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成霖企業股份有限公司
Globe Union Industrial Corp.

2024 Annual Report

Printed on March 25, 2025

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6. Company Website: <https://tw.globeunion.com/>

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A. Letter to Shareholders

Dear Shareholders,

The year 2024 has been one of both challenges and opportunities for Globe Union Industrial Corp. Amid rising global economic uncertainties, supply chain adjustments, and evolving market demands, the Group embarked on a transformation under the leadership of the Chairman, who took on the additional role of President as of January 1, while remaining committed to prudent management and the continued strengthening of core competencies to ensure a solid foundation for long-term development.

Operational Results and Financial Performance

Throughout the year, the Group remained focused on business optimization and cost control. Through market expansion and product innovation, we enhanced overall operational performance. Despite a challenging environment, collaborative efforts across departments resulted in a 76% year-over-year increase in operating profit. The Group's financial structure also remained robust, consistently delivering stable value to shareholders.

Market and Strategic Development

In response to global market uncertainties, the Group is placing a greater emphasis on operational stability, strengthening global supply chain management, and expanding its footprint in emerging markets. Concurrently, we have increased investments in product development to enhance brand competitiveness, align with market trends, and drive market share growth.

Corporate Sustainability and Social Responsibility

Globe Union recognizes the critical importance of corporate social responsibility. We continue to invest in sustainable development, environmental protection, and corporate governance. By implementing carbon reduction initiatives, enhancing production efficiency, and actively engaging in community welfare, we remain fully committed to achieving our long-term goal of corporate sustainability.

Vision for 2025 and Beyond

Looking ahead to 2025, we will continue to focus on core business development, accelerate digital transformation, enhance operational efficiency, and deepen collaboration with global partners to seize broader market opportunities. In parallel, we will closely monitor global economic trends and maintain the agility to respond to market changes, ensuring the Group's stable and sustained growth.

In closing, we extend our sincere appreciation to all shareholders, Board members, employees, and partners for their steadfast support and dedication over the past year. Looking ahead, we will remain committed to our guiding principles of prudent management and innovative development, striving to deliver greater value to the Group and its shareholders.

The Company's 2024 operating performance, 2025 business plan, and future development strategy are as follows:

I. 2024 Operating Performance

(I) Consolidated Operating Results:

Results of business plan implementation:

Unit: Thousand NTD

Item \ Year	Financial information for the most recent year	
	2024	2023
Operating income	18,161,444	18,313,929
Operating margin	6,176,485	5,619,846
Operating profits	583,353	331,056
Non-operating income and expenses	54,486	480,894
Net profit before tax	637,839	811,950
Net profit of continuing operations for this period	470,013	605,101
Net income attributable to owners of the parent	470,013	605,101
Earnings per share (NTD) (after tax)	1.15	1.52

(II) Budget implementation in 2024: The Company did not publish 2024 financial forecasts.

(III) Financial structure and profitability analysis: Financial information of consolidated statements

Unit: Thousand NTD

Item		2024
Financial receipts and expenditures	Operating income	18,161,444
	Operating margin	6,176,485
	Net income attributable to owners of the parent	470,013
Profitability	Return on assets (%)	4.03%
	Return on equity (%)	7.66%
	Net profit margin (%)	2.59%
	Earnings per share (NTD)	1.15

Financial analysis:

Although operating revenue has decreased compared to the previous year, improvements in gross profit margin have led to an increase in operating gross profit of NT\$556,639 thousand. Operating expenses have risen by NT\$304,342 thousand, while non-operating income and expenditures have decreased by NT\$426,408 thousand. Tax expenses have also reduced by NT\$39,023 thousand, resulting in a decline in net profit attributable to the parent company's owners by NT\$135,088 thousand compared to 2023.

Profitability analysis:

Due to increased operating expenses and reduced non-operating income, profitability has declined this year. Key indicators such as return on assets, return on equity, net profit margin, and earnings per share have all decreased compared to 2023.

(IV) Research and development progress

Annual developments and achievements:

For proprietary brand faucet product lines, GERBER expanded the Viper, Vaughn, Tribune, and Kinzie lines. These new series feature upgraded functionality and color options, offering consumers smarter choices.

Lenz has led the market into a new era with the introduction of the VC series, integrating toilet installation functions into its newly designed packaging. The “Perfect Fit” combinations of copper and porcelain enhance the diversity of the product line.

Moreover, in 2024, breakthroughs in product design were achieved, earning two prestigious Red Dot Design Awards. These awards highlight innovative value with the Aqua smart shower faucet for the European market and the Artificer detached smart basin faucet for the North American market, demonstrating excellence in design and functionality.

In 2024, our primary focus was on achieving various R&D goals, with specific directions outlined as follows:

Ease of installation:

- Deepened the development of ReadySet™ toilet patented technology, expanding the concept into a complete product line suitable for all GERBER toilet installations: a. Small-hole installation for large-basin toilets. b. Improved traditional large-hole installation for large-basin toilets. c. Pipe-exposed toilet installations already launched. This series demonstrated significantly reduced installation time and improved customer satisfaction during market testing.
- Enhanced ReadySet™ features with quick-release and quick-install options for toilet seats.
- Developed the third generation of faucet mounting technology to accommodate deeper countertop depths and smaller installation hole diameters, suitable for kitchen and basin faucets.
- Expanded the Fast Mount product line for under-counter faucet installations, including: four-inch double-handle basin faucets, single-hole single-screw basin faucets, separate basin faucets, and second-generation under-counter quick-installation kitchen faucets. These innovations feature improved locking designs, enhancing installation efficiency and user convenience.

Flow channel technology:

- Collaborated with external experts and utilized simulation technology to make technical breakthroughs in reducing ceramic noise within the toilet flow channel improvement project (QC 2.0). This led to the successful design of a quieter flow channel structure.
- Developed a semi-concealed toilet structure using high-pressure slip casting embedded processes.
- Introduced energy-saving and water-saving concepts, updated the European product platform, and added cold-water start faucets.

Assured quality:

- The internal body of the four-inch double-handle bathtub faucet incorporates stainless steel material, and the design has been patented.

- Researched and tested quality performance benchmarks of major competing brands to provide updated product quality standards for GERBER, aligning with market expectations.

Performance optimization:

- Advanced surface treatment technology by developing dual-effect coatings with anti-fingerprint and spot resistance properties, applying them to most colors in the Group's color database. Champagne gold has already been adopted by clients in Europe and North America.
- Designed a water-repellent coating technology, offering end consumers more convenient solutions to maintain faucet surfaces effortlessly clean and shiny with a simple wipe.

II. Business Plan for 2025: Future Company Development Strategies, Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

Our business plans and development strategies aim to enhance corporate competitiveness, rebuild a collaborative corporate culture, and achieve sustained growth and profitability. By improving competitiveness and corporate culture, optimizing management processes and manufacturing costs, expanding markets and client bases, and enhancing product and service quality, we aim to achieve greater economic benefits, ensuring sustainable development and long-term profitability.

(I) Business Direction: Upholding the Company's core values—act with integrity, dare to try, keep improving, and work together—we are dedicated to providing bathroom products and services that offer ease and peace of mind, ultimately achieving the goal of sustained growth and profitability.

(II) Important Production and Sales Strategies

1. Provide customers with a one-stop service by fully leveraging the Group's manufacturing advantages in ceramics and water hardware, combining diverse sales models and channels to enhance and deepen customer loyalty to both the products and the Group's brand.
2. Strengthen brand recognition and influence, build up brand equity, and cultivate customer loyalty to establish a strong foundation for the brand's long-term development.
3. Continuously optimize manufacturing processes, improve and enhance the Group's production technologies and management models for ceramics and water hardware products, and establish standardized production management systems to support future capacity expansion and quality stability.
4. In response to tariffs and geopolitical pressures, actively engage in strategic partnerships for production, optimize procurement, manufacturing, and production allocation to reduce costs and improve efficiency. Integrate partner technologies with in-house R&D capabilities to flexibly adjust product portfolios and develop high-quality, high-value-added products. We establish strict supplier management and monitoring mechanisms to ensure quality stability, and enhance manufacturing efficiency through resource sharing and technology integration. These efforts strengthen market competitiveness and corporate value, laying a foundation for sustainable development.

(III) Main Business Plan and Future Development Strategy

1. North American Market: Building Brand Power and Expanding Across Multiple Channels

Globe Union Industrial Corp. focuses on enhancing brand value as its core development strategy. Leveraging its manufacturing strengths in sanitary ceramics and water hardware, combined with the GERBER brand's 90-year legacy in the North American market, the Group promotes the sales strategy of "Lead with VC; Differentiate with Faucet." By offering high-quality, cost-effective products with easy installation and smooth ordering processes, the Group enhances customer interactions with the products, solidifying market advantages and brand positioning.

GERBER maintains stable market share in wholesale channels. Starting in 2023, it has adjusted regional distributor layouts and product portfolios, and from 2024, expanded sales points to penetrate national wholesale customers.

Apart from consolidating wholesale channels, GERBER will officially enter the retail market in 2025, not only boosting revenue and production capacity utilization but also enhancing brand recognition, strengthening consumer connections, and increasing brand value and market competitiveness.

In the meantime, the Group will continue strengthening its e-commerce platform layout, actively expanding product lines, and optimizing logistics capabilities to improve market competitiveness and maintain leadership in a rapidly evolving market environment.

2. European Markets: Broadening Product Lines and Deepening Customer and Market Engagement

Inflation triggered by the Russo-Ukrainian War challenges market demand recovery. In response, the Group flexibly utilizes the LENZ brand and OEM branding (OEM/ODM) dual-track strategy to expand offline channels and e-commerce platforms, increasing market coverage and competitiveness. The Group expands the LENZ product line by adding ceramics, enriching product choices, expanding business territories, enhancing competitive advantages, and deepening existing markets and customers to increase penetration and brand influence.

3. PJH: Steady Business Growth and Enhanced Logistics Layout

PJH remains committed to providing "First Choice" service, with steady growth in the UK kitchen and bathroom logistics business. PJH won the "Best Distributor of the Year" award from KBBFocus in 2024, showcasing its dedication to customers. To enhance operational efficiency, PJH plans to relocate to a new logistics center in Wolverhampton in Q1 2025. The facility covers 200,000 square feet and meets the "BREEAM Excellent" green building standard. This expansion significantly enhances PJH's warehousing and operational efficiency, optimizes supply chain management, and aligns with the Group's sustainability goals. Meanwhile, this upgrade will further enhance PJH's market competitiveness, supporting the expansion of future business operations.

4. Lean Manufacturing: Improving Supply Chain Resilience with a Global Layout

(1) Water hardware manufacturing: By the end of 2024, the Dongguan Anbo Factory completed production integration with strategic

suppliers. At the same time, part of its capacity began to shift to partners in Thailand, while assembly capabilities in Laredo, TX were further strengthened. These measures aim to reduce geopolitical risks and ensure diverse customer supply options.

The Group actively promotes the China+1 production layout, integrating supply chain resources, improving production efficiency and quality, and ensuring product competitiveness. By diversifying production sites and optimizing capacity allocation, we enhance market adaptability, ensure a stable supply chain, and mitigate trade and geopolitical risks.

- (2) Shandong Milim (Ceramics Facility): Focuses on craftsmanship research and production technology innovation, fully supporting the development of the Group's brand. At the same time, it continuously optimizes operating costs and actively responds to China's carbon reduction policies by advancing decarbonization and manufacturing upgrades, steadily progressing toward the goal of leading the industry in sustainable development.

Mexico (Ceramics Facility): By enhancing production discipline, personnel skills, supply chain optimization, and control of critical raw material processing, the facility ensures production stability and yield rates. The 2025 focus will be on refining production management and cost efficiency to further improve market competitiveness. The Group will continue deepening global production and supply chain layouts, integrating operational and quality management systems, strengthening manufacturing capabilities, and ensuring long-term competitive advantages.

- 5. Sustainability in Talent and Technology Innovation Drives the Future
Employees are the Company's most valuable asset and a critical growth driver. Since 2023, we have actively promoted talent development and cultural reshaping by strengthening training, identifying and cultivating high-potential talent, and improving team stability and depth. We are committed to creating a diverse, inclusive, and innovative environment, encouraging interdepartmental collaboration, and fostering continuous learning and growth to make talent the core driver of sustainable development.

In addition, we plan to reposition Taiwan as the central operational hub and technology development center. This includes key roles in R&D, design, supply chain, market strategy, and data analysis, while integrating global resources to drive strategic goals. We actively invest in patent layouts to ensure long-term development while providing employees with cross-regional and international development opportunities, promoting mutual growth between talent and the Company, and creating a sustainable future together.

