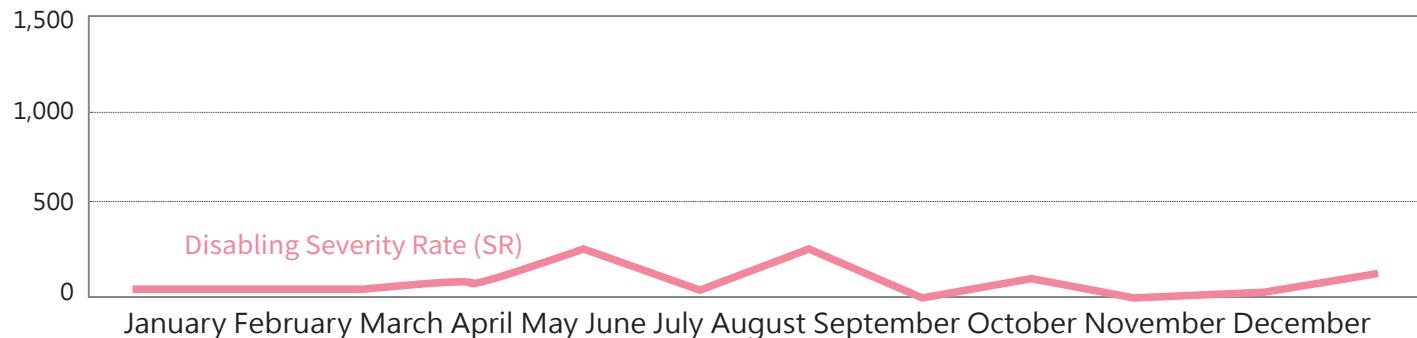
Note 1: Data source: Monthly occupational accident reports from each department and records of work-related injury leave applications from the Management Department.

Note 2: Occupational injury types in 2024 include three public injury cases with higher lost workdays: loss of balance and falling on a steel staircase (May), insufficient underground lighting causing a fall into an opening (July), and a fall while installing a bamboo scaffold resulting in a shoulder strain (December). Other cases involved being caught during counterweight handling operations, resulting in two to three days of rest.

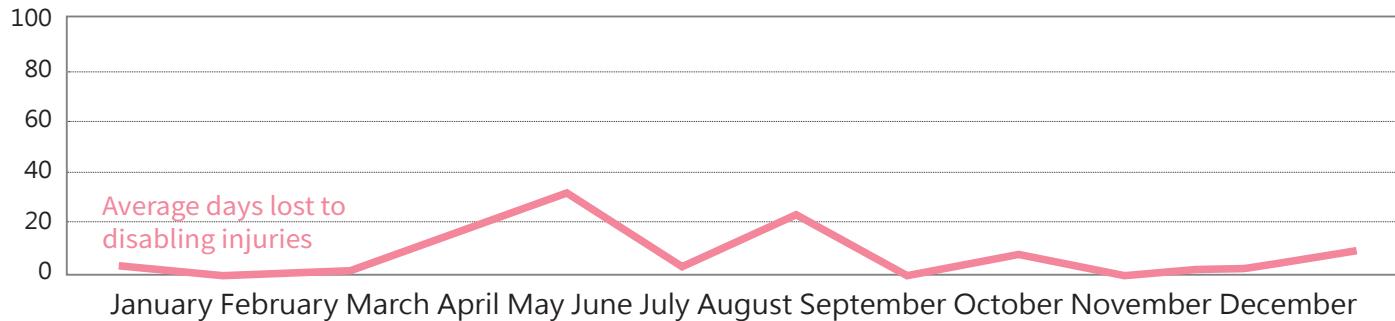
**Disabling Frequency Rate (FR) = Number of disabling injuries x 1,000,000 / Total working hours (disregards three decimal places)**



**Disabling Severity Rate (SR) = Total number of days lost x 1,000,000 / Total working hours (disregards three decimal places)**



**Average days lost due to disabling injuries = SR (total number of days lost) / FR (number of disabling injuries)**



The comparison of occupational accident statistics over the past three years is shown in the table below:

Item	Year	2022	2023	2024
Total working hours		2,947,176	2,994,993	3,214,737
Number of disabling injuries		27	28	17
Number of days lost due to disabling injuries		722	3,392	221
Disabling Frequency Rate (FR)		9.16	9.35	5.09
Disabling Severity Rate (SR)		244	1,132	785
Average days lost due to disabling injuries		26.7	121.1	97.55

Note 1: Data source: Safety and Health Office.

Note 2: Contractor work-related injury losses are not required to be included in the loss calculation for GFC business units, according to reporting regulations.

The statistics for the number of occupational accidents (traffic incidents) over the past three years are shown in the table below:

Item	Year	2022	2023	2024
GFC occupational accident cases		27	28	17
Number of traffic accidents		15	10	17
Number of occupational accidents		12	18	16
Number of false alarms		2	4	8
Contractor cases		0	0	0
Total days lost		722	3,392	916
Days lost due to traffic		269	235	695
Percentage of traffic loss		37.25%	6.92%	76%

## 6.4

# Employee Benefits and Remuneration

Since its establishment in May 1974, GFC has actively fostered a harmonious and cohesive work environment. To facilitate two-way communication between labor and management on the Company's management policies, working conditions, and welfare measures, GFC has established an Employee Welfare Committee (hereinafter referred to as the Welfare Committee) in accordance with the law, dedicated to building a consensus of unity between labor and management. Regarded as the foundation for organizational development, GFC and the Welfare Committee have established implementation standards for employee welfare measures. To help employees balance work, family and life happily, GFC offers great welfare while following the Labor Standards Act, to accomplish the goal of all-round care of employee. The Company's welfare measures are as follows:

Type of welfare	Item/Content
Performance bonus	R&D performance bonus, production performance bonus, sales performance bonus, installation/adjustment performance bonus, maintenance/repair performance bonus
Subsidy measures	Employee wedding and funeral subsidies, year-end bonus, meal allowance, birthday gift, sympathy subsidy, employee club activity subsidy, maternity subsidy, education scholarships for employees and their children, emergency interest-free loans
Insurance	Life insurance, accident insurance, employer's liability insurance, occupational accident insurance
Gift sponsorship	Cash gifts for three major festivals, birthday gift vouchers, group uniforms, seniority trip/prizes, year-end banquet/prizes, New Year banquet/prizes
Special leaves	Menstrual leave, maternity leave, miscarriage leave, tocolysis leave, paternity leave, prenatal checkup leave, unpaid parental leave, family care leave, vaccination leave and disease prevention isolation leave

GFC established the Employee Welfare Committee in 1978, offering various welfare measures for employees and their families. This enhances the quality of leisure activities and allows employees to benefit from the Company's profits. The welfare measures of the GFC Employee Welfare Committee are as follows:



## Retirement system

GFC stipulated the Regulations for Retirement based on the Labor Standards Act. Pension is appropriated to the pension account. The labor and management set up the Pension Supervisory Committee as required by law to supervise pension appropriation and disbursement together to guarantee a good retirement for all employees. Additionally, for new employees hired after July 1, 2005, and those who transitioned from the old scheme to the new Labor Pension Act before June 30, 2010, GFC contributes 6% of their monthly salary to the employees' individual accounts at the Bureau of Labor Insurance, in accordance with the government's wage classification table.

Article 56 of the Labor Standards Act specified that before the end of the year, GFC evaluates and estimates, in the next year, the pension of the employee that meets the prerequisites of voluntary retirement based on employee income, and the balance of workers' retirement reserve fund account. The variance amount is appropriated to the workers' retirement reserve fund account before the end of March the next year.

## Gender Wage Gap

Due to the characteristics of the industry, there is a higher demand for male labor and on-site technical positions, while female employees are primarily in administrative and support roles. As there is no comparability in gender-based wages, the gender wage gap is not publicly disclosed. However, GFC remains committed to the principles of fairness and equality, ensuring that all employees receive just remuneration based on the value they provide. Moving forward, we will continue to strive to ensure gender equality and wage fairness within the Company.