- (IV) Expected sales quantity and its basis:

The Company's expected sales quantity is determined based on industry trends, global market supply and demand conditions, combined with internal capacity planning and business development strategies after comprehensive evaluation. Due to the extensive range of product lines and the varying measurement units for different product categories, specific expected sales quantities are not

itemized. The anticipated sales distribution across business units is as follows: 40% from branded products, 20% from OEM products, and 40% from PJH operations.

(V) Impacted by external environment, regulatory environment and general business environment

The Company consistently monitors global market changes, regulatory trends, and environmental requirements, while adhering to the core spirit and vision of sustainable development: to become a trusted partner, a source of pride, and a sustainable business. To achieve this, we focus on the following four key directions, continuously optimizing business strategies to enhance corporate competitiveness and create long-term value:

1. Environmental protection and green operations
Precisely monitor energy usage and promote energy conservation and carbon reduction.
Replace high-energy consumption equipment to reduce environmental impact.
Expand the application of green energy, actively promote solar power generation, and implement low-carbon transformation.
Strengthen waste management, advance resource recycling, and achieve zero waste goals.
Optimize water resource recovery and reuse, enhancing environmental efficiency.
2. Providing reassuring and comfortable products and services
Continuously improve product and service quality, strengthen customer experience, and offer more convenient services.
Deepen innovative design and technology development to create high-value-added products and lead market trends.
3. Sustainable talent development
Cultivate talent by creating diverse professional growth opportunities, fostering mutual development between individuals and the Company.
Encourage innovative thinking, drive corporate cultural transformation, and enhance organizational competitiveness.
Establish a fair, diverse, and inclusive workplace, creating an environment that balances respect and growth.
4. Enhancing operational dynamics and corporate competitiveness
Expand global market presence, optimize supply chain management, and improve operational efficiency.
Strengthen lean management and promote systematic operational models, increasing corporate stability and resilience.
Uphold the principles of integrity and accountability in business practices, fulfilling responsibilities to shareholders, customers, and employees while building the core drivers of long-term corporate development.

Looking ahead, we maintain a proactive attitude and continue to strive for excellence, driven by innovation and sustainability. We are committed to consistently enhancing our competitive edge, implementing long-term strategies, and creating value in the global market. With aspirations to achieve greater goals and shape a new era, we aim to ensure the future of sustainable corporate development. We sincerely hope for the

continued support and guidance from all our shareholders.

On behalf of Globe Union Industrial Corp., we thank you for your continued support.

Best wishes to you and your families.

Chairman: Shane Ouyang

B. Corporate Governance Report

I. Information on directors, supervisors, president, vice presidents, assistant vice presidents, and managers of each department and branch:

(I) Directors and Supervisors:

Profile of directors (I)

March 25, 2025 (as of the date of suspension of transfer registration) Unit: Shares

Number of outstanding common shares: 411,016,962

Title	Nationality or place of registration	Name	Gender Age	Date elected/appointed	Term (Year)	Date of first election	Shares held when elected		Shares currently held		Current shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Other concurrent positions within the Company or elsewhere	Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Notes
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Republic of China	Ming-Ling Co., Ltd.	-	2024.5.30	2024.5.30 ~2027.5.29	2006.6.15	37,974,032	9.27%	37,974,032	9.24%	0	0%	0	0%	N/A	N/A	N/A	N/A	N/A	N/A
	Republic of China	Representative: Shane Ouyang	Male 40~49	2024.5.30	2024.5.30 ~2027.5.29	2019.2.20	0	0%	31,090,496	7.56%	0	0%	0	0%	M.S. in Marketing, Northwestern University, USA Founder and CEO of Venture-G Inc. Director and President of Global Union Industrial Corp.	Note 1	N/A	N/A	N/A	N/A

Title	Nationality or place of registration	Name	Gender Age	Date elected/appointed	Term (Year)	Date of first election	Shares held when elected		Shares currently held		Current shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Other concurrent positions within the Company or elsewhere	Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Notes
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Director	Republic of China	Ming-Ling Co., Ltd.	-	2024.5.30	2024.5.30 ~2027.5.29	2006.6.15	37,974,032	9.27%	37,974,032	9.24%	0	0%	0	0%	N/A	N/A	N/A	N/A	N/A	N/A
	Republic of China	Representative: Hung-Kuang Lin	Male 60~69	2024.5.30	2024.5.30 ~2027.5.29	2022.1.7	0	0%	0	0%	0	0%	0	0%	M.S. in Business Management, Brooklyn College, CUNY Director of Chu May Social Welfare Foundation Chairman of Ernst & Young Cultural and Educational Foundation Director and Accountant of Ernst & Young	Note 1	N/A	N/A	N/A	N/A
	Republic of China	Representative: Ta-Chin Hsu	Male 70~79	2024.5.30	2024.5.30 ~2027.5.29	2023.5.26	0	0%	0	0%	0	0%	0	0%	Bachelor of Business Administration, Fu Jen Catholic University Director of Thai Kin Co., Ltd. and Chairman of Royal Finishing Co., Ltd.	Note 1	N/A	N/A	N/A	N/A

Title	Nationality or place of registration	Name	Gender Age	Date elected/appointed	Term (Year)	Date of first election	Shares held when elected		Shares currently held		Current shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Other concurrent positions within the Company or elsewhere	Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Notes
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Director	Republic of China	Representative: Yuan-Lung Lo	Male 30~39	2024.5.30	2024.5.30 ~2027.5.29	2024.5.30	0	0%	221,160	0.05%	0	0%	0	0%	Ph.D. in Physics, University of Washington Director of Cheng Shin Rubber Industry Co., Ltd.	Note 1	N/A	N/A	N/A	N/A
	United States	Representative: Todd Alex Talbot	Male 60~69	2024.5.30	2024.5.30 ~2027.5.29	2024.5.30	0	0%	650,000	0.16%	0	0%	0	0%	President of Globe Union Industrial Corp. President of FluidMaster Inc. Partner of Mega Western Sales CEO of OldCastle Glass Division of CRH 、President of BrassCraft and Alsons Division of Masco Group. University of Nevada, BS of Business management	N/A	N/A	N/A	N/A	N/A

Notes			Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Other concurrent positions within the Company or elsewhere	Major education/work experience	Shares held in the name of others		Current shares held by spouse and underage children		Shares currently held		Shares held when elected		Date of first election	Term (Year)	Date elected/appointed	Gender Age	Name	Nationality or place of registration	Title
Relationship	Name	Title						No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio							
						Note 1	Master's Degree in Financial Management, University of Memphis (formerly Memphis State University) Bachelor's Degree in Economics, National Chengchi University Associate Vice President, Capital Markets Division, Taishin Securities Assistant Manager, Underwriting Department, CTBC Securities Financial News Reporter, Commercial Times and The Independence Morning Post	0	0%	0	0%	0	0%	0	0%	2024.5.30	2024.5.30 ~2027.5.29	2024.5.30	Female 50~59	Pi-Ling Hu	Republic of China	Independent Director

Notes		Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Other concurrent positions within the Company or elsewhere	Major education/work experience	Shares held in the name of others		Current shares held by spouse and underage children		Shares currently held		Shares held when elected		Date of first election	Term (Year)	Date elected/appointed	Gender Age	Name	Nationality or place of registration	Title
							Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares							
	N/A	N/A	N/A	N/A	Note 1	MBA, Peter F. Drucker and Masatoshi Ito Graduate School of Management, Claremont Graduate University Chief Executive Officer and Director, Hota Industrial Mfg. Co., Ltd.	0%	0	0%	0	0%	0	0%	0	2024.5.30	2024.5.30 ~2027.5.29	2024.5.30	Female 40~49	Chien-Chih Sheng	Republic of China	Independent Director
	N/A	N/A	N/A	N/A	Note 1	Master's Degree in Advertising, Michigan State University, US Chief Strategy Officer, Bremen Co., Ltd.; Managing Director, Analogfolk Shanghai Co., Ltd.; Chief Strategy Integration Officer, China Isobar Group; Managing Director, ShangAn Isobar Co., Ltd.; Deputy General Manager, J. Walter Thompson Taiwan	0%	0	0%	0	0%	0	0%	0	2021.8.2	2024.5.30 ~2027.5.29	2024.5.30	Male 50~59	Wen-Yi Fan	Republic of China	Independent Director

Notes			Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads			Other concurrent positions within the Company or elsewhere			Major education/work experience				Shares held in the name of others		Current shares held by spouse and underage children		Shares currently held		Shares held when elected		Date of first election	Term (Year)	Date elected/appointed	Gender Age	Name	Nationality or place of registration	Title	
Relationship	Name	Title	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio					No. of shares	Shareholding ratio														

Note 1:

Name	Other concurrent positions within the Company or elsewhere
Shane Ouyang	President, Globe Union Industrial Corp. and Board Director of the following subsidiaries: Globe Union Industrial (BVI) Corp., Globe Union (Bermuda) Ltd., Globe Union Cayman Corp., Shenzhen Globe Union Enterprise Co., Ltd., He Shun Investment Co., Ltd., Milim G&G Ceramics Co., Ltd., Globe Union Ann Bo Manufacturing Co., Ltd., Globe Union Group, Inc., Danze, Inc., Globe Union (Canada) Inc., Gerber Plumbing Fixtures LLC, Globe Union Services, Inc., GU Plumbing de Mexico, S.A. de C.V., Globe Union (UK) Limited, Globe Union Germany GmbH & Co. KG, and Globe Union Verwaltungs GmbH.
Hung-Kuang Lin	O-Bank Co., Ltd.: Independent Director; Convener, Audit Committee; Member, Remuneration Committee; Member, Corporate Governance and Nomination Committee; Member, Sustainable Development Committee. Johnson Health Tech. Co., Ltd.: Independent Director; Convener, Audit Committee; Member, Remuneration Committee. Supervisor of the Union Mechatronic Inc. Representative of Institutional Director of Panjit International Inc.
Ta-Chin Hsu	Director of Thai Kin Co., Ltd. and Chairman of Royal Finishing Co., Ltd.
Yuan-Lung Lo	Director of Cheng Shin Rubber Industry Co., Ltd.
Chien-Chih Sheng	CEO, Kao Ho Chun-Kuei Charitable Foundation; Chief Executive Officer and Director, Hota Industrial Mfg. Co., Ltd.; Director, Kao Fong Machinery Co., Ltd.; Director, World Known MFG (Cayman) Limited; Independent Director, Orange Electronic Co., Ltd.; Independent Director, Tan De Technology Co., Ltd.
Hung-Yi Hsiao	Independent Director, Newretail Co., Ltd.; Independent Director, Andros Pharmaceuticals Co., Ltd.; Director and Chairman, Taiwan CyberSecurity Foundry Company; Corporate Representative Director, KGI Financial Holding Co., Ltd.

Name	Director and Independent Director with Concurrent Roles in the Company's Functional Committees		
	Audit Committee	Remuneration Committee	Corporate Governance and Sustainable Development Committee
Shane Ouyang			Convener
Yuan-Lung Lo			Committee member
Pi-Ling Hu	Convener		
Chien-Chih Sheng	Committee member	Committee member	Committee member
Wen-Yi Fan	Committee member	Convener	
Hung-Yi Hsiao	Committee member	Committee member	Committee member

Note 2: Other Significant Experience of Independent Director Hung-Yi Hsiao: Senior Strategy Officer, Technology Transfer Legal Center, Industrial Technology Research Institute; Member, Prosecutors Evaluation Committee, Ministry of Justice; Full-time Professor, School of Law, Soochow University. Former positions: Director, Office of International and Cross-Strait Academic Exchanges, Soochow University; Director, Chunghwa Telecom Co., Ltd.; Independent Director and Chairman, China Electric Mfg. Corp.

Major shareholders of institutional shareholders:

March 25, 2025

Name of institutional shareholder	Major shareholders of institutional shareholders
Ming-Ling Co., Ltd.	Shane Ouyang, holding 77.02% of shares. Lei Ouyang, holding 22.91% of shares.