## Living Wage

GFC provides remuneration and benefits that comply with local legal requirements, ensuring that wages are never below the statutory minimum wage. The Company regularly participates in salary surveys to assess the reasonableness of employee wages and makes adjustments based on actual needs. In addition to meeting legal requirements and ensuring employees' basic living needs are met, GFC implements profit-sharing programs to ensure competitive wages within the industry in each region. This strategy aims to attract and retain top talent while ensuring a high quality of life for employees.

## Total annual remuneration for non-management positions

Year	2024	2023	Changes compared with the previous year
Average salary of full-time employees not holding management positions(NTD per person)	956,000	915,000	4.48%
Median salary of full-time employees not holding management positions (NTD per person)	949,000	900,000	5.44%

Note: Full information is disclosed on [MOPS](#) (Index: ESG Digital Platform > Individual Company Search (4506 - GFC) > Reporting Year (2024) > Social (Human Development page) > Salary information of full-time employees not holding management positions).

## Minimum Announce

To ensure employees' labor rights, GFC strictly adheres to the relevant provisions of the Labor Standards Act. If the Company undergoes significant operational changes or needs to terminate the labor relationship with an employee, the termination of the labor contract will be carried out in accordance with government regulations. The notice period will be carried out according to the following provisions:

- I. For employees who have worked for more than 3 months but less than 1 year, a 10-day notice shall be given.
- II. For employees who have worked for more than 1 year but less than 3 year, a 20-day notice shall be given.
- III. For employees who have worked for more than 3 years, a 30-day notice shall be given.

## 6.4.1 Employee Care

Employees are an important asset to the Company. For the elevator industry, providing a safe and healthy working environment and care for employees is a matter of high priority for GFC. Therefore, GFC ensures employees can live healthily and work with peace of mind by offering regular health check-ups, providing health education information, offering employee healthcare and support, and organizing health-related activities for employees on an occasional basis.

### Healthy Work and Life

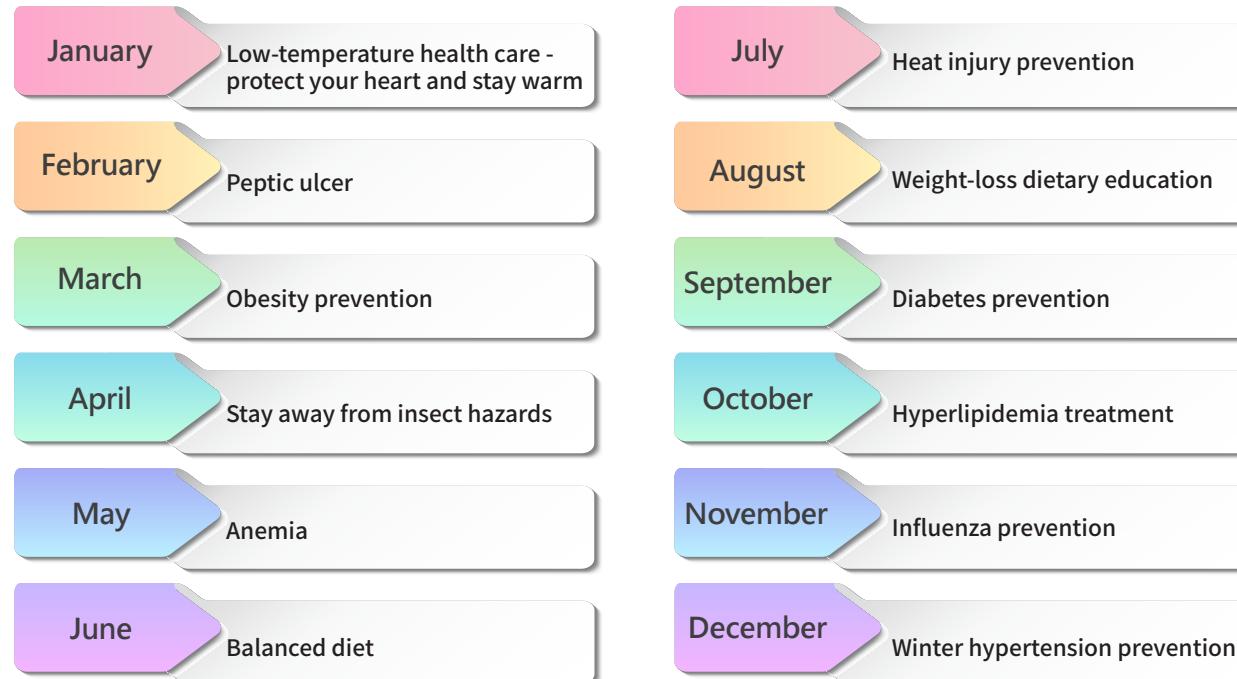
Employee health is the foundation for GFC's sustained development. Through a variety of "exercise promotion" and "health management" activities, GFC encourages each employee to pay attention to their own physical condition. In addition to providing employees with support and assistance systems, the Company also organizes or participates in various activities on an occasional basis, including travel events, weight loss programs, and marathon competitions. Through a variety of activities and programs, the Company enables employees to understand and prioritize their physical and mental health, achieving a balance between work and life.

### Employee Health Management

Based on GFC's business scale with fewer than 2,000 employees, the Company employs 2 full-time nurses and a contracted physician. In addition, occasional health promotion activities are organized, and daily employee health check-up status tracking, individual health consultations, and occupational disease prevention and other worker health protection services are provided to ensure employees' physical and mental well-being and safeguard a healthy workforce for sustainable corporate development. The nursing service points are set up at the Taipei and Taitung offices, with a total of 222 health consultations conducted in 2024.



## Monthly topics of health promotion and education leaflets distributed in 2024



Statistics of GFC physician consultations for worker health services in 2024 are shown in the table below :

Region	Number of people	Region	Number of people
Headquarters	5	Yangmei Plant	22
Minsheng E. Rd., Taipei	18	Taoyuan Branch	30
101 Service Center	15	Hsinchu Branch	13
Da'an Service Center	12	Taichung Branch	13
Zhonghe Service Center	13	Chiayi Branch	13
Xizhi Service Center	12	Tainan Branch	18
Luzhou Service Center	12	Kaohsiung Branch	25

## Health Checkup

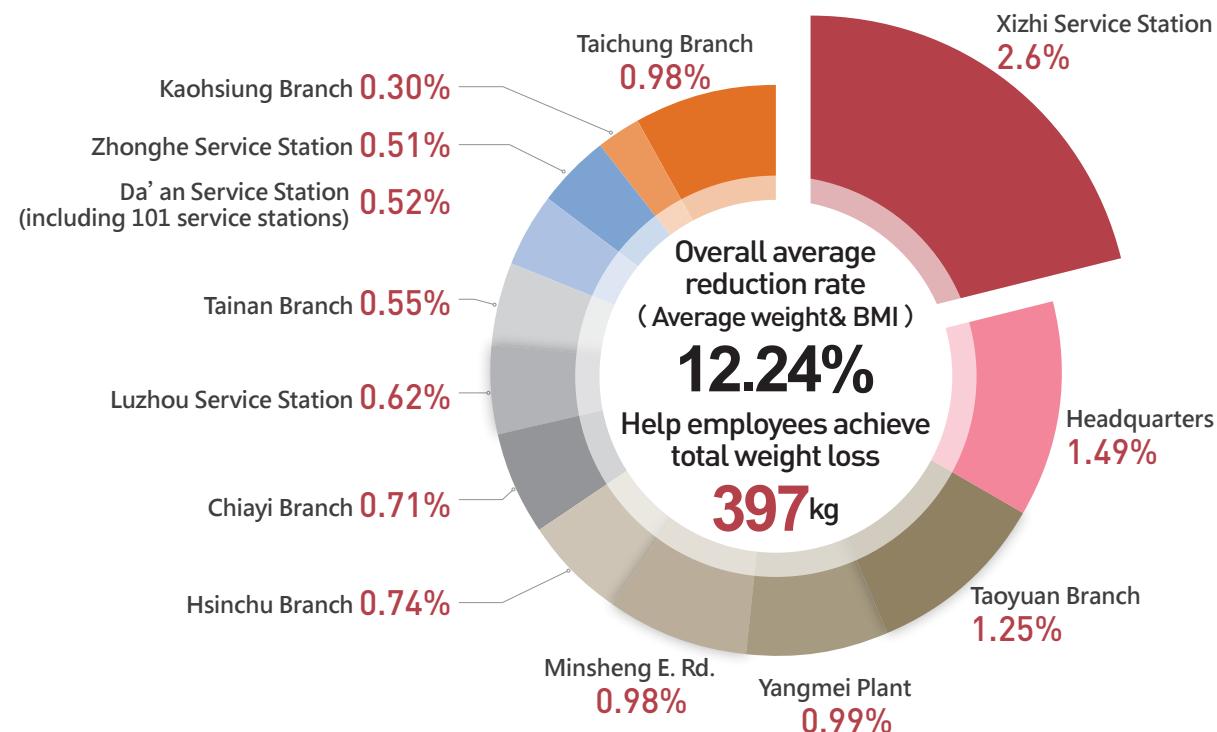
Comprehensive health check-ups can detect potential illnesses early. The Company conducts annual employee health check-ups for GFC employees, with diverse and comprehensive examination items to help employees understand their health status.

At the same time, if significant abnormalities are identified in the health check-up results, the Company's professional medical personnel provide physician consultation support and regular check-up reminders to ensure proper care services.

The personal health service records and information of all employees are used solely to assess whether employees are in a safe working environment. They are not used for any other purposes and are securely stored by the dedicated health management unit to ensure the confidentiality and security of personal data. As of the end of 2024, there were 1,468 employees in service, of whom 1,308 completed health check-ups, representing a participation rate of 89.5%.

## Employee weight-loss campaign

To create a healthy workplace environment and promote employee wellness, the HR Department nurse organized the "2024 GFC Weight-loss Campaign." Through this healthy weight-loss competition, the initiative aims to improve employees' potential and existing health issues, reduce the occurrence of diseases, and enhance overall health status. In this campaign, employees were divided into 13 groups to participate in a team competition. During the event, the nurse provided individual guidance and care to employees, helping them achieve a total weight loss of 397 kilograms. According to statistics, the group with the highest average weight reduction rate and average body mass index (BMI) reduction rate achieved a 2.6% decrease, and the first-place team, the Xizhi Service Station, received the weight-loss bonus. In 2025, weight-loss initiatives will continue with phased weight-loss achievement activities and related courses, such as weight-loss nutrition seminars and strength training programs, actively promoting ESG-driven sustainable corporate operations.



## 6.5

# Human Rights and Human Resource Policy

## Human Rights Policy Declaration

GFC firmly believes that human rights are the cornerstone of corporate sustainable development. GFC is committed to fulfilling its corporate social responsibility across global operations, respecting and protecting the fundamental human rights of all employees, customers, suppliers, business partners, and stakeholders. The Company is dedicated to creating a safe, equal, respectful, and inclusive work environment at all operational sites worldwide, and firmly opposes any form of discrimination, bullying, harassment, child labor, forced labor, and other violations of labor rights and labor relations.

GFC adheres to and supports national labor regulations and aligns with international human rights protection standards and principles, such as the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact Principle 10 on reducing inequalities, and the UN Guiding Principles on Business and Human Rights. GFC has established the "GFC Human Rights Policy Declaration," which aims to create a working environment that respects individual dignity and is committed to promoting positive social development. In 2024, GFC did not identify any high-risk issues in its human rights concerns that required improvement, nor did it encounter any human rights violations.



**GFC strictly adheres to the following principles to uphold human rights :**

Item	Specific practices	Targets of impact	High Risk Number of employees
Protection of human rights in the workplace	<p>GFC does not discriminate employees and applicants based on race, class, language, thinking, religion, political belief, native place, birthplace, gender, sexual orientation, age, marital status, looks, facial features, physical and/or mental disabilities, zodiac sign or blood type, in labor rights such as employment, remuneration, welfare, training, promotion and retirement.</p> <p>In terms of human rights protection, the following measures are implemented:</p> <ol style="list-style-type: none"> <li>Provide equal employment opportunities and remuneration benefits.</li> <li>Ensure a safe and healthy workplace.</li> <li>Respect employees' privacy and freedom of expression.</li> <li>Establish open communication channels and grievance mechanisms.</li> </ol>	Job seekers and all employees	0 people

Item	Specific practices	Targets of impact	High Risk Number of employees
Prohibition of any form of discrimination, bullying, and harassment	<p>GFC strictly prohibits the following behaviors:</p> <ol style="list-style-type: none"> <li>Physical or verbal assault, threats, intimidation, mockery, humiliation, or isolation.</li> <li>Sexual harassment, including unwelcome sexual advances, physical contact, and similar actions.</li> <li>Cyberbullying, including offensive remarks on social media or communication platforms.</li> </ol> <p>GFC also provides diverse and secure channels for filing complaints, ensures fairness and confidentiality in investigation procedures, establishes disciplinary measures for violators, and conducts awareness training for managers and employees to fully protect employees' legal rights and prevent violations.</p>	All employees	0people
Promote diversity and inclusion	<p>To foster inclusion among employees of different nationalities, genders, and cultures, GFC actively promotes workplace diversity through a job instructor mechanism, encouraging understanding and interaction among diverse employees and enhancing mutual respect for different backgrounds and cultural perspectives.</p>	All employees	0people
Prohibition of forced labor	<p>Zero tolerance for any form of forced labor. Employees shall not be compelled to work through violence, coercion, confinement, or any other illegal means. Through the supervision of the Company's labor union and the collective bargaining mechanism, employees' labor rights are ensured to be legally protected.</p>	All employees	0people
Prohibition of child labor	<p>To protect the physical and mental development of minors, in accordance with the Labor Standards Act, GFC does not employ individuals under the age of fifteen. Employees under the age of eighteen are hired in compliance with the provisions of the Labor Standards Act.</p>	Job seekers and all employees	0people
Healthy and safe workplace	<p>With regard to workplace safety and health promotion, GFC abides by all labor regulations and strives for building a healthy, safe, comfortable workplace:</p> <p>The Company provides a safe and healthy working environment, along with necessary health and emergency facilities, to eliminate potential hazards that may affect employees' health and safety in the workplace, thereby reducing the risk of occupational accidents.</p> <p>Regularly implement occupational safety-related education and training and free health check-ups to comprehensively care for the physical and mental health of employees. Based on the results of health check-ups, the Company conducts graded follow-up management for specific groups to prevent potential health risks.</p> <p>The Company promotes strict standards for hardware facilities and safety health operating procedures.</p> <p>Physicians and nurses regularly provide on-site health services to provide colleagues with medical consultation.</p>	All employees	0people
Respect freedom of association and collective bargaining rights	<p>GFC supports employees to form and join the union according to the laws. GFC maintains a smooth communication channel with the union and employees, striving for building a workplace with harmonious labor relations.</p>	All employees	0people

Item	Specific practices	Targets of impact	High Risk Number of employees
Personal data protection	GFC requires all units to fulfill personal data inventory and management. Besides specific legal purposes, employees must not collect, handle or use personal data. Personal data protection is promoted during each orientation to urge employees to abide by. In addition, GFC has established a comprehensive information security management system to control data access and prevent data leakage.	All employees	0people
Help employees maintain physical and mental health and work-life balance	The Company encourages participation in social club activities and organizes employee trips, inviting colleagues' family members to join. Through a variety of activities, the Company enhances cross-departmental interaction, strengthens emotional bonds and cohesion among employees, and helps them relieve physical and mental stress.	All employees	0people
Human Rights Policy Promotion	Besides actively fulfilling corporate social responsibility and human rights protection policies, GFC expects and requires all business partners including suppliers based on the same standard that we abide by. The Company and partners work hand-in-hand to raise awareness of human rights issues, and improve identification and management of possible risks, to offer a fair, safe workplace, and raise awareness of human rights protection.	Suppliers of GFC	0people

## Human Rights Protection Training :

Item	Description
New Employee Training	Upon employee onboarding, human rights awareness training is provided, including topics such as sexual harassment prevention, anti-discrimination, anti-bullying, and related human rights protection.
Prevention of Workplace Violence	Through promotion and official statements, employees are informed of their responsibility to help ensure a workplace free from unlawful infringement during their duties. A dedicated complaint hotline is also available, fostering a supportive working environment. Implementation status in 2024:  On December 2, 2024, the Administrative Division's Management Department conducted anti-bullying and sexual harassment prevention training during the employee monthly meeting at GFC's Yangmei Plant, with a total of 229 participants and 229 training hours accumulated.
Sexual Harassment Prevention Policy	Through advocacy and official statements, along with the establishment of an anti-sexual harassment policy, employees gain a thorough understanding to prevent any incidents of unlawful harassment in the workplace. A complaint channel is available, fostering a safe and respectful working environment.