Profile of directors (II)

I. Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors:

Qualifications Name	Professional Qualifications and Experiences	Independence	Number of other Taiwanese public companies concurrently served as an independent director
Shane Ouyang	<p>Mr. Shane Ouyang has a master's degree in marketing at Northwestern University in USA. He is the founder and CEO of Venture- G Inc. and he specializes in business strategies and management, brand marketing, planning of operating practices, and investments in new ventures.</p> <p>Mr. Shane Ouyang has practical experience, strategic planning, and managing execution skills. He served as the marketing manager of the US subsidiary Gerber Plumbing Fixtures LLC and is familiar with the bathroom industry and operations of the Group and brand sales. The role of the Chairman of the Board of Directors is to create two-way communications with both the management team and managers, lead and make decisions. He also has leadership skills and the ability to manage all aspects of a business.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> One of the top ten natural-person shareholders of the Company. For details on shareholding, please refer to the aforementioned profile of directors (I). An institutional shareholder (Chairman of Ming-Ling Co., Ltd.) who holds directly 5% or more of the Company's shares. Concurrently a director or institutional director representative of the Company's affiliates (holding 100% shares). The rest have been verified in accordance with the independence requirements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission. It still meets the relevant independence requirements. 	0

Qualifications Name	Professional Qualifications and Experiences	Independence	Number of other Taiwanese public companies concurrently served as an independent director
Hung-Kuang Lin	<p>He is a Certified Public Accountant. Mr. Lin served as head of Ernst & Young (EY) Taichung regional office; and is a member of EY CSR committee. He has over 23 years experiences in multinational enterprises auditor services and corporate consulting services.</p> <p>Mr. Hung-Kuang Lin specializes in finance, accounting, law, operational management, and corporate governance and has extensive experience. He can propose relevant operational management and financial operation directions to the Company's Board of Directors and strengthen the supervision of the implementation of corporate governance regulations.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder and shareholder's spouse do not hold any shares of the Globe Union Industrial Corp. 2. Representative of institutional director assigned by Ming- Ling Co., Ltd. 3. The rest have been verified in accordance with the independence requirements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission. It still meets the relevant independence requirements. 	2
Ta-Chin Hsu	<p>Mr. Ta-Chin Hsu possesses over 40 years of management experience, is proficient in the American and European sanitary ware industry, and has unique insights and strategies for international business and diversified business development. The Company will leverage Mr. Hsu's practical experience in industry, international markets, and corporate operational leadership decision-making to strengthen the Company's resilience and core competitiveness, thereby effectively enhancing our operational efficiency.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder and shareholder's spouse do not hold any shares of the Globe Union Industrial Corp. 2. The representative designated by Ming- Ling Co., Ltd. was elected as a director. 3. The rest have been verified in accordance with the independence requirements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission. It still meets the relevant independence requirements. 	0

<div>Qualifications</div> <div>Name</div>	Professional Qualifications and Experiences	Independence	Number of other Taiwanese public companies concurrently served as an independent director
Yuan-Lung Lo	<p>The current Director of Cheng Shin Rubber Ind. Co., Ltd., and Assistant Manager of the General Manager's Office at Cheng Shin Rubber Ind. Co., Ltd.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. Holds shares in Globe Union. For details regarding the shareholding, please refer to the aforementioned profile of directors (I). 2. The representative designated by Ming- Ling Co., Ltd. was elected as a director. 3. The rest have been verified in accordance with the independence requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” promulgated by the Financial Supervisory Commission. It still meets the relevant independence requirements. 	0
Todd Alex Albot	<p>University of Nevada, BS of Business Management CEO of Globe Union Industrial Corp. President of FluidMaster Inc. Partner of Mega Western Sales CEO of OldCastle Glass Division of CRH President of BrassCraft and Alsons Division of Masco Group</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. Holds shares in Globe Union. For details regarding the shareholding, please refer to the aforementioned profile of directors (I). 2. The representative designated by Ming- Ling Co., Ltd. was elected as a director. 3. The rest are verified in accordance with the independence requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” promulgated by the Financial Supervisory Commission. It still meets the relevant independence requirements. 	0

<div>Qualifications</div> <div>Name</div>	Professional Qualifications and Experiences	Independence	Number of other Taiwanese public companies concurrently served as an independent director
Pi-Ling Hu	<p>A professional specializing in corporate financial and accounting analysis, leveraging her expertise to enhance the Board's audit quality of financial statements, the execution of internal controls, and the operation of financial analysis. Additionally, she serves as the Chairperson of the Audit Committee, fulfilling her responsibilities in supervision and management.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder and shareholder's spouse do not hold any shares of the Globe Union Industrial Corp. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	0
Chien-Chih Sheng	<p>Currently serving as the Chief Executive Officer and Director of Hota Industrial Mfg. Co., Ltd., specializing in corporate operations and innovative leadership capabilities.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder, shareholder's spouse, and minor children do not hold any shares of the Globe Union Industrial Corp. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	2
Wen-Yi Fan	<p>Mr. Wen-Yi Fan has brand marketing capabilities and has expertise in business management, industry analysis, and formulating development strategies. Mr. Fan provided in-depth insights and suggestions on brand management strategies of the Company's brand GERBER and participated in the formulation of the Group's management and strategy developments.</p> <p>Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder, shareholder's spouse, and minor children do not hold any shares of the Globe Union Industrial Corp. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	0

Qualifications Name	Professional Qualifications and Experiences	Independence	Number of other Taiwanese public companies concurrently served as an independent director
Hung-Yi Hsiao	Mr. Hung-Yi Hsiao possesses an extensive legal academic background and rich experience in both industry and academia. He is well-versed in international and cross-strait legal affairs and demonstrates expertise in legal compliance, execution and strategic planning, risk management, finance and banking, corporate governance, business and marketing, information technology and cybersecurity, as well as international experience. His industry knowledge, professional skills, and practical experience are remarkable. Does not meet any of the conditions stated in Article 30 of the Company Act.	<ol style="list-style-type: none"> 1. A natural-person shareholder, shareholder's spouse, and minor children do not hold any shares of the Globe Union Industrial Corp. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	2

II. Board Diversity and Independence:

(I) Board Diversity:

The Company has established a candidate nomination system in the Company's Articles of Association for the Directors to adopt. After resolution by the Board of Directors, candidates are forwarded to the shareholders' meeting for appointment.

Chapter 3, Reinforced Functions of the Board of Directors, Section 1, Structure of the Board of Directors, of the Company's Corporate Governance Code of Practice, Article 20 (Overall Expected Capabilities of the Board of Directors) stipulates:

The Board of Directors shall provide guidance on the Company's strategies, supervise the management, be responsible for the Company and its shareholders, and shall ensure that it exercises its functions following the requirements of applicable laws and regulations and the Articles of Association or decisions made during shareholders' meetings with regard to the respective operations and arrangements of the corporate governance system.

The Board of Directors shall have a structure consisting of at least seven members to meet the practical operational demand depending on the management and development scale of the Company and the holding status of major shareholders.

Diversity shall be considered in the composition of Board members. Directors who are also managers in the Company may not take up more than one-third of all seats. In addition, appropriate diversity policies shall be stipulated reflective of the Company's operation status, operational pattern, and developmental needs, which shall include, without limitation, the following two major aspects:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and expertise: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Board members shall be equipped with knowledge, skills, and attainments generally required for performing their tasks. In order to accomplish the preferred governance goals of the Company, the Board of Directors shall generally be equipped with the following capabilities:

1. Ability to make sound business judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to manage a business.
4. Ability to handle crisis management.
5. Industrial knowledge.
6. An international market perspective.
7. Leadership.
8. Decision-making ability.

The Company's current Board of Directors is composed of nine directors (including four independent directors, accounting for 44.44%). Elites from different generations and professional fields were recruited to form the Board of Directors. The members have relevant experience in industry, business, management, leadership, and decision making. The directors have various industry and knowledge which complement each other with their diversity, thereby greatly benefiting the development of the Company. Among the current Board members: 1. The tenure of all independent directors does not exceed three terms; 2. To enhance operational efficiency, starting from January 1, 2024, Chairman Mr. Shane Ouyang concurrently serves as President. There is one director concurrently holding a managerial position in the Company, accounting for 11.11%, which is less than one-third of the Board seats; 3. For details on the nationality and age of each director, please refer to the table below for relevant implementation details; 4. There are two female directors, accounting for 22.22% of the Board, which does not reach one-third of the total seats. Due to the industry's traditional focus on a single gender, there is a lack of diverse gender talent reserves, resulting in suitable and experienced candidates being predominantly of one gender. In the future, considerations for gender diversity will be explicitly incorporated into the selection of Board members

to prevent any bias toward a single gender. Efforts will also be made to increase the proportion of female directors to one-third of the Board seats.

Succession Planning for the Board of Directors:

The current members of the Board of Directors possess capabilities in operational judgment, management, industry knowledge, leadership decision-making, crisis management, international market insight, finance, accounting, and legal expertise.

The nomination and selection of Board members follow a candidate nomination system, assessing each member's educational and professional background in compliance with the Company's "Director Election Procedures" and the "Corporate Governance Best Practice Principles." This ensures diversity and incorporates independence as part of the overall consideration. The succession planning for the directors focuses on professional and multifaceted capabilities. It adheres to a policy of diversity in talent and plans related training courses for directors to respond to continuously updated regulations (such as corporate governance) and the rapidly changing competitive environment of international market management, ensuring that they possess contemporary management skills. Through operational reports conducted by the Company's management team, directors can not only continuously enhance their functional capabilities but also deepen their understanding of the Company's operations; this helps maintain their core values and professional strengths and capabilities.

The progress is detailed in the table below:

✓ indicates full capability, whereas "○" signifies partial capability

Name of director	Concurrently an employee of the Company	Independent Director Term (Year)		Core diversity parameters						
		Below 3 years	3 to 6 years	Operational management	Leadership and decision making	Industrial knowledge	Operational judgment	Finance and accounting	Law	Crisis management and an international market perspective
Shane Ouyang	Yes			✓	✓	✓	✓	○	○	✓
Hung-Kuang Lin	No			✓	✓	○	✓	✓	✓	✓
Ta-Chin Hsu	No			✓	✓	○	✓	○	○	✓
Yuan-Lung Luo	No			✓	✓	○	✓	○	○	✓
Todd Alex Talbot	No			✓	✓	✓	✓	○	○	✓
Pi-Ling Hu	No	✓		○	○	○	○	✓	✓	✓
Chien-Chih Sheng	No	✓		✓	✓	○	✓	○	○	✓
Wen-Yi Fan	No		✓	✓	✓	○	✓	○	○	✓
Hung-Yi Hsiao	No	✓		○	○	○	○	○	✓	✓

For information on the nationality, gender, and age of each Board member, please refer to the aforementioned profile of directors (I).

(II) Board independence:

1. Board Structure

The selection process of all directors is open and fair, which is in line with the Company's "Articles of Association", "Rules for Election of Directors", "Corporate Governance Best Practice Principles", "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", "Article 14-2 of the Securities and Exchange Act", the composition of the current Board of Directors consists of 4 independent directors and 5 non-independent directors. There is one of the directors is employee/managerial personnel but none of the directors has a spouse or family relationship within the second degree of kinship, which complies with the provisions of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

2. The Independence of Board of the Directors

The Board of Directors shall provide guidance on the Company's strategies, supervise the management, be responsible for the Company and its shareholders, and shall exercise its functions following the requirements of applicable laws and regulations and the Articles of Association or decisions made during shareholders' meetings with regard to the respective operations and arrangements of the corporate governance system. The Board of Directors of the Company emphasizes the functions of independent operation and transparency. Directors and independent directors are independent individuals and exercise their powers independently. The four independent directors also abide by the relevant laws and regulations, cooperate with the powers of the audit committee, review the management and control of the Company's existing or potential risks, supervise the effective implementation of the Company's internal control, the selection (dismissal) of CPA and their independence, and the fair preparation of financial statements. In addition, according to the Company's "Rules for Election of Directors", the cumulative voting system and candidate nomination system are adopted for the selection of directors and independent directors, and shareholders are encouraged to participate. Shareholders who hold a certain number of shares or more may submit a list of director candidates. Qualification review and confirmation of any violations listed in Article 30 of the Company Act shall be conducted and announced in accordance with the law to protect the rights and interests of shareholders, avoid monopoly or excessive nomination rights, and maintain independence.

The Company has established a performance assessment system for the Board of Directors, and carries out a self-evaluation of the Board of Directors and Board members every year; the content of the performance self-assessment of the Board of Directors includes: 1. Participation in company operations, 2. Enhancement of decision-making quality by the Board, 3. Board composition and structure, 4. Selection and continuous development of Board members, 5. Internal controls. Every three years, the evaluation is conducted by an external professional independent organization or a team of external experts and scholars. On March 6, 2025, the results of both the internal self-assessment and external evaluation for 2024 were reported to the Board. Following this, the related evaluation results were disclosed in the Company's Annual Report and published on the Company's website.

In addition, to let the investing public fully understand the operation of the Board of Directors of the Company, relevant information has also been disclosed in the Company's Annual Report, official website, or the Taiwan Stock Exchange Market Observation Post System (MOPS):

- (1) Attendance status of Board members participating in meetings
- (2) Contents of motion and resolutions of the Board of Directors
- (3) Continuing education of the directors
- (4) Changes in shareholding of directors (ratio, share transfer, pledge setting, please refer to the Taiwan Stock Exchange MOPS:

<https://mopsplus.twse.com.tw/mops/#/web/stapap1>

https://mopsplus.twse.com.tw/mops/#/web/query6_1

https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

Company stock code: 9934

(II) President, Vice Presidents, Assistant Vice Presidents, and Managers of Departments and Branches:

March 25, 2025 (as of the date of suspension of transfer registration) Unit: Shares

Number of outstanding common shares: 411,016,962

Title	Nationality	Name	Gender	Date elected/appointed	Shareholding		Shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Concurrent job position in other companies	Manager who is a spouse or a relative within second degree			Notes
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
President	Republic of China	Shane Ouyang	Male	2024.1.1	31,090,496	7.56%	0	0%	0	0%	M.S. in Marketing, Northwestern University, USA Founder and CEO of Venture-G Inc.	The information is the same as the aforementioned director information on Page 15	N/A	N/A	N/A	Please refer to the information on Page 28
Plumbing Group President	Republic of China	Jack Hung	Male	2023.6.1	0	0%	0	0%	0	0%	EMBA of National Taiwan University; Department of Chemical Engineering at National Tsing Hua University Danisco Nutrition & Biosciences Taiwan Limited - Nutrition and Biotechnology Division / Director of Global Operations and Supply Chain DuPont Taiwan - Nutrition and Biotechnology Division / Director of Global Operations and Supply Chain	N/A	N/A	N/A	N/A	N/A
Vice President	Republic of China	Lourdes Lee	Female	2020.8.6	69,000	0.02%	0	0%	0	0%	Master of International Business, University of Strathclyde	Note 1	N/A	N/A	N/A	N/A

Title	Nationality	Name	Gender	Date elected/ appointed	Shareholding		Shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Concurrent job position in other companies	Manager who is a spouse or a relative within second degree			Notes
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Vice President	Republic of China	Chen-Hui Chin	Male	2022.1.27	500,000	0.12%	2,718	0%	0	0%	Mining and Metallurgical Engineering Department of Provincial Taipei Institute of Technology Manager of Ta An Aluminum Co., Ltd Chief of San Zhen Aluminum Co., Ltd Supervisor of Hocheng Corporation Precision Die Casting Supervisor of CPD Group Inc	Note 1	N/A	N/A	N/A	N/A
Vice President	Republic of China	Nelson Lin	Male	2024.5.13	0	0%	0	0%	0	0%	Master's degree in Accounting from National Taipei University Senior Director at Hon Hai Precision Industry Co., Ltd. Chief Financial Officer at the UK division of Evergreen Marine Corp. Chief Accountant at Evergreen Marine Corp.	N/A	N/A	N/A	N/A	N/A
Vice President	Republic of China	Ta-Yin Chang	Male	2024.8.7	100,000	0.02%	0	0%	0	0%	Vice president of product engineer supporting the head office of Shenzhen Globe Union Enterprise Co., Ltd. R&D manager of Globe Union Industrial Corp.	Note 1	N/A	N/A	N/A	N/A

Title	Nationality	Name	Gender	Date elected/ appointed	Shareholding		Shares held by spouse and underage children		Shares held in the name of others		Major education/work experience	Concurrent job position in other companies	Manager who is a spouse or a relative within second degree			Notes
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Chief Operating Officer	United States	Chong Kheng Lim	Male	2024.7.15	0	0%	0	0%	0	0%	MBA, DePaul Driehaus College of Business BS, Mechanical Engineering, Iowa State University ConTech Lighting, Director of Supply Chain Apple, Global Supply Manager ACCO Brands, Project Manager MacLean-Fogg Company, Pacific Rim Sourcing Manager Rockford Powertrain Inc., Product Engineer	Note 1	N/A	N/A	N/A	N/A
Assistant Vice President	Republic of China	Jun-Hong Li	Male	2019.10.25	10,000	0%	0	0%	0	0%	Manager, Design Department, Tsann Kuen Enterprise Co., Ltd. Master's degree in Design, National Yunlin University of Science & Technology	N/A	N/A	N/A	N/A	N/A
Assistant Vice President	Republic of China	Ming- Feng Chang	Male	2022.1.27	12,000	0%	4,141	0%	0	0%	Clerk at E. SUN Commercial Bank Auditor at Deloitte & Touche B.A. in Accounting, Tunghai University	Note 1	N/A	N/A	N/A	N/A
Assistant Vice President	Republic of China	Sherry Lin	Female	2023.7.1	0	0%	0	0%	0	0%	The Company's Assistant Vice President of Global Marketing Services, Manager of the Business Manager's Office, and Executive Secretary / International Trade Specialist Monash University / Department of International Trade	N/A	N/A	N/A	N/A	N/A

Note 1:

Name	Concurrent job position in other companies
Lourdes Lee	Director of subsidiaries, including: Globe Union Industrial (BVI) Corp., Globe Union (Bermuda) Ltd., Globe Union Cayman Corp., Globe Union (UK) Limited, Globe Union Germany GmbH & Co.KG, Globe Union Verwaltungs GmbH, Globe Union Business Consultancy (Shanghai) Co., Ltd.; Supervisor of subsidiaries, including: Milim G&G Ceramics Co., Ltd., Globe Union Ann Bo Manufacturing Co., Ltd.
Chen-Hui Chin	Director of subsidiaries, including: Milim G&G Ceramics Co., Ltd., Globe Union Business Consultancy (Shanghai) Co., Ltd.
Ta-Yin Chang	Supervisor of subsidiaries, including: Shenzhen Globe Union Enterprise Co., Ltd., Milim G&G Ceramics Co., Ltd., He Shun Investment Co., Ltd.
Chong Kheng Lim	Director of subsidiaries, including: Globe Union (Canada) Inc., Gerber Plumbing Fixtures LLC, GU Plumbing de Mexico, S.A. de C.V.
Ming-Feng Chang	Director of subsidiaries, including: Globe Union Germany GmbH & Co.KG, Globe Union Verwaltungs GmbH, Globe Union Business Consultancy (Shanghai) Co., Ltd.

- (III) Reason, Rationality, Necessity, and Corresponding Measures for the Chairman and CEO Being the Same Person: The Board of Directors has assessed the Company's business development and the specific characteristics of the industry, determining that it is reasonable and necessary for the Chairman to also serve as the CEO. Corporate Governance Measures: The current Board consists of 9 members, with 4 serving as independent directors. Moreover, more than half of the directors do not simultaneously hold positions as employees or managerial staff.

II. Remunerations to directors, supervisors, president, and vice presidents in the most recent year:

(I) Remuneration for directors (including independent directors)

December 31, 2024

Unit: Thousand NTD

Title	Name	Director's remuneration								Ratio of total compensation (A+B+C+D) and to net profit after tax (%) (Note 6)	
		Remuneration (A) (Note 1)		Severance pay and pension (B)		Director's remuneration (C) (Note 2)		Business expenses (D) (Note 3)			
		The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)
Director	Representative of Ming-Ling Co., Ltd.:										
	Shane Ouyang	3,000	3,000	0	0	713	713	0	0	3,713 0.79%	3,713 0.79%
	Hung-Kuang Lin	500	500	0	0	357	357	240	240	1,097 0.23%	1,097 0.23%
	Andrew Yates	208	208	0	0	149	149	90	90	447 0.10%	447 0.10%
	Wen-Hsin Chen	208	208	0	0	149	149	150	150	507 0.11%	507 0.11%
	Ta-Chin Hsu	563	563	0	0	357	357	240	240	1,160 0.25%	1,160 0.25%
	Yuan-Lung Luo	292	292	0	0	208	208	150	150	650 0.14%	650 0.14%
	Todd Alex Talbot	292	292	0	0	208	208	120	120	620 0.13%	620 0.13%
Independent Director	Chin-Shan Huang	333	333	0	0	149	149	150	150	632 0.13%	632 0.13%
	Young-Sheng Hsu	333	333	0	0	149	149	150	150	632 0.13%	632 0.13%

Title	Name	Director's remuneration								Ratio of total compensation (A+B+C+D) and to net profit after tax (%) (Note 6)	
		Remuneration (A) (Note 1)		Severance pay and pension (B)		Director's remuneration (C) (Note 2)		Business expenses (D) (Note 3)			
		The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)
Independent Director	Pi-Ling Hu	379	379	0	0	208	208	150	150	737 0.16%	737 0.16%
	Chien-Chih Sheng	454	454	0	0	208	208	180	180	842 0.18%	842 0.18%
	Wen-Yi Fan	788	788	0	0	357	357	270	270	1,415 0.30%	1,415 0.30%
	Hung-Yi Hsiao	454	454	0	0	208	208	150	150	812 0.17%	812 0.17%

Explanation: On May 30, 2024, the shareholders' meeting held the re-election of directors.

Elected to Office: Yuan-Lung Luo, Todd Alex Talbot, Pi-Ling Hu, Chien-Chih Sheng, Hung-Yi Hsiao

Removed from Office: Wen-Hsin Chen, Andrew Yates, Chin-Shan Huang, Young-Sheng Hsu

Title	Name	Remuneration for part-time employees								Ratio of total compensation (A+B+C+D+E+F+G) and to net profit after tax (%) (Note 6)		Remuneration from reinvestments other than subsidiaries or the parent company
		Salary, bonuses, and allowances (E) (Note 4)		Severance pay and pension (F)		Employee remuneration (G) (Note 5)						
		The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company		All companies in the financial report (Note 7)		The Company	All companies in the financial report (Note 7)	
						Cash amount	Shares amount	Cash amount	Shares amount			
Director	Representative of Ming-Ling Co., Ltd.:											
	Shane Ouyang	1,934	2,064	0	0	264	0	264	0	5,911 1.26%	6,041 1.29%	0
	Hung-Kuang Lin	0	0	0	0	0	0	0	0	1,097 0.23%	1,097 0.23%	0
	Andrew Yates	0	0	0	0	0	0	0	0	447 0.10%	447 0.10%	0
	Wen-Hsin Chen	0	0	0	0	0	0	0	0	507 0.11%	507 0.11%	0
	Ta-Chin Hsu	0	0	0	0	0	0	0	0	1,160 0.25%	1,160 0.25%	0
	Yuan-Lung Luo	0	0	0	0	0	0	0	0	650 0.14%	650 0.14%	0
	Todd Alex Talbot	0	0	0	0	0	0	0	0	620 0.13%	620 0.13%	0
Independent Director	Chin-Shan Huang	0	0	0	0	0	0	0	0	632 0.13%	632 0.13%	0
	Young-Sheng Hsu	0	0	0	0	0	0	0	0	632 0.13%	632 0.13%	0
	Pi-Ling Hu	0	0	0	0	0	0	0	0	737 0.16%	737 0.16%	0
	Chien-Chih Sheng	0	0	0	0	0	0	0	0	842 0.18%	842 0.18%	0
	Wen-Yi Fan	0	0	0	0	0	0	0	0	1,415 0.30%	1,415 0.30%	0
	Hung-Yi Hsiao	0	0	0	0	0	0	0	0	812 0.17%	812 0.17%	0

- Note 1: Remuneration of directors for the most recent year (including director salary, additional duty payments, severance pay, various bonuses, or incentive payments); remuneration to independent directors include remuneration for serving concurrently as a member of the Remuneration Committee and Audit Committee.
- Note 2: Proposed distribution of directors' remuneration approved by the Board of Directors on 2025/3/6.
- Note 3: These are business expenses of directors in the most recent year (including transportation allowance, special allowance, stipends, lodging, and vehicle, among other supplies in kind). In case of housing, vehicle, and other transportation or exclusive individual expenditures, the nature and costs, actual rents or those calculated based on fair market prices, gas fees, and other payments of the assets provided must be disclosed. If a chauffeur is provided, please note the relevant compensation paid by the Company, but exclude the remuneration.
- Note 4: All payments to directors who are also employees of the Company (including the position of President, Vice President, other manager, and staff), including salary, additional pay, severance pay, bonuses, rewards, transportation allowance, special allowance, stipends, lodging, and vehicle. In case of housing, vehicle, and other transportation or exclusive individual expenditures, the nature and costs, actual rents or those calculated based on fair market prices, gas fees, and other payments of the assets provided must be disclosed. If a chauffeur is provided, please note the relevant compensation paid by the Company, but exclude the remuneration. Salary expenses recognized in accordance with IFRS 2 Share-based Payment shall also include employee stock option certificates, restricted stock awards, and share subscription in capital increase by cash. The Company has no director who is concurrently an employee.
- Note 5: The proposed amount for employee remuneration, as approved by the Board on March 6, 2025, has been calculated accordingly.
- Note 6: Net profit after tax refers to the net profit after tax from the most recent standalone financial report.
- Note 7: The total pay to the directors from all companies in the consolidated statements (including the Company).