## 6.6

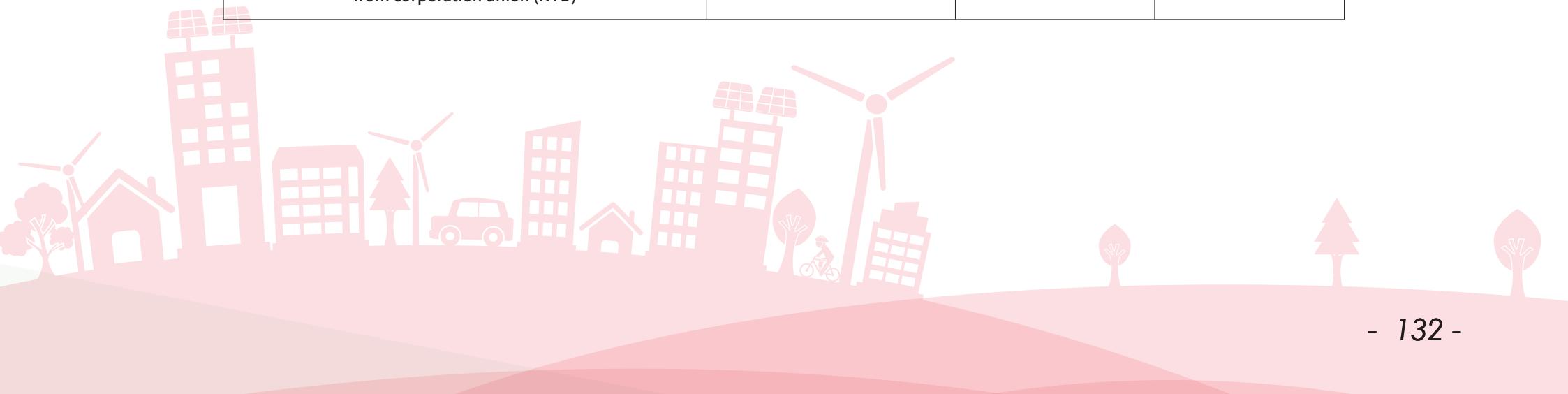
# Freedom of Association

The “GFC Ltd. Union,” established in 1988, has long been dedicated to supporting members’ work and welfare, advocating for employee benefits, and serving as a crucial channel for communication between the Company and employees. As of the end of 2024, GFC had 1,321 labor union members, representing 89.986% of the Company’s total 1,468 employees. Whenever major welfare policies or work condition issues arise, the union plays a vital role in negotiations and communication to ensure fair treatment and rights for employees in the workplace. Additionally, the union organizes employee travel activities to foster team cohesion, significantly contributing to a strong sense of unity among staff and promoting harmonious, stable labor relations.

GFC maintains harmonious labor-management relations. Employer representatives attend at least 4 labor union board and supervisory meetings each year to ensure smooth communication between labor and management. During each union board meeting, company representatives listen attentively to the union’s concerns and provide concrete responses or solutions. For issues that the Company is unable to address, reasonable justifications and explanations are offered, leading to mutual agreement and consensus between labor and management. To further protect the rights and interests of both employees and the employer, establish harmonious labor-management relations, and ensure stable and guaranteed working conditions, both parties formally signed a collective agreement in May 2024, reaching consensus on matters such as working hours, overtime, year-end bonuses, employee travel, and birthday gift vouchers. Through the establishment of the collective agreement, in addition to providing employees with legal protection and fair and reasonable working conditions, it is also expected to further enhance the Company’s competitiveness within a harmonious labor-management relationship.

GFC sponsors the following funds to the corporate union each year to promote union activities and organize employee recreational and travel events, enhancing cohesion and solidarity among employees.

Item	2022	2023	2024
Corporation union member meeting (NTD)	50,000	50,000	50,000
Sponsorship for cultural and recreational activities from corporation union (NTD)	Canceled due to COVID-19	3,362,500	3,602,500



## 07

# Social Relations

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## Annual Highlight Performance

- ◆ The Science Talent Program assisted **69** students in obtaining exhibition qualifications, and **31** students won awards at international science fairs.
- ◆ Total scholarship disbursement exceeded NTD **3,530,000**, benefiting **71** college students.
- ◆ Aesthetic education expanded into general education and lifestyle aesthetics, with a total of **17** exhibitions and courses, reaching **1,182** participants and recording **20,902** clicks.
- ◆ To celebrate the 20th anniversary of the Harvard Crocodile Chorus' visit to Taiwan, cross-campus performances and a commemorative concert were held in five locations in the north and south, with a total attendance of **2,500** participants.
- ◆ Corporate volunteers completed **273** LED light replacement tasks and participated in **6** forest protection and tree-planting activities, with a total of 84 volunteer attendances.
- ◆ Held **32** elevator science courses on campuses, with 839 participants.
- ◆ Total public welfare sponsorship amounted to NTD **5,500,000**.

## 7.1

# Social/Community Contribution Activities

Since its establishment in 1974, GFC has weathered more than 5 decades, gaining the trust and support of various sectors, allowing the Company to grow and thrive steadily to this day. GFC is deeply aware of its corporate social responsibility, which led to the establishment of the GFC Foundation in 1996. Recognizing that children and adolescents are the key pillars for the future of the nation, the foundation chose this group as its primary target for service. Guided by the principle of "limited resources, unlimited care," it established four core service areas, including scientific education, aesthetic education, service learning, and social care. To effectively promote its philosophy, the foundation not only actively cares for the marginalized in society but also integrates its elevator business development to create many unique social service projects, which have received long-term praise.

The GFC Foundation is committed to the physical and mental development of children and adolescents, the cultivation of scientific talent, and the enhancement of aesthetic education. It hopes to work hand in hand with young people across Taiwan to build a society that is respectful, friendly, inclusive, diverse, and dedicated to the public good. At the same time, the foundation is dedicated to promoting lifelong learning. Through service learning, it fosters inspirational growth, ensuring that its core values are passed down through generations, creating a foundation that feels like home.

## Four Core Services of GFC Foundation



The team members of the foundation include 1 Chairman, 10 Directors, 1 CEO, 1 Executive Secretary, 2 Planning Group Leaders, 2 Executives in Planning, and 4 Administrative Specialists.



## The indicators corresponding to the foundation's work plan are as follows :



- ◆ National Taiwan Science Education Center - Youth Talent Cultivation Program
- ◆ National Taiwan Science Education Center - National Elementary and Junior High School Science Exhibition/GFC Innovative Research Award
- ◆ GFC Scholarship Program



- ◆ Soochow University Alumni Humanities Lecture by Tang Sung-Chang
- ◆ 20th Anniversary Concert of the Harvard Krokodiloes Visit to Taiwan
- ◆ Studio Tang's Operational Report



- ◆ Social Service Energy-saving Program
- ◆ Tree Planting and Forest Protection Services
- ◆ Yangmei Plant Blood Drive



- ◆ Education and Promotion of Elevator Science and Safety



- ◆ Taiwan Emergency Relief
- ◆ Arts and Culture Group Sponsorship



- ◆ Foundation Facebook, YouTube, and Instagram Management

## 7.1.1 Talent Cultivation

### I. Youth Science Talent Development Program



Group photo of all Youth Talent Program students

“AI Chart Creation and Usage”  
- invited Instructor Shih Chi-Ting to give a lecture and record the session.