(II) Remunerations to President and Vice Presidents

December 31, 2024

Unit: Thousand NTD

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and allowances (C)		Amount of employee remuneration (D)				Ratio of total compensation (A+B+C+D) and to net profit after tax (%)		Remuneration from reinvestments other than subsidiaries or the parent company
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report		The Company	All companies in the financial report	
								Cash amount	Shares amount	Cash amount	Shares amount			
President	Shane Ouyang	35,436	35,803	4,442	4,442	9,720	9,720	3,847	0	3,847	0	53,445 11.37%	53,812 11.45%	0
Plumbing Group President	Jack Hung													
Vice President	Eric Chen													
Vice President	Lourdes Lee													
Vice President	Nelson Lin													
Vice President	Chen-Hui Chin													
Vice President	Ta-Yin Chang													
Chief Operating Officer	Chong Kheng Lim													

Note: Refers to proposed distribution of employees' remuneration (proposed figure) approved by the Board of Directors on March 6, 2025.

Todd Alex Talbot's term expired and he was discharged from his duties effective January 1, 2024. Nelson Lin was appointed on May 13, 2024. Ta-Yin Chang was promoted on August 7, 2024. Eric Chen resigned on January 1, 2025.

CHONG KHENG LIM was assumed office on July 15, 2024.

Net profit after tax refers to the net profit after tax from the most recent standalone financial report.

Remuneration scale to the Company's President and Vice President

Remuneration scale to each of the Company's President and Vice President	Name of President and Vice President	
	The Company	Consolidated Statement of All Companies E
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	—	—
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Shane Ouyang	Shane Ouyang
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	Chen-Hui Chin, Ta-Yin Chang	Chen-Hui Chin, Ta-Yin Chang
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Lourdes Lee, Nelson Lin	Lourdes Lee, Nelson Lin
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	Jack Hung, CHONG KHENG LIM, Eric Chen	Jack Hung, CHONG KHENG LIM, Eric Chen
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	—	—
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	—	—
Total	8	8

- (III) Comparison and analysis of remuneration to directors, supervisors, President and Vice Presidents as a percentage of net profit after tax from standalone or individual financial reports within the last two years, and description of the policy, standards, and packages of remuneration; the procedure for making such decisions; and relation to business performance and future risks.

Unit: Thousand NTD

Standalone	2024			2023		
Title	Total remuneration	Net profit after tax	Total remuneration as a percentage of net profit after tax (%)	Total remuneration	Net profit after tax	Total remuneration as a percentage of net profit after tax (%)
Director	15,462	470,013	3.29	13,614	605,101	2.25
President and Vice Presidents	53,445		11.37	50,467		8.34

Consolidated	2024			2023		
Title	Total remuneration	Net profit after tax	Total remuneration as a percentage of net profit after tax (%)	Total remuneration	Net profit after tax	Total remuneration as a percentage of net profit after tax (%)
Director	15,592	470,013	3.32	13,734	605,101	2.27
President and Vice Presidents	53,812		11.45	50,677		8.37

The policies and standards of paying remunerations, and packages of remuneration; the procedure for making such decisions; and relation to business performance and future risks:

- The policies and standards of paying remunerations, and packages of remuneration:
 1. The Company's policies, standards of paying director remuneration and packages of remuneration shall be handled in accordance with the Company's Articles of Association and the Rules of Procedure for Remuneration of Directors approved by the Board of Directors.
 - (a). The remuneration of directors: According to Article 23 of the Company's Articles of Association, directors can receive fixed annual remuneration and transportation subsidy according to whether he/she participated in the meeting in person or through video conference. The distribution of remuneration is based on the Company's profitability. Stipulated in the Company's Articles of Association, the Board of Directors is authorized to formulate relevant director remuneration rules. They shall negotiate the payment of remuneration according to the remuneration paid to the same industry. If an employee concurrently serves as a director, he/she will not receive remuneration, nor will he/she receive transportation subsidy for participating in the meeting. If a director concurrently serves as a member of the functional committee, he or she will also receive remuneration according to the functional committee's organization regulations.

- (b). Director's remuneration: According to Article 25-1 of the Company's Articles of Association, whereby surpluses concluded from a financial year shall be subject to director remuneration of no more than 2%. According to Article 3 of the Regulations of Director Remuneration Payment stipulates that if surpluses are concluded from a financial year and the earnings per share is in excess of NT\$1, then director remuneration shall be allocated according to the Company's Articles of Association. In addition, the Company regularly evaluates the performance of directors in accordance with the "Board of Directors Performance Evaluation Guidelines", and the relevant performance evaluation and the rationality of remuneration are reviewed by the Remuneration Committee and the Board of Directors.
- 2. The Company's manager remuneration is based on the manager performance evaluation and remuneration policies, systems, standards, and structure. The remuneration structure includes: remunerations, performance bonuses, and employee's remuneration.
 - (a). The remuneration refers to the standard of the same industry and items such as job title, job levels, education/work experience, professional capabilities, and responsibilities.
 - (b). The performance bonuses are based on the Company's annual performance, financial position, operational situation, and the key performance indicators or management by objectives adopted respectively according to high or low correlations between the individual responsibilities and the Group's profit. Managers shall adopt KPI or MOB evaluation methods according to high or low correlations between the manager's responsibilities and Group's profits. Managers shall combine "begin with the end in mind" with the Company/business unit's annual strategy and key policies and focus on the implementation of annual goals. The annual performance results that the managers shall review are the degree of achievement of the four following aspects 1. company/business unit's financial goals, 2. individual annual major work projects, 3. values and behavior, 4. leadership. These shall be discussed with the cross department/ supervisor regularly to ensure the fairness and objectivity of performance evaluation results. Under the premise that the Company has made profits, we focus on the results of the team's joint efforts and contributions. The employee remuneration is paid on the principle of profit-sharing.

(c). According to Article 25-1 of the Company's Articles of Association, if the Company was profitable during the year, at least 2% of the profit shall be allocated as employee remuneration.

The employee remuneration and director remuneration amounts for the fiscal year 2024 were reviewed and approved by the Remuneration Committee on March 4, 2025, and subsequently submitted for Board approval on March 6, 2025.

- The procedures for setting remuneration:
 1. The procedures for setting director's remuneration:
 - (a). The remuneration of directors shall comply with Article 23 of the Company's Articles of Association: The Company's directors can receive monthly remuneration and transportation costs regardless of the Company's profit or loss: The amount of their remuneration is handled in accordance with the Company's "Rules of Procedure for Remuneration of Directors".
 - (b). The remuneration of directors shall comply with Article 25-1 of the Company's Articles of Association: If the Company was profitable during the year, no more than 2% may be allocated as remuneration for directors. However, profits must first be taken to offset cumulative losses if any.
 2. The procedures for setting manager's remuneration:
 - (a). Performance bonuses are determined based on annual business performance.
 - (b). Remuneration of the employees shall comply with Article 25-1 of the Company's Articles of Association: If the Company was profitable during the year, at least 2% of the profit shall be allocated as employee remuneration.
- Relation to business performance and future risks:
 1. Correlation of directors' business performance and future risks:
 - (a). The remuneration of the directors is paid according to the Company's Articles of Association and the Company's annual profit, so it is related to the business performance. The Company refers to the evaluation items of the "Board of Directors Performance Evaluation Guidelines" (including the functional committees). Reasonable remuneration will be given to directors who contributed to the Company's business performance. The Remuneration Committee of the Company will regularly review the remuneration system based on directors, the Board of Directors, and the Company's operating contributions (including corporate operational risks, strategic planning, and business performance).

- (b). The results of the Company's 2024 internal self-evaluation of the Board of Directors, individual directors, and each individual functional committee have all been exceeding expectations.
- 2. Correlation of manager's business performance and future risks:
 - (a). The reasonableness of the remuneration and relevant performance evaluation of the Company's directors and managers are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors every year. On the whole, they look at the Company's operating performance, future development trends, and possible risks of the industry, and examine relevant laws and the Company's actual operating conditions. They review the remuneration system and consider the progress of achieving individual performance goals and their contribution to the Company, to give reasonable remuneration.
 - (b). When reviewing the relevant remuneration payment standards and systems in the remuneration policy, the Company mainly considers its overall operating performance. We determine the payment standards based on the performance goals' achievement rates and contributions to improve the overall efficiency of the management team. To ensure that the remuneration of the management level of the Company remains competitive, we refer to the remuneration standard of the industry to retain outstanding people with management talents. The performance of managerial personnel is closely tied to financial targets. Managers are tasked with managing and mitigating potential risks within their scope of authority. The impact of key decisions is reflected in the Company's profitability, and actual performance outcomes are assessed to link with the relevant salary and remuneration policies. The Company also issues employee stock options to the Company's and its subsidiaries' executives at the management level. The actual benefits of remuneration are related to the future stock price. These executives will share the overall future operational risks with the Company and actively create overall profits.

Manager's name and distribution of employee bonuses

December 31, 2024

Unit: Thousand NTD

	Title	Name	Shares amount	Cash value (Note 2)	Total	Percentage of total bonuses to net profit after tax (%)
Managers	President	Shane Ouyang	0	4,618	4,618	0.98
	Plumbing Group President	Jack Hung				
	Vice President	Lourdes Lee				
	Vice President	Chen-Hui Chin				
	Vice President	Nelson Lin				
	Vice President	Ta-Yin Chang				
	Chief Operating Officer	Chong Kheng Lim				
	Assistant Vice President	Jun-Hong Li				
	Assistant Vice President	Ming-Feng Chang				
	Assistant Vice President	Sherry Lin				
	Head of Accounting	Vivian Chen				

Note 1: Board of Directors approved a resolution to distribute employees' total remuneration on March 6, 2025.

Note 2: Provide the employee remunerations approved by the Board of Directors and distributed to the managers in the most recent year (including shares and cash); if they cannot be estimated, calculate the value intended to be distributed this year according to the actual value distributed last year.

Note 3: Net profit after tax refers to the net profit after tax from the most recent standalone financial report.

Note 4: Pursuant to Order Tai-Cai-Zheng-San-Zi No. 0920001301 dated March 27, 2003, the scope of managers is as follows:

- (1) President and equal position.
- (2) Vice President and equal position.
- (3) Assistant Vice President and equal position.
- (4) Head of the Financial Department.
- (5) Head of the Accounting Department.
- (6) Other persons with the authority to manage the Company's affairs and sign agreements on behalf of the Company.

III. Corporate Governance Practices:

(I) Operation of the Board of Directors:

The term for the 18th Board of Directors runs from August 2, 2021 to May 30, 2024.

The term for the 19th Board of Directors runs from May 30, 2024 to May 29, 2027.

The Board of Directors met 11 times (A) (10 times in 2024) during 2024 and as of the date of this annual report. Board attendance was as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) 【B/A】	Notes
Chairman	Shane Ouyang (Representative, Ming-Ling Co., Ltd.)	11	0	100	
Director	Hung-Kuang Lin (Representative, Ming-Ling Co., Ltd.)	10	1	90.91	
Director	Andrew Yates (Representative, Ming-Ling Co., Ltd.)	3	1	75	As of May 30, 2024, certain Board members were dismissed following the Board re-election, with a required attendance of 4 meetings.
Director	Wen-Hsin Chen (Representative, Ming-Ling Co., Ltd.)	4	0	100	
Director	Ta-Chin Hsu (Representative, Ming-Ling Co., Ltd.)	6	1	85.71	As of May 30, 2024, newly elected Board members assumed office, with a required attendance of 7 meetings.
Director	Yuan-Lung Lo (Representative, Ming-Ling Co., Ltd.)	7	0	100	
Director	Todd Alex Talbot (Representative, Ming-Ling Co., Ltd.)	6	1	85.71	
Independent Director	Chin-Shan Huang	4	0	100	As of May 30, 2024, certain Board members were dismissed following the Board re-election, with a required attendance of 4 meetings.
Independent Director	Young-Sheng Hsu	4	0	100	
Independent Director	Ta-Chin Hsu	4	0	100	
Independent Director	Wen-Yi Fan	10	1	90.91	

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) 【B/A】	Notes
Independent Director	Pi-Ling Hu	7	0	100	As of May 30, 2024, newly elected Board members assumed office, with a required attendance of 7 meetings.
Independent Director	Chien-Chih Sheng	7	0	100	
Independent Director	Hung-Yi Hsiao	6	1	85.71	
Other disclosures:					
I. Board resolutions stipulated in Article 14-3 of the Securities and Exchange Act or other resolutions with dissenting or qualified opinions given by independent directors that are recorded or stated in writing should state dates of the Board meetings, term, resolution content, opinions of all independent directors, and the Company's response: Please refer to IV. Corporate Governance Practices (XI) Important Resolutions of the Board of Directors in the Most Recent Year (pages 113 to 117).					
II. When there are recusals of directors due to conflicts of interests, names of the directors, contents of resolutions, reasons of recusal, and voting participation should be stated: Please refer to page 119.					
III. TWSE/TPEX listed companies shall disclose the cycle and period, scope, method, and content of self (or peer) evaluation and fill in the implementation status of the evaluation of the Board of Directors in the attached table (please see the following description for details).					
IV. Programs this year and in the most recent year for strengthening the functionality of the Board (for example, setting up an auditing committee, improving transparency, etc.) and assessment of execution:					
1. The Rules of Procedures for Board of Directors Meetings are stated in the Company's Articles of Association in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. Amendments were subsequently approved by the Board on December 16, 2022 to strengthen Board effectiveness.					
2. The Remuneration Committee was established on December 21, 2011 to strengthen the Company's corporate governance by formulating and regularly reviewing the remuneration for directors, supervisors, and managers.					
3. After the reelection of the Company's directors on May 25, 2018, the Audit Committee was established in accordance with the regulations.					
4. Assessment of execution: To improve the transparency of the Company, after each meeting of the Board, the key resolutions are immediately posted to the Market Observation Post System website and announced on the Company website to protect shareholders' interests.					

Implementation Status of the Evaluation of Board of Directors

Self-evaluation: The results of the self-evaluation from the Company's Board of Directors and functional committees should be completed and reported to the Board of Directors before the end of Q1 in the following year.

External evaluation: The execution of the Company's performance evaluation of the Board of Directors, should be implemented by an external professional and independent institution or an external team of experts/scholars, and the frequency of which should be no less than once every three years. The evaluation should be completed and reported to the Board of Directors before the end of Q1 in the following year.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Implemented once a year	2024/1/1 ~ 12/31	Performance evaluation of the Board of Directors, individual Board members, and functional committees	Self-evaluation of the Board	<ul style="list-style-type: none"> • Level of participation in the Company's operations • Improvement of the quality of the Board of Directors' decision making • Board composition and structure • Election and continuing education of the directors • Internal control
			Self-evaluation of the Board members	<ul style="list-style-type: none"> • Familiarity with the goals and missions of the Company • Understanding of director's responsibilities • Level of participation in the Company's operations • Internal relationship management and communication • Professionalism and continuing education of the directors • Internal control
			Self-evaluation of Functional Committee Members (Remuneration Committee, Audit Committee, Corporate Governance and Sustainable Development Committee)	<ul style="list-style-type: none"> • Level of participation in the Company's operations • Understanding of the roles and responsibilities of the functional committee • Improvement of the quality of the functional committee decisions • Composition of the functional committee and the selection of its members • Internal control

Self-evaluation options:

Excellent (strongly agree)	Good (agree)	Average (normal)	Poor (disagree)	Very poor (strongly disagree)
5	4	3	2	1

2024 Self-evaluation results

Performance Evaluation of the Board of Directors and Functional Committees	Average Scores by Dimension
Board of Directors	Between 4.29 and 5
Individual Board members (self-evaluation)	Between 4.79 and 4.92
Remuneration Committee	Between 4.95 and 5
Audit Committee	Between 4.83 and 5
Corporate Governance and Sustainable Development Committee	Between 4.92 and 5

External evaluation in 2024

1. Evaluating organization: EY Business Advisory Services Inc.

2. Evaluation dimensions:

The evaluation was conducted based on eight key dimensions to assess the performance of the Board of Directors of Globe Union. These dimensions included: Structure and Processes of the Board and Functional Committees, Composition of the Board and Functional Committees, Legal Entity and Organizational Structure, Roles and Responsibilities, Behavior and Culture, Training and Development of Directors and Committee Members, Oversight of Risk Control, and Disclosure and Performance Oversight.

3. Evaluation results of the Board of Directors and functional committees:

Structure: Basic

People: Advanced

Process and Information: Basic

Definition of evaluation ratings:	
Basic	Meets the fundamental requirements of regulatory authorities and relevant laws and regulations.
Advanced	Meets the fundamental regulatory requirements and has established effective practices in place, or has taken proactive steps to improve performance in the evaluated dimension.
Benchmark	Exceeds the fundamental regulatory requirements, and the practices implemented serve as a benchmark or model of excellence.

Please refer to the Company's website <https://tw.globeunion.com/investors/corporate-governance/> under "Board and Functional Committee Performance Evaluation Report" in "Other Relevant Documents".

(II) Operation of the Audit Committee:

The term of the 2nd Audit Committee is from August 2, 2021 to May 30, 2024.

The term of the 3rd Audit Committee is from May 30, 2024 to May 29, 2027.

In 2024 and as of the publication date of this Annual Report, the Audit Committee has convened 10 meetings (A), in which 9 meetings were held in 2024. The attendance of the independent directors is as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Notes
Independent Director	Young-Sheng Hsu	4	0	100	As of May 30, 2024, certain members were dismissed following the re-election, with a required attendance of 4 meetings.
Independent Director	Chin-Shan Huang	4	0	100	
Independent Director	Ta-Chin Hsu	4	0	100	
Independent Director	Wen-Yi Fan	9	1	90	
Independent Director	Pi-Ling Hu	6	0	100	As of May 30, 2024, newly elected members assumed office, with a required attendance of 6 meetings. Convener: Pi-Ling Hu
Independent Director	Chien-Chih Sheng	6	0	100	
Independent Director	Hung-Yi Hsiao	5	1	83.33	

Other disclosures:

- I. The date of the Audit Committee meeting, the term, contents of the proposals, dissenting or qualified opinions given by independent directors or contents of major proposed items, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting. (Please see the following description for details)
 - (I) Items specified in Article 14-5 of the Securities and Exchange Act.
 - (II) In addition to matters above, other resolutions that have not been approved by the Audit Committee but have been passed by a vote of two-thirds or more of the entire Board of Directors: None.
- II. When there are recusals of independent directors due to conflicts of interests, names of the independent directors, contents of resolutions, reasons of recusal, and voting participation should be stated: Please refer to page 119.
- III. Independent directors' communication with internal auditors and CPAs (shall include major matters, methods, and results of communication regarding the Company's financial position and business operations):

The Audit Office regularly submits audit reports to the independent directors for review and presents them to the Board of Directors.

CPAs and chief auditors are invited to attend periodic Audit Committee meetings, and related supervisors are also invited as needed. CPAs summarize governance matters audited or reviewed in financial reports and communicate with the Audit Committee in writing or in person. Meetings are arranged depending on the circumstances if there are other individual issues about operation or internal control that require immediate

discussion.

Please visit the Company's website for communication among independent directors, supervisors, chief auditors, CPAs, and the head of accounting:

<https://tw.globeunion.com/investors/corporate-governance/>

Resolutions of the Audit Committee

Audit Committee	Board of Directors	Details of the proposal and subsequent developments	Audit Committee resolution outcome	The Company's response to Audit Committee opinions
The 2nd term The 20th meeting 2024.1.26	The 18th term The 21st meeting 2024.1.26	1. The Company's engagement in trading of derivatives. 2. The Company's application for bank loans.	Proposal approved as proposed by all members in attendance.	Submitted to the Board of Directors for review and approved by the Board of Directors.
The 2nd term The 21st meeting 2024.3.11	The 18th term The 22nd meeting 2024.3.11	1. The Company's 2023 business report and financial statements. 2. 2023 Statement of Internal Control. 3. Capital increase through issuance of new shares by exercising the conversion of employee warrants. 4. Public expense audit case by the CPA. 5. The Company's engagement in trading of derivatives. 6. The Company's application for bank loans.		
The 2nd term The 22nd meeting 2024.4.12	The 18th term The 23rd meeting 2024.4.12	1. The proposal for surplus distribution as cash dividends. 2. Proposal to revise the Company's "Procedure for Non-Assurance Services provided by the CPAs." 3. The Company's engagement in trading of derivatives. 4. The Company's application for bank loans.		
The 2nd term The 23rd meeting 2024.5.9	The 18th term The 24th meeting 2024.5.9	1. Consolidated financial report for Q1 2024. 2. Capital increase through issuance of new shares by exercising the conversion of employee warrants. 3. Inter-company loan to subsidiary extensions. 4. The Company's engagement in trading of derivatives. 5. The Company's application for bank loans.		

Audit Committee	Board of Directors	Details of the proposal and subsequent developments	Audit Committee resolution outcome	The Company's response to Audit Committee opinions
The 3rd term The 1st meeting 2024.6.26	The 19th term The 2nd meeting 2024.6.26	1. The Company's engagement in trading of derivatives. 2. The Company's application for bank loans.	Proposal approved as proposed by all members in attendance.	Submitted to the Board of Directors for review and approved by the Board of Directors.
The 3rd term The 2nd meeting 2024.8.7	The 19th term The 3rd meeting 2024.8.7	1. Consolidated financial report for Q2 2024. 2. The Company's engagement in trading of derivatives.		
The 3rd term The 3rd meeting 2024.11.11	The 19th term The 4th meeting 2024.11.11	1. Consolidated financial report for Q3 2024. 2. The proposal for a capital increase in cash for the Company's subsidiary, GU Plumbing de Mexico, S.A. de C.V. 3. The proposal for changes to the positions of Chief Financial Officer, Financial Manager, and Spokesperson of the Company. 4. Capital increase through issuance of new shares by exercising the conversion of employee warrants. 5. The Company's engagement in trading of derivatives. 6. The Company's application for bank loans.		
The 3rd term The 4th meeting 2024.12.13	The 19th term The 5th meeting 2024.12.13	1. The Company's 2025 corporate budget and business strategy plan. 2. The Company's 2025 annual audit plan. 3. Establishment of the "Sustainable Information Management Regulations". 4. Amendments to the Company's "Internal Control System". 5. The Company's engagement in trading of derivatives. 6. The Company's application for bank loans.		

Audit Committee	Board of Directors	Details of the proposal and subsequent developments	Audit Committee resolution outcome	The Company's response to Audit Committee opinions
The 3rd term The 5th meeting 2024.12.24	The 19th term The 6th meeting 2024.12.24	The collaboration on an urban renewal project involving demolition and reconstruction by Shenzhen Globe Union Enterprise Co., Ltd.	Proposal approved as proposed by all members in attendance.	Submitted to the Board of Directors for review and approved by the Board of Directors.
The 3rd term The 6th meeting 2025.3.6	The 19th term The 7th meeting 2025.3.6	<ol style="list-style-type: none"> 1. The Company's 2024 business report and financial statements. 2. 2024 Statement of Internal Control. 3. Amendments to the Company's Articles of Association. 4. Routine evaluation of CPAs' independence. 5. Public expense audit case by the CPA. 6. Capital increase through issuance of new shares by exercising the conversion of employee warrants. 7. Amendments to the Company's Internal Audit Implementation Rules. 8. The Company's engagement in trading of derivatives. 9. The Company's application for bank loans. 		

Communication among independent directors, chief auditors, CPAs, and the head of accounting

Date	Meeting	Main points of communication	Recommendations and results
2024.3.11	Communication Meetings	Explanations from Ernst & Young CPAs on 2023: 1. Scope of group audit 2. Discussion on accounting and auditing issues 3. Review results from individual review teams Chief auditor: explanation of self-assessment report of 2023.	No objection No objection No objection No objection
2024.3.11	Audit Committee Board of Directors	Explanation from Ernst & Young CPAs on the 2023 financial statement audit 1. Matters of communication with the corporate governance department and management (I) CPA independence (II) Contents of the Customer Statement (III) Scope of group audit (IV) Post-audit consolidated financial position (V) Key audit matters (VI) Expected audit opinion to be issued by the CPAs in 2023 2. Update of securities regulations	No objection No objection No objection No objection No objection No objection No objection
2024.3.11	Audit Committee Board of Directors	First internal audit report of 2024: Audit plan achievement rate and deficiencies and abnormalities in audit items.	No objection
2024.5.9	Audit Committee Board of Directors	Second internal audit report of 2024: Audit plan achievement rate and deficiencies and abnormalities in audit items.	No objection
2024.8.7	Communication Meetings	Explanations from Ernst & Young CPAs 1. Review of the consolidated financial status and performance 2. Identification and tracking of accounting and auditing issues 3. Review conclusion to be issued by the CPAs 4. Annual audit planning Audit supervisor: report on the implementation of the audit plan.	No objection No objection No objection No objection No objection
2024.8.7	Audit Committee Board of Directors	Third internal audit report of 2024: Audit plan achievement rate and deficiencies and abnormalities in audit items.	No objection
2024.12.13	Audit Committee Board of Directors	Fourth internal audit report of 2024: Audit plan achievement rate and deficiencies and abnormalities in audit items. Discussion and approval of the 2025 audit plan.	No objection No objection

Date	Meeting	Main points of communication	Recommendations and results
2025.3.4	Communication Meetings	<p>Explanations from Ernst & Young CPAs on 2024:</p> <ol style="list-style-type: none"> 1. Scope of group audit. 2. Discussion on accounting and auditing issues. 3. Key audit matters. 4. Post-audit consolidated financial position. <p>Chief auditor: explanation of self-assessment report of 2024.</p>	<p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p>
2025.3.6	Audit Committee Board of Directors	<p>Explanation from Ernst & Young CPAs on the 2024 financial statement audit</p> <ol style="list-style-type: none"> 1. Matters of communication with the corporate governance department and management <ol style="list-style-type: none"> (I) CPA independence (II) Contents of the Customer Statement (III) Scope of group audit (IV) Post-audit consolidated financial position (V) Key audit matters (VI) Audit opinions of the CPAs in 2024 2. Update of securities regulations 	<p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p> <p>No objection</p>
2025.3.6	Audit Committee Board of Directors	<p>First internal audit report of 2025:</p> <p>Audit plan achievement rate and deficiencies and abnormalities in audit items.</p>	No objection

Supervisor participation in Board affairs: Not applicable; the Company has an established Audit Committee.