Since 1997, GFC has continuously supported the National Taiwan Science Education Center's Youth Science Talent Cultivation Program. Through diverse learning methods such as academic lectures and practical project reports, the program identifies and mentors students with scientific research potential. Professors from various specialized fields provide individual guidance to cultivate future technology talents. Since the program's inception, GFC has contributed a total sponsorship amount of NTD 12,100,000. In 2024, the program supported 44 projects with a total of 69 students, achieving a 79% qualification rate for participation in science exhibitions. A total of 31 students with 19 projects won awards at international science fairs, with 5 projects representing Taiwan in overseas competitions.

### II. GFC Innovative Research Award

Through sponsoring the “GFC Innovative Study Award” at the 64th National Science Fair for Elementary and Junior High Schools, GFC provided a total prize of NTD 100,000 to encourage young students to engage in scientific research and innovative applications. A total of 10 teams and 22 teachers and students nationwide received awards in this year's science fair. To further broaden the horizons of award-winning students and deepen their understanding of corporate innovation and engineering technologies, the Foundation specially arranged visits for teachers and students to Taipei 101 to experience the super-high-speed elevator and to the GFC elevator factory. This allowed them to gain firsthand insights into advanced manufacturing and engineering applications, strengthening the connection between academia and industry and fostering the development of future technology talents.



Award-winning teams visiting Taipei 101



Award-winning teams visiting the Yangmei Plant

### III. GFC Ltd. Scholarship (2023 academic year)

GFC Foundation is committed to supporting outstanding students from economically disadvantaged backgrounds. Through the "GFC Scholarship" program, financial assistance is provided to students majoring in electrical engineering, mechanical engineering, architecture, and civil engineering at domestic colleges and universities, helping them concentrate on their academic development. The program is held twice a year according to school semesters. Unlike other companies that only grant scholarships, GFC adopts a companionship-based approach by combining scholarship awards with interactive learning activities to create social impact.

In the 2023 academic year, total scholarship disbursements reached NTD 3,530,000. Over the past five years, more than NTD 17,070,000 has been awarded, benefiting 353 students and demonstrating GFC's long-term commitment to cultivating future technology and engineering talents.

#### 1. Scholarship application methods :

Conducted based on academic semesters, held twice a year, to reward outstanding students from economically disadvantaged families who are enrolled in the day or night programs in the four major fields (electrical engineering, mechanical engineering, architecture, and civil engineering) at domestic colleges and universities.

Scholarship disbursement :

- ◆ 1st semester of the 2023 academic year: NTD 1,800,000
- ◆ 2nd semester of the 2023 academic year: NTD 1,730,000
- ◆ Achievement accumulation: Over the past five years, more than NTD 17,070,000 in scholarships has been awarded, benefiting 353 students.

#### 2. Arrangement of exchange and learning activities:



Design solutions for current issues faced by street vendors

In 2024, a two-day, one-night exchange and learning activity was held under the topic "Becoming an Outstanding Engineering Learner Who Thinks Differently." Students also visited the "Hsinchulun Association," an organization dedicated to serving people with disabilities. The event was combined with the scholarship award ceremony and meet-and-greet to promote interaction and learning among students. During the process, design thinking and engineering innovation were incorporated to guide students in breaking fixed mindsets. Students participated in experiential activities and observations with people with disabilities, including street vending, mobile food truck operations, and kitchen preparation work. Through on-site field exploration, data compilation, and analysis, students identified problems and proposed solutions, aiming to encourage award recipients to break boundaries and apply a growth mindset to face global challenges.



Scholarship recipient meet-and-greet - Visit to the Hsinchulun Association to learn about street vending issues.

## 7.1.2 Aesthetic Education

### I. Soochow University Alumni Humanities Lecture by Tang Sung-Chang

GFC Foundation actively promotes diverse arts and cultural activities. To maximize cross-disciplinary influence, the Foundation collaborated with Soochow University to offer a general education credit course under the topic "Culture, Arts, and Environment." Renowned masters and experts from the cultural and arts fields were invited to lecture, including Justice Huang Hung-Hsia of Taiwan, Professor Wu Chun-Hui, Vice Dean of the College of Science at National Taiwan University, Professor Chang Hsiao-Hsiung, former Minister of the Ministry of Agriculture Chen Wu-Hsiung, Nanguan music master Wang Hsin-Hsin, young entrepreneur Lin Po-Han, Yen Tien-Hao, and other distinguished scholars and leaders from various fields. Through the speakers' rich life experiences and extensive knowledge, the course broadened students' cultural perspectives and cultivated deeper humanistic literacy. In 2024, a total of 120 students enrolled in the course, with 13 sessions held and a cumulative attendance of 1,560 participants.



The humanities and arts lecture series was well-received by students

Through the speakers' rich life experiences and extensive knowledge, the course broadened students' cultural perspectives and cultivated deeper humanistic literacy. In 2024, a total of 120 students enrolled in the course, with 13 sessions held and a cumulative attendance of 1,560 participants.

### II. Studio Tang in Kaohsiung

Through the Studio Tang in Kaohsiung, founded by Ms. Tang Chiu-Ling, Executive Director of the GFC Foundation, the original intention woven from "collection," "platform," and "sharing" continues to cultivate humanistic and artistic living and education, allowing art to accompany citizens in their daily lives. Through exhibitions, art lectures, special courses, and video documentation, it covers areas such as contemporary art, architectural design, and lifestyle aesthetics, jointly nurturing the next generation of young students while cultivating and deepening the public's artistic literacy. The Foundation also actively invites domestic and international artists to participate in curation and exchanges, integrating art into daily life and enhancing public aesthetic and cultural perspectives. A total of eight exhibitions and nine courses were held, attracting 1,182 participants. At the same time, cultural influence is expanded through social media, and venue resources are made available to promote artistic co-creation, with the aim of bringing deeper cultural experiences and learning opportunities to society. A total of 3,981 followers were accumulated, with 20,902 total views.

The following are highlights of activity achievements:

#### Exhibitions

8 sessions with  
a total of  
1,141 participants



#### Youth Artists Joint Exhibition

In 2024, the Foundation continued to focus on social and cultural development, emphasizing the creative energy and diverse expression of young artists. By discovering and supporting emerging artists and providing them with platforms for artistic development, the Foundation promoted the growth of cultural arts and education in southern Taiwan.

By presenting young artists' insights and reflections on contemporary society, the exhibition also served as a bridge for understanding and conversation between generations. A total of 366 visitors attended the event, inspiring further reflection and conversation through viewing and interaction.

## Courses

9 courses with a total of 43 participants

With flowers and tea as the core inspiration and grounded in the philosophy of integrating art into everyday life, a series of courses and lectures guided participants to experience the serene beauty of floral art and tea culture.

## Flowers - “Ephemeral Flower Days” and “Constructing Landscapes”



The “Ephemeral Flower Days” course series covered four seasonal topics, including Valentine’s Day bouquets, hand-held floral bag designs, autumn night sky crafts, and Christmas bell floral arrangements. Through small-group instruction focused on floral selection and design guidance, participants explored floral craftsmanship and experienced the delicacy and emotional expression of floral art across seasonal transitions.

The “Constructing Landscapes” course extended the previous geometric steel relief workshop, transforming “steel relief” into “functional three-dimensional works.” The small steel vases thus became not only vessels for plants but also unique abstract landscapes, turning into geometric flower containers that embody both utility and aesthetic appeal.