(III) Corporate governance implementation and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reason for such deviations:

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
I. Has the company defined and disclosed its corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has formulated a Corporate Governance Code of Practice for promoting the operation of corporate governance. Disclosure is also carried out on the Market Observation Post System and the corporate website.	No significant difference.
II. Shareholding structure & shareholders' equity (I) Has the company defined internal operating procedures for dealing with shareholder proposals, doubts, disputes, and litigation as well as implemented those procedures?	✓		To protect the interest of shareholders, the Company has appointed a spokesperson and deputy spokesperson to handle shareholder proposals or disputes.	No significant difference.
(II) Does the company have a list of major shareholders that have actual control over the company and a list of ultimate owners of those major shareholders?	✓		The Company discloses the list of major shareholders and the list of ultimate owners of major shareholders in accordance with applicable regulations, and legitimately reports any changes in information.	No significant difference.
(III) Has the company established and implemented risk management and firewall systems within its conglomerate structure?	✓		The Company has established and implemented the relevant controls in its internal control system.	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(IV) Does the company have internal regulations in place to prevent its internal staff from trading securities based on information yet to be public on the market?	✓		The Company has established the Insider Trading Prevention Rules prohibiting internal personnel and employees against using information not yet disclosed to the market for profit.	No significant difference.
III. Composition and responsibilities of the Board of Directors (I) Has the Board of Directors devised and implemented a plan for a more diverse composition of the board with concrete management goals?	✓		The Corporate Governance Code of Practice specifies that the members of the Company's Board of Directors shall be selected with an emphasis on diversity of backgrounds, general knowledge, skills, and the competencies required to perform incumbent duties. The nominations and selections of Board members are governed by the Company's Articles of Association, which mandate a candidate nomination system for directors. This system involves a careful evaluation of the qualifications of directors nominated by shareholders and complies with the "Director Election Regulations" to ensure the diversity and independence of the Board members. For details on the diversity policy, specific management objectives, and the implementation thereof, please refer to the disclosure on Board diversity and independence provided on pages 20 to 24.	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) In addition to establishing a Remuneration Committee and an Audit Committee, which are required by law, is the company willing to voluntarily establish other types of functional committees?	✓		The Company has established a Remuneration Committee and an Audit Committee in accordance with the law. On November 6, 2023, the Board of Directors resolved to establish a Committee on Corporate Governance and Sustainable Development.	No significant difference.
(III) Has the company established guidelines and methods for evaluating the performance of the Board of Directors, conducted performance evaluation annually, reported the results to the Board, and used the results as a reference for the remuneration, nomination, and reelection of individual directors?	✓		The Board of Directors passed the Board of Directors Self-Evaluation or Peer Evaluation Regulations on March 29, 2019, and revised the name of the regulations according to law to the Board of Directors Performance Evaluation Guidelines on December 10, 2020. In 2024, self-assessments and external evaluations were conducted, with the results presented to the Board of Directors on March 6, 2025. These results are intended to be linked as references for individual directors' compensation, remuneration, and renomination in the future.	No significant difference.
(IV) Does the company regularly evaluate the independence of CPAs?	✓		The Company has a voluntary rotation mechanism in place for accountants. The Board of Directors approves all changes of the CPA. Starting in 2015, the Board of Directors assesses the independence of the accountants every year in accordance with Article 29 of the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies. Assessment of the independence of CPAs: On March 11, 2024, the Audit Committee and Board of Directors discussed the matter,	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(IV) Does the company regularly evaluate the independence of CPAs?	✓		<p>reviewing accountant fees and referring to Audit Quality Indicators (AQIs) information to evaluate the independence and suitability of CPAs. The evaluation covered five major aspects—professionalism, independence, quality control, supervision, and innovation—and 13 indicators, revealing details at the firm, industry average, and individual case levels. The meeting concluded that Ernst & Young Certified Public Accountants Chin-Yuan Tu and Wen-Chen Lo both met the standards of independence evaluation and were deemed fit to serve as the Company's financial and tax CPAs.</p> <p>To ensure the independence of the certifying accounting firm, evaluations were conducted based on Article 47 of the Certified Public Accountant Act and the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10 Integrity, Objectivity and Independence, specifically focusing on integrity, impartiality, objectivity, and independence. Key assessment items included whether the accountants had any relational, business, or financial interests with the Company; verification that accountants held no Company shares, did not serve in any positions within the Company, and had no financial interests or business interactions outside of certification and related tax matters. It also confirmed that accountants and audit team members had not served as directors, managers, or</p>	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(IV) Does the company regularly evaluate the independence of CPAs?	✓		held influential positions within the Company in the past two years, nor did they have any familial relations with such personnel. On March 6, 2025, the Audit Committee and Board of Directors reconvened to periodically assess the independence of CPAs, review accountant fees, and examine AQIs alongside the roles, responsibilities, and independence declarations of CPAs. They also reviewed the Company's assessment forms for the independence and suitability of CPAs, leading to a resolution approving these evaluations.	No significant difference.
IV. For TWSE/TPEX-listed companies, are there suitable persons in an appropriate number and designated supervisors for corporate governance to take charge of related matters (including but not limited to providing directors and supervisors with materials required for them to carry out their tasks, helping directors and supervisors comply with the law, taking care of Board of Directors' meetings and shareholders' meetings as required by law, and preparing minutes of Board of Directors' meetings and shareholders' meetings)?	✓		In response to the resignation of the former corporate governance officer, the Board of Directors resolved on November 11, 2024, that Vice President Nelson Lin would assume the roles of Chief Financial Officer, Financial Manager, and Corporate Governance Officer starting January 1, 2025. The previous Corporate Governance Officer, Eric Chen, was appointed on April 13, 2021, through a Board resolution. The Corporate Governance Officer is responsible for corporate governance-related affairs, aimed at strengthening the functions of the Board of Directors. Key responsibilities include providing necessary information to the Remuneration Committee and directors (including independent directors) for business execution, assisting with compliance, and managing tasks related to the Remuneration Committee, Audit Committee, Board of	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
IV. For TWSE/TPEX-listed companies, are there suitable persons in an appropriate number and designated supervisors for corporate governance to take charge of related matters (including but not limited to providing directors and supervisors with materials required for them to carry out their tasks, helping directors and supervisors comply with the law, taking care of Board of Directors' meetings and shareholders' meetings as required by law, and preparing minutes of Board of Directors' meetings and shareholders' meetings)?	✓		Directors, and shareholders' meetings. Additional duties include promoting and planning ESG reports. In 2024, meetings held include 10 for the Board of Directors, 9 for the Audit Committee, 5 for the Remuneration Committee, and 1 for the Corporate Governance and Sustainable Development Committee. For detailed executions of the Company's businesses and duties in 2024, please visit the Company's website https://tw.globeunion.com/investors/corporate-governance/ Operation and execution of the specific unit of corporate governance For continuing education of the corporate governance officer in 2024, please see supplement 2 below.	No significant difference.
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including without limitation shareholders, employees, customers, suppliers, etc.), and properly respond to corporate social responsibility issues that stakeholders are concerned about?	✓		The Company has set up a dedicated stakeholder section, available at https://tw.globeunion.com/stakeholders/ , with mailboxes of the spokesperson, deputy spokesperson and representatives on key CSR issues, in hopes of achieving effective and smooth communication and protecting the reasonable and legal rights of both parties.	No significant difference.
VI. Has the company designated a professional shareholder service agency to deal with matters of the shareholders' meeting?	✓		The Company has appointed the transfer agency department of Sinopac Securities to handle matters relating to the shareholders' meeting and investor affairs.	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
VII. Disclosure of Information				
(I) Has the company established a corporate website to disclose information regarding the company's financial, business, and corporate governance status?	✓		The Company discloses information regarding the Company's financial position, business, and corporate governance on the corporate website. The Company files the Company's financial and business information regularly and irregularly in accordance with relevant laws and regulations.	No significant difference.
(II) Has the company established other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, or webcasting investor conferences on the company website)?	✓		The Company appointed a spokesperson and deputy spokesperson in accordance with regulations, and has dedicated personnel to handle issues of institutional investors and other investors. Related departments are responsible for disclosing information on our Chinese and English-language website.	No significant difference.
(III) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the Q1, Q2 and Q3 financial reports and operating status of each month within the prescribed deadline?		✓	The Company currently announces and declares our annual financial report within three months after the end of the fiscal year, and declares Q1, Q2 and Q3 financial reports and operating status of each month within the prescribed period.	No significant difference.
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (including but not limited to employee rights,	✓		(I) Employee rights and care: The Company has always treated employees with honesty. We protect the legal rights of employees in accordance with the Labor Standards Act and	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors?)			<p>have established an employee welfare committee. A range of employee benefits as well as education and training are used to build a relationship of mutual trust with employees.</p> <p>(II) Investor relations: The Company has appointed a spokesperson to handle suggestions from shareholders and answer their queries in as much detail as possible, so that they better understand our operations and business situation. We handle matters before/after the shareholders' meeting in accordance with the Company Act and related laws and regulations, fully disclose relevant information, and simultaneously announce material information in Chinese and English to fully protect shareholders' right to know, so that they can participate or make a decision on this basis.</p> <p>(III) The Company maintains a positive relationship with our suppliers.</p> <p>(IV) We respect the rights of stakeholders. Stakeholders can communicate and make suggestions to the Company in order to protect their legal rights.</p> <p>(V) For continuing education of the Company's directors and supervisors, please see Supplement 1 below.</p> <p>(VI) Implementation of risk management policies and risk assessment standards: Please refer to pages 160 to 166 for the risk management section.</p>	No significant difference.

Evaluation item	Operating status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors?)			<p>(VII) The Company maintains a stable and positive relationship with customers in order to generate profits.</p> <p>(VIII) The Company has purchased liability insurance for all directors, covering the period from December 31, 2024, to December 31, 2025. On March 6, 2025, the insured amount (US\$7.5 million), coverage scope, and insurance rates were reported to the Board of Directors. Insurance coverage is disclosed on the Market Observation Post System in accordance with regulations.</p>	No significant difference.
<p>IX. Explain improvements made according to Corporate Governance Evaluation results released in the most recent year by the Corporate Governance Center of Taiwan Stock Exchange and provide priorities to be reinforced and measures among those pending improvement: The results of the 10th Corporate Governance Evaluation were presented to the Company's 19th Board of Directors, during its 3rd meeting on August 7, 2024.</p> <p>Among the un-scored items in the 10th Corporate Governance Evaluation results:</p> <p>Current improvements: Reporting the remuneration received by directors during the shareholders' meeting. Identification of stakeholders' identities, key issues of concern, communication channels, and response methods. Disclose information related to corporate governance, strategy, risk management, metrics, and targets concerning climate-related risks and opportunities, in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD).</p> <p>Not yet improved but prioritized items: Company internal auditors obtain certifications such as Certified Internal Auditor (CIA) and other relevant international credentials.</p>				

Supplement 1 Continuing education for the Company's directors (including independent directors) and supervisors:

Name	Title	Date	Organizer	Course Name	Training Hours
Shane Ouyang	Institutional Director Representative of the Chairman	2024/11/11	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	3
		2024/12/11	Taiwan Corporate Governance Association	Company's Regulatory Compliance and Directors' Oversight Responsibilities	3
Hung-Kuang Lin	Institutional Director Representative of the Directors	2024/3/13	Taiwan Corporate Governance Association	Corporate Governance and Sustainable Development	1
		2024/4/9	Taiwan Corporate Governance Association	Benefits of Circular Economy and Opportunities in Sustainable Finance	2
		2024/5/2	Taiwan Corporate Governance Association	Corporate Cybersecurity Landscape under Digital Resilience	1
		2024/8/9	Taiwan Corporate Governance Association	Corporate Sustainable Governance Essentials: Managing External Impacts through Diversified Strategies to Create Positive Corporate Value	3
		2024/10/02	Taiwan Corporate Governance Association	Anti-Money Laundering and Combating the Financing of Terrorism	2
		2024/11/11	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	3
		2024/11/12	Taiwan Corporate Governance Association	Fair Treatment, Friendly Finance, and Integrity in Business Operations	2
Ta-Chin Hsu	Institutional Director Representative of the Directors	2024/10/28	Taiwan Corporate Governance Association	Global Trend Analysis - Risks and Opportunities	3
		2024/11/29	Taiwan Corporate Governance Association	Digital Technology and Cybersecurity Risk Management	3
Yuan-Lung Luo	Institutional Director Representative of the Directors	2024/1/30	Taiwan Corporate Governance Association	Understanding Corporate Cybersecurity Threats Through Cybersecurity Cases	3
		2024/6/28	Securities & Futures Institute	Director and Corporate Governance Executive Series - Analysis and Practice of Nature-Related Financial Disclosures	3
		2024/8/9	Taiwan Corporate Governance Association	Green Energy, Certificates, and Sustainability Invoices - The Path to Corporate Net-Zero	3