## Tea - “Exploring Old Tea,” “Essence of Fine Tea,” “Start of Winter Tea Ritual”



“Exploring Old Tea” guided participants into the world of collecting and appreciating rare teas, providing an in-depth analysis of the market structure and tasting techniques for aged Pu’er tea, and enhancing their understanding of the historical background and refined appreciation of tea culture.

“Essence of Fine Tea” taught participants to identify tea quality and understand the context of the tea industry. Through a tea tasting featuring seven selected teas, participants savored the aroma, flavor layers, and physical sensations of the tea.

“Start of Winter Tea Ritual” responded to the intrinsic connection between tea and seasonal cycles in Eastern culture. By recreating the poetic essence and ceremonial spirit of ancient winter-welcoming tea traditions, the event guided participants to immerse themselves in a serene atmosphere of tasting and sharing during the tea gathering.

## III. 20th Anniversary Concert of the in Kaohsiung

GFC Foundation welcomed the 20th anniversary celebration of the Harvard Krokodiloes visit to Taiwan in 2024, with a total of 35 alumni from across the United States joining the event. From June 9 to June 17, a series of visits and performances were arranged by the GFC Foundation, including exchange performances at Taipei Sacred Heart High School for Girls, Luodong Senior High School in Yilan, Kaohsiung Municipal Baolai Junior High School, and Nibun Learning Center in Liugui. Through musical exchange, students were inspired, using art as a bridge to promote international understanding and learning. A 20th-anniversary commemorative concert was also held at Cloud Gate Theater, attracting 2,500 students and members of the public to witness the wonderful performance of the Krokodiloes, connecting different communities through music and creating richer learning opportunities and a more diverse and inclusive social environment for the next generation.



Performance at Luodong Senior High School in Yilan



Exchange performance with the world-champion choir of Baolai Junior High School

## 7.1.3 Social Services

### I. Community Energy-saving Services

Since 2019, the GFC Foundation has launched the “Lighting Up Happiness Together” initiative. Through corporate volunteers applying their professional elevator-related skills, the program assists social welfare institutions in replacing old lighting equipment, fulfilling the responsibility of caring for disadvantaged groups. In 2024, the project was submitted for the Taiwan Sustainability Action Awards and received Silver Award recognition.



GFC unites the strength of corporate volunteers to organize the “Lighting Up Happiness Together” initiative. Since January 2020, the Company has provided free LED energy-saving lighting replacements for local small and medium-sized social welfare institutions, improving lighting environments, offering improvement suggestions, and assisting with implementation. By replacing old, energy-consuming lighting fixtures, the initiative helps reduce the burden on social welfare institutions.

At the same time, the initiative has established long-term partnerships, caring for local communities and illuminating every corner of Taiwan, jointly promoting the value of “collective well-being” in building a sustainable society. This initiative connected five social welfare institutions and two GFC service stations, recruited 40 volunteer participants, and successfully completed three lighting replacement services and two lighting donation collaborations. This collaboration covered 5 social welfare institutions across seven locations, replacing 273 LED fixtures and 339 tubes.



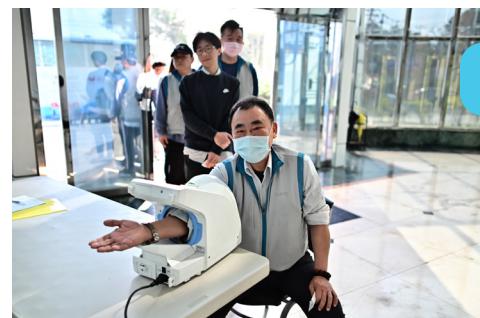
## II. Tree Planting and Forest Protection Services

To promote GFC's ESG sustainability philosophy and spirit, volunteers from various regional service stations joined efforts with the GFC Cultural and Educational Foundation and the "Chilin Ecological Restoration Foundation" to regularly carry out tree-planting and tree-care activities in the mountains. Through practical activities such as weeding, pruning, measuring the growth of young trees, and removing pests, the initiative not only strengthened team cohesion among colleagues but also helped relieve stress and maintain physical and mental well-being. At the same time, by personally participating in forest conservation, the initiative deepened environmental awareness and demonstrated the Company's far-reaching influence in promoting a sustainable society.

In 2024, at the site near Yangming Fude Temple, the GFC Ecological Park was established, with a total of 27 young trees planted, including 21 Cinnamomum kanehirae trees and 6 Calocedrus formosana trees. A total of 4 GFC service stations were connected (Da'an, Zhonghe, Xizhi, and Luzhou), recruiting 84 volunteer participants and carrying out 6 forest conservation service activities. In addition, in collaboration with the GFC labor union, the Company organized the GFC ESG Eco Trip, attracting 120 employees and family members to participate. Activities included mountain-cleaning at Qingtiangang and a visit to the Chilin Ecological Park, where participants experienced hands-on tree planting and tree care.



One-year Tree Planting Anniversary Event



## III. Yangmei Charitable Blood Donation Activity

Based on the public welfare mission of "one bag of blood saves a life," and to help relieve blood shortages, GFC's Yangmei Plant called on employees to participate in a blood donation event on March 4, 2024. A total of 59 participants donated 88 bags of blood, amounting to 22,000 cc in total, demonstrating love through concrete action and supporting those in need in society.

Yangmei Plant Director Hsu Pi-Jung took the lead by donating 500 c.c. of blood



Director-General Huang Ming-Chao of the National Police Agency personally presented a certificate of appreciation to Honorary Chairman Tang Sung-Chang in recognition of his strong support for police professional training.

## IV. Sponsored national police "self-rescue and mutual-aid emergency training" and produced and released demonstration videos

To enhance the nation's civil defense and emergency response capabilities, since 2023, GFC has collaborated with air rescue paramedic Lo Kuang-Ting to sponsor the delivery of "professional bleeding control and CPR techniques" training to police officers nationwide. To date, emergency training has been completed for more than 3,000 police officers nationwide, and the effort has been commended by the Director-General of the National Police Agency. To accelerate the nationwide rollout of this emergency training to all 69,000 police officers, in addition to continuing to train seed instructors, 5 [demonstration videos](#) were produced. These videos aim to help future trainees grasp the essence of the techniques in advance so they can apply them for self-rescue or saving others while on duty. In late 2024, this program was formally introduced into GFC's internal employee training system, further expanding its reach and promoting this essential life-saving skill to more corners of society, contributing to the creation of a safer community.

## 7.1.4 Elevator Education

### I. Education and Promotion of Elevator Science and Safety

Upholding its commitment to promoting science education and public safety awareness, the GFC Foundation collaborated with elementary schools in northern, central, and southern Taiwan to hold 32 campus elevator science courses starting from March 25, 2024, with a total of 839 participants. Allow participating students to explore the fundamentals of basic science, learn safety knowledge related to elevator use, and reduce usage risks. This program not only cultivates students' technological literacy but also strengthens their risk prevention capabilities, further promoting a safe environment in both schools and communities.

DIY of elevator models during class



Students at Xiyuan Elementary School enthusiastically answering classroom questions

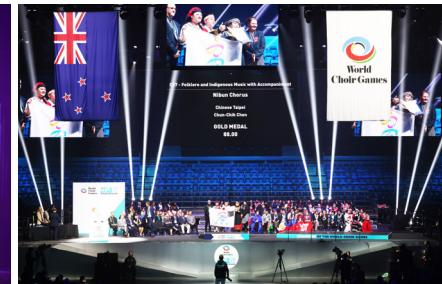
Item	Elementary School Name	Time	Event Results
1	Zhengyi Elementary School, Sanchong District, New Taipei City	March 25-April 29, 2024	8sessions, 187participants
2	Xiyuan Elementary School, Wanhua District, Taipei City	May 2- May 3, 2024	5sessions, 139participants
3	Municipal Minquan Elementary School, Songshan District, Taipei City	May 6- May 17, 2024	8sessions, 228participants
4	Chenping Elementary School, Beitun District, Taichung City	November 7- November 8, 2024	6sessions, 141participants
5	Municipal Jhongyi Elementary School, West Central District, Tainan City	April 18- April 19, 2024	5sessions, 144participants

## 7.1.5 Charity Sponsorships

In 2024, the GFC Foundation carried out four social investment projects with a total amount of NTD 5,500,000, covering areas such as domestic and international disaster relief, cultural and artistic performances, and international exchanges. GFC hopes that through long-term investment, public welfare partners and collaborating organizations can cultivate more possibilities for sustainable development. At the same time, employees are encouraged to participate in public welfare projects. Through full participation and mobilization by the Company and its affiliated companies, resources can be utilized more effectively to support groups in need.