Name	Title	Date	Organizer	Course Name	Training Hours
Todd Alex Talbot	Institutional Director Representative of the Directors	2024/12/11	Taiwan Corporate Governance Association	Company's Regulatory Compliance and Directors' Oversight Responsibilities	3
Pi-Ling Hu	Independent Director	2024/6/19	Securities & Futures Institute	Director and Corporate Governance Executive Series - Establishing Facts for Breach of Trust and Special Breach of Trust Crimes	3
		2024/7/26	Taiwan Corporate Governance Association	Insider Trading Prevention and Response	3
		2024/7/30	Taiwan Corporate Governance Association	How the Board (Sustainability Committee) Reviews Sustainability Reports	3
		2024/11/11	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	3
Chien-Chih Sheng	Independent Director	2024/4/18	Taiwan Institute of Directors	Perspectives on Wealth Succession	3
		2024/7/26	Taiwan Corporate Governance Association	Insider Trading Prevention and Response	3
		2024/8/8	The Allied Association for Science Park Industries	Strengthening Corporate Sustainability - Turning ESG Risks into Opportunities for Building Corporate Sustainable Competitiveness	3
		2024/8/8	The Allied Association for Science Park Industries	Common Oversights in Estate and Gift Taxes and Insights into Real Estate Succession	3
Wen-Yi Fan	Independent Director	2024/9/20	Securities & Futures Institute	2024 Insider Trading Prevention Advocacy Meeting	3
		2024/11/11	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	3
Hung-Yi Hsiao	Independent Director	2024/7/31	Institute of Financial Law and Crime Prevention	Analysis of Common Shortcomings and Penalty Cases in the Financial Industry & Prevention of Workplace Sexual Harassment	3
		2024/10/4	Securities & Futures Institute	2024 Insider Trading Prevention Advocacy Meeting	3

Supplement 2 For continuing education of the corporate governance officer (Eric Chen):

Date of Training	Course Organizer	Course Name	Training Hours	The total number of annual training hours
2024/4/30	Taiwan Corporate Governance Association	Practical Operations of the Sustainability Development Committee (Chief Sustainability Officer and Working Group)	3	12
2024/7/26	Taiwan Corporate Governance Association	Insider Trading Prevention and Response	3	
2024/11/11	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	3	
2024/12/11	Taiwan Corporate Governance Association	Company's Regulatory Compliance and Directors' Oversight Responsibilities	3	

(IV) Composition and operating status of the Remuneration Committee:

Members of the Remuneration Committee

March 25, 2025

Qualifications		Professional Qualifications and Experiences	Independence	Number of other public companies in which the member also serves as a member of their remuneration committee
Identity Type	Name			
Independent Director Convener	Wen-Yi Fan	Please refer to page 19 for relevant information on the Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors.		0
Independent Director	Chien-Chih Sheng	Please refer to page 19 for relevant information on the Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors.		2
Independent Director	Hung-Yi Hsiao	Please refer to page 20 for relevant information on the Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors.		0

Qualifications		Professional Qualifications and Experiences	Independence	Number of other public companies in which the member also serves as a member of their remuneration committee
Identity Type	Name			
Other	Kuan-Chun Wang	<p>He has a master's degree in labor and human resources at the Institute of Chinese Culture University. He is currently the executive consultant and lecturer of the Chinese Human Resource Management Association. He served as the human resources vice president of HTC Corporation, executive consultant of Chinese Human Resource Management Association, human resources director of Philips Taiwan Ltd., human resources assistant vice president of NCR Systems Taiwan Ltd., human resources assistant vice president at head office of Fresh Delight, human resources director of TSMC, and human resources vice president of Quanta Computer Inc.</p> <p>Mr. Kuan-Chun Wang has more than 30 years of practical experience in human resource management of listed companies. Using his expertise, he supervises the performance evaluation, remuneration policy, and remuneration of directors and managers. He achieved sound corporate governance and strengthened the Boards' remuneration management functions.</p>	<ol style="list-style-type: none"> 1. A natural-person shareholder and shareholder's spouse do not hold any shares of the Globe Union Industrial Corp. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	0

Qualifications		Professional Qualifications and Experiences	Independence	Number of other public companies in which the member also serves as a member of their remuneration committee
Identity Type	Name			
Other	Chin-Shan Huang	He has a master's degree in management at Cambridge College Boston. He is currently the chairman and chief consultant of Three Win Management Consulting Corp. and served as the president at Thunder Tiger Co., Ltd.; consultant at Tai Cheng Consulting Co., Ltd; and vice president at Fu Ying Metal Co., Ltd. Mr. Chin-Shan Huang possesses expertise in business management, operational optimization, industry analysis, and risk management. He previously served as an Independent Director of the Company, a member of the Audit Committee, and the Convener of the Remuneration Committee.	<ol style="list-style-type: none"> 1. Holds 541 shares of Globe Union Industrial Corp., with a shareholding ratio of 0%. 2. A natural-person shareholder, shareholder's spouse, or kinship within the second degree does not serve as directors, supervisors, or employees of Globe Union Industrial Corp., its affiliates, or companies that have a specific relationship with Globe Union Industrial Corp. 3. Not a professional who provides commercial, legal, financial, accounting services to Globe Union Industrial Corp. or its affiliates in the last two years. 	0

Roles and Responsibilities of the Remuneration Committee

The Company's Remuneration Committee members must exercise the care of a prudent manager to fulfill the following duties, and offer recommendations to the Board of Directors for discussion:

1. Establish and conduct regular reviews of the policies, systems, standards, and structures for performance appraisal and remuneration of the Company's directors and managers.
2. Regularly review and establish remuneration of directors and managers.

The Committee shall convene at least twice a year and may call a meeting at its discretion whenever necessary.

Operation of the Remuneration Committee

1. The current Remuneration Committee has 5 members.
2. 5th Committee Term: From August 10, 2021 to May 30, 2024
6th Committee Term: From June 26, 2024 to May 29, 2027

The Remuneration Committee held 7 meetings (A) (5 times in 2024) in 2024 and as of the printing date of this Annual Report. The qualifications and attendance of the committee members are as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Notes
Convener	Wen-Yi Fan	6	1	85.71	Continued to serve on the 6th term committee (independent director)
Independent Director	Chien-Chih Sheng	4	0	100	As of May 30, 2024, newly elected Board members assumed office, with a required attendance of 4 meetings.
Independent Director	Hung-Yi Hsiao	4	0	100	
Committee member	Kuan-Chun Wang	7	0	100	Continued to serve on the 6th term committee
Committee member	Chin-Shan Huang	7	0	100	Continued to serve on the 6th term committee
Committee member	Chao-Tang Yue	3	0	100	As of May 30, 2024, certain Board members were dismissed following the Board re-election, with a required attendance of 3 meetings.
Independent Director	Young-Sheng Hsu	3	0	100	
Other disclosures:					
I. In the event that a Remuneration Committee recommendation is rejected or amended in a Board of Directors meeting, please describe the date and session of the meeting, content of motion, the Board's resolution, and the way the company handled the Remuneration Committee's opinions (describe the differences and reasons, if any, should the Board of Directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): N/A.					
II. If a member had dissenting or qualified opinion on record or stated in writing regarding any resolution passed by the Remuneration Committee, describe the date of committee meeting, term of the committee, content of motion, opinions of all members, and actions taken by the company in response to the opinion of members: Please see the following description for details of the resolutions.					

Resolutions of the Remuneration Committee:

Important resolutions reached by the Remuneration Committee in 2024 and up to the publication of the annual report are as follows:

Meeting date	Details of the proposal and subsequent developments	Remuneration Committee opinions	The Company's handling of the opinions of the Remuneration Committee
The 5th term The 11th meeting 2024.1.26	<ol style="list-style-type: none"> 1. Reviewed the year-end and performance bonuses for managers in 2023. 2. Reviewed the Company's managers' remuneration adjustment. 3. Reviewed the disbursement of severance pay for manager of the Company. 	Proposal approved as proposed by all members in attendance.	1.-2. N/A 3.Submitted to and approved by the Board of Directors.
The 5th term The 12th meeting 2024.3.11	<ol style="list-style-type: none"> 1. Approved the proposed remuneration for directors and employees in 2023. 2. Reviewed policies, systems, standards, and structure for performance appraisal and remuneration of directors, and the regular assessment of remuneration to directors. 3. Reviewed the policies, systems, standards, and structure for performance appraisal and remuneration of managers, and the regular assessment of remuneration to managers. 4. Reviewed the Company's managers' remuneration adjustment. 	Proposal approved as proposed by all members in attendance.	1. Submitted to and approved by the Board of Directors. 2.-4. N/A
The 5th term The 13th meeting 2024.5.9	<ol style="list-style-type: none"> 1. Review of the Company's proposed managerial appointment and remuneration plan. 2. Review of the Company's allocation of employee remuneration for 2023. 	Proposal approved as proposed by all members in attendance.	1. Submitted to and approved by the Board of Directors. 2. N/A
The 6th term The 1st meeting 2024.7.26	<ol style="list-style-type: none"> 1. Review of the salary adjustment proposal for the promotion of the subsidiary's Vice President to the Group Chief Operating Officer. 2. Review of the salary adjustment proposal for the promotion of the Company's Senior Assistant Vice President to Vice President. 3. Reviewed the proposed salary raises for managers in 2024. 4. Discussed Remuneration Committee's work plan for 2025. 	Proposal approved as proposed by all members in attendance.	1.-2.Submitted to and approved by the Board of Directors. 3.-4. N/A

Meeting date	Details of the proposal and subsequent developments	Remuneration Committee opinions	The Company's handling of the opinions of the Remuneration Committee
The 6th term The 2nd meeting 2024.11.11	<ol style="list-style-type: none"> 1. Formulation of the list of shareholders and their respective stock quantities for the second issuance of employee stock options in 2023. 2. Review of the severance package proposal for the Company's managerial staff. 	Proposal approved as proposed by all members in attendance.	Submitted to and approved by the Board of Directors.
The 6th term The 3rd meeting 2025.1.22	<ol style="list-style-type: none"> 1. Reviewed the year-end and performance bonuses for managers in 2024. 2. Reviewed the Company's managers' remuneration adjustment. 	Proposal approved as proposed by all members in attendance.	N/A
The 6th term The 4th meeting 2025.3.4	<ol style="list-style-type: none"> 1. Approved the proposed remuneration for directors and employees in 2024. 2. Reviewed policies, systems, standards, and structure for performance appraisal and remuneration of directors, and the regular assessment of remuneration to directors. 3. Reviewed the policies, systems, standards, and structure for performance appraisal and remuneration of managers, and the regular assessment of remuneration to managers. 4. Reviewed the proposal for adjustments to the distribution of year-end performance bonuses for the Company's managers in 2024. 	Proposal approved as proposed by all members in attendance.	<ol style="list-style-type: none"> 1. Submitted to and approved by the Board of Directors. 2.-4. N/A

(V) Sustainable Development implementation and deviations from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the reason for such deviations:

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Has the Company established a governance framework to promote sustainable development and a dedicated department (or have another department be responsible for related efforts) for fulfilling sustainable development, with the Board of Directors authorizing high-level managers to handle such efforts, and having relevant progress be supervised by the Board of Directors?	✓		<ol style="list-style-type: none"> 1. In November 2023, the Company established the Corporate Governance and Sustainable Development Committee, with the Chairman serving as the highest decision-maker of the Committee. Regular meetings of the committee and the Board of Directors are held annually. During these meetings, the Chairman and President lead the highest-ranking ESG sustainability officer to report to the committee on the impact assessment of ESG and climate change on the Group's operations and the progress in achieving sustainability goals. Upon the Committee's resolution and approval, the Board of Directors is responsible for reviewing the annual outcomes and guiding the sustainable development strategy. 2. The Company has set up an ESG Sustainability Task Force, led by the