Sponsored the annual performance of the Legend Lin Dance Theatre



Sponsored competition expenses for the Taiwan team in the World Choir Games

### I. Taiwan Emergency Relief

Project Name	Implementation Details/Results and Benefits	Beneficiaries/Number of Service Recipients
Japan Noto Peninsula Earthquake Relief Project	The Foundation donated NTD 2,200,000 to the Ministry of Health and Welfare's Noto Peninsula Earthquake Relief Project in Japan.	Residents affected by the Noto Peninsula disaster in Japan
Hualien 0403 Earthquake Relief Project	Pooling resources from the GFC Group, the GFC Industrial Labor Union joined forces with the Foundation to donate NTD 2,000,000 to support post-earthquake reconstruction following the 0403 earthquake.	Hualien Disaster-affected Residents and Post-earthquake Reconstruction Programs

### II. Arts and Culture Group Sponsorship

Project Name	Implementation Details/Results and Benefits	Beneficiaries/Number of Service Recipients
Nibun Association participating in the World Choir Games	Sponsored by Ms. Tang Chiu-Ling, Executive Director of the Foundation, with an amount of NTD 1,000,000, the Kaohsiung Nibun Humanistic Education and Care Association led students from Liugui, Kaohsiung to participate in the Folk Accompaniment Category of the 13th World Choir Games in New Zealand in 2024, where they won the world championship.  Three choirs from Liugui District in Kaohsiung, including the Nibun Chorus, Baolai Junior High School, and the Kahuzas Youth Choir, represented Taiwan in the World Choir Games in New Zealand. The Nibun Choir won 2 gold medals, achieving a total of 3 golds and 1 silver.	A total of 200 teachers and students from the Nibun Chorus, Baolai Junior High School Choir, and Kahuzas Youth Choir
Legend Lin Dance Theatre	The Foundation sponsored NTD 300,000 to support the Legend Lin Dance Theatre's "Miroirs de Vie," marking its return to the National Theater after 30 years. The work was performed at the National Theater from May 31 to June 2, 2024.	4 performances with a total audience of 4,500

GFC continues to promote diverse public welfare initiatives and social participation through the GFC Foundation. In addition to the key activity results disclosed in this report, updates are regularly provided on the Foundation's official website to enhance information transparency and social impact. More activity records and achievements have been publicly disclosed on the [GFC Foundation website](#).

## 08

## Appendix

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8.4 CPA Limited Assurance Report	152



# Summary

## 8.1 GRI Content Index (in accordance with the GRI Standards)

Statement of Use	GFC has reported based on the GRI standards for the reporting period from January 1, 2024, to December 31, 2024, referencing the information quoted in the GRI Content Index.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Industry Standards	No applicable industry standards

# General Standards

GRI Standards	Disclosure item	Corresponding chapter	Page
GRI 2 : General Disclosures 2021	2-1 Organizational details	1 Corporate Overview	6
	2-2 Entities included in the organization's sustainability reporting	1. Corporate Overview	6
	2-3 Reporting period, frequency and contact point	1. Corporate Overview	6
	2-4 Restatements of information	About GFC Ltd.'s Sustainability Report	4
	2-5 External assurance	About GFC Ltd.'s Sustainability Report	4
	2-6 Activities, value chain and other business relationships	1. Corporate Overview	6
	2-7 Employees	6.1 Employee composition	107
	2-8 Workers who are not employees	Calculation of losses that are not required to be included in the business unit of GFC according to the reporting regulations	X
	2-9 Governance structure and composition	4.1 Responsibilities and Composition of the Board of Directors	37
	2-10 Nomination and selection of the highest governance body	4.1 Responsibilities and Composition of the Board of Directors	37
	2-11 Chair of the highest governance body	4.1 Responsibilities and Composition of the Board of Directors	37
	2-11 Chair of the highest governance body	4.1 Responsibilities and Composition of the Board of Directors	37

GRI Standards	Disclosure item	Corresponding chapter	Page
GRI 2 : General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	2. Corporate Sustainability	14
	2-13 Delegation of responsibility for managing impacts	2. Corporate Sustainability	14
	2-14 Role of the highest governance body in sustainability reporting	2. Corporate Sustainability	14
	2-15 Conflicts of interest	4.1 Responsibilities and Composition of the Board of Directors	37
	2-16 Communication of critical concerns	4.1 Responsibilities and Composition of the Board of Directors	37
	2-17 Collective knowledge of the highest governance body	4.1 Responsibilities and Composition of the Board of Directors	37
	2-18 Evaluation of the performance of the highest governance body	4.1 Responsibilities and Composition of the Board of Directors	37
	2-19 Remuneration policies	4.1 Responsibilities and Composition of the Board of Directors	37
	2-20 Process to determine remuneration	6.2.2 Employee Skills and Employee Development Programs	115
	2-21 Annual total remuneration ratio	6.2.2 Employee Skills and Employee Development Programs	115
	2-22 Statement on sustainable development strategy	Chairman's Sustainability Commitment	5
	2-23 Policy commitments	Chairman's Sustainability Commitment	5
	2-24 Embedding policy commitments	6.5 Human Rights and Resource Policy	129
	2-25 Processes to remediate negative impacts	Continuing Education of Directors, 4.2.2 Privacy Protection	43, 50
	2-26 Mechanisms for seeking advice and raising concerns	4.2.3 Legal Compliance	51
	2-27 Compliance with laws and regulations	4.2.3 Legal Compliance	51
	2-28 Membership associations	6.6 Freedom of Association	132
	2-29 Approach to stakeholder engagement	3.1 Stakeholder identification and communication	25
	2-30 Collective bargaining agreements	3.1.1 Communication Status	27

GRI Standards	Disclosure item	Corresponding chapter	Page
GRI 3 : Material Topics 2021	3-1 Process to determine material topics	3.2 Analysis of Material Issue Management Approach	30
	3-2 List of material topics	3.2.3 The topic the stakeholder cares about	34
	3-3 Material Issues Management Approach	3.3 Material topic management approach	35

GRI Standards	Disclosure item	Corresponding chapter	Page
GRI 401 : Employment 2016	401-1 New employee hires and employee turnover	6.1 Employee composition	107
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.4 Employee Benefits and Remuneration	124
GRI 402 : Labor/Management Relations 2016	402-1 Minimum notice period regarding operational changes	6.4 Employee Benefits and Remuneration	124
GRI 403 : Occupational Health and Safety Topics 2016	403-1 Occupational health and safety management system	6.3 Occupational safety and health	118
	403-2 Hazard identification, risk assessment, and incident investigation	6.3 Occupational safety and health	118
	403-3 Occupational health services	6.3 Occupational safety and health	118
	403-4 Worker participation, consultation, and communication on occupational health and safety	6.3 Occupational safety and health	118
	403-5 Worker training on occupational health and safety	6.3 Occupational safety and health	118
	403-6 Promotion of worker health	6.3 Occupational safety and health	118
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.3 Occupational safety and health	118
	403-8 Workers covered by an occupational health and safety management system	6.3 Occupational safety and health	118
	403-9 Work-related injuries	6.3 Occupational safety and health	118
	403-10 Work-related ill health	6.3 Occupational safety and health	118

GRI Standards	Disclosure item	Corresponding chapter	Page
GRI 404 : Training and Education Topic Disclosure 2016	404-1 Average hours of training per year per employee	6.2 Talent cultivation and development	112
	404-2 Programs for upgrading employee skills and transition assistance programs	6.2 Talent cultivation and development	112
	404-3 Percentage of employees receiving regular performance and career development reviews	6.2 Talent cultivation and development	112
GRI 405 : Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	6.1 Employee composition	107
	405-2 Ratio of basic salary and remuneration of women to men	6.1 Employee composition	107
GRI 414 : Supplier Social Assessment Topic Disclosure 2016	414-1 New suppliers that were screened using social criteria 414-2 New suppliers that were screened using social criteria	5.4.1 Supplier Management Policy	100
GRI 418 : Customer Privacy Topic Disclosure 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.2.2 Privacy Protection	50

2024 Material Topics	Corresponding GRI Standards Title
Occupational Safety and Health	GRI 403 Occupational Health and Safety
Product quality	GRI 416 Customer Health and Safety
Talent retention	GRI 401 Employment
Customer service quality	Custom Topic
Air Pollution and Waste Management	GRI 306 Waste

## 8.2 TCFD Indicators

TCFD item	Content	Page
Governance	Describe the governance of the board's oversight of climate-related risks and opportunities	65
	Describe the function of management in assessing climate-related risks and opportunities	66
Strategy	Describe the climate-related risks and opportunities identified by the organization in the short-, mid-, and long-term	67-68
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	67-68
	Describe the resilience of the organization's strategy, considering different climate-related scenarios (including a 2°C or more stringent scenario)	67
Risk management	Describe the organization's process for identifying and assessing climate-related risks	66
	Describe the managing's processes for climate-related risks	66
	Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management framework	67~68
Indicators and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes	66
	Disclosure of Scope 1 to 3 GHG emissions and related risks	88
	Describe the targets and performance metrics the organization uses to manage climate-related risks and opportunities	69

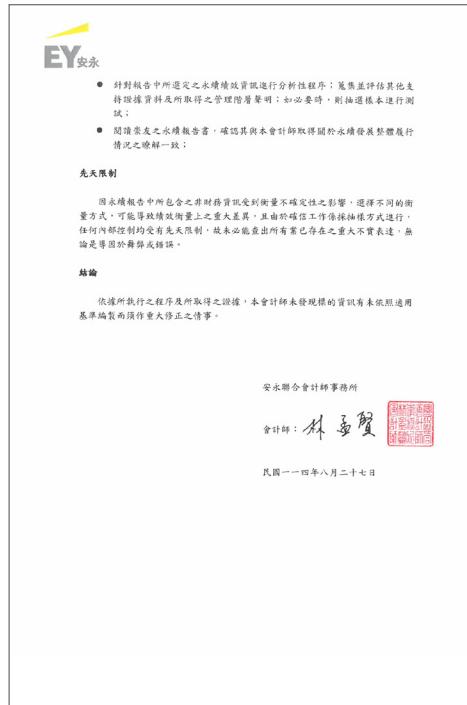
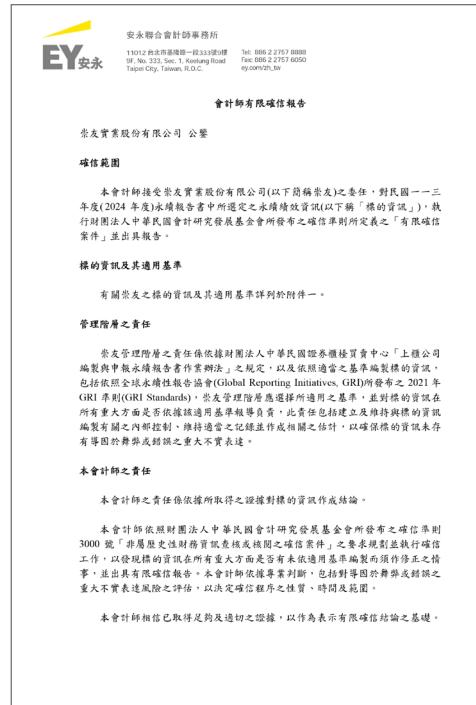
Items formulated by the Financial Supervisory Commission	Page
Explain the oversight and governance of climate-related risks and opportunities by the board of directors and management	65
Explain how the identified climate risks and opportunities impact the Company's business, strategy, and financials in the short, mid, and long term	67-68
Explain the financial impact of extreme climate events and transition actions	X
Explain how the processes of identifying, assessing, and managing climate risks are integrated into the overall risk management framework	67～68
Should scenario analysis be used to assess resilience against climate change risks, please explain the scenarios, parameters, assumptions, analytical factors, and key financial impacts utilized	X
If a transition plan exists to manage climate-related risks, please describe the plan's content, along with the metrics and targets used to identify and manage both physical and transition risks	67
If internal carbon pricing is used as a planning tool, please explain the basis for setting the price	X
If climate-related targets are set, please explain the activities covered, GHG emission scopes, planning timeline, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, please specify the source and quantity of offset reductions or the quantity of RECs used.	X
GHG inventory and verification	88

## 8.3 SASB Indicators

Disclosure topic	Indicator code	Disclosure indicator	Corresponding chapter	Page
Resource management	RT-EE-130a.1	(1) Total energy consumption (2) Percentage of purchased electricity to total electricity consumption (3) Percentage of renewable energy used	5.2.1 Electricity	83
Hazardous waste management	RT-EE-150a.1	Hazardous waste generated	5.2.5 Waste Management	90
		Hazardous waste recycling rate	5.2.5 Waste Management	90
	RT-EE-150a.2	The number of reportable spills	X	X
		Reportable spill volume	X	X
		Reportable response volume		
Product life cycle management	RT-EE-250.1	Number of recalls	5.3 Green product and service	97
		Number of products recalled	5.3 Green product and service	97
	RT-EE-250a.2	The total financial loss resulting from product safety-related legal litigations	5.3 Green product and service	97
Raw Material Management	RT-EE-440a.1	Description of the risk management mechanisms related to the use of critical materials	5.4 Sustainable supply chain	100
Business ethics	RT-EE-510a.1	Description of policies or practices to prevent corruption or bribery	4.2.3 Legal Compliance	51
		Description of policies or actions to prevent anti-competitive behavior	4.2.3 Legal Compliance	51
	RT-EE-510a.2	The total financial loss resulting from bribery or corruption-related legal litigations	4.2.3 Legal Compliance	51
	RT-EE-510a.3	The total financial loss resulting from anti-competitive behavior-related legal litigations	4.2.3 Legal Compliance	51

# CPA Limited Assurance Report

This report has been entrusted to EY, an independent and credible CPA firm, to conduct limited assurance on GFC's 2024 Corporate Sustainability Report prepared in accordance with the GRI Standards, based on Assurance Standard No. 1 issued by the Accounting Research and Development Foundation. For the scope and conclusion of the assurance, please refer to the independent assurance report issued by the CPA.



編號	章節	內文標題	樣的資訊		適用基準
			類別	年  度	
1	5.2.2	永資源管理	總取水量	2023 年	2024 及 2023 年度安友編 梅麻總取水量,以公升 為單位。
			自來水	12,905	12,121
			依取水水源 區分	3,201	3,319
			雨水及冷凝水	-	-
2	5.2.5	廢棄物管理	其他(如地下水、地表水等)	9,704	8,802
			有營營業物	2023 年	2024 及 2023 年度安友編 梅麻產生的廢棄物總 量(以公升為單位)。並按 廢棄物種或成 分細分總 量。
			非有營營業物	252,169	296,640
			變化後掩埋	2023 年	2024 年
			不可回收利用	2023 年	2024 年
			掩埋	21,960	21,430
			可回收利用	163,199	194,930
			轉為再生塑料料 體(包括再生回收)	1,930	4,600
			焚化(包括再生回收)	65,080	75,680
			廢棄物回收	230,209	275,785
			廢棄物回收率(%)	91.29%	92.78%



# GFC 2024 Sustainability Report

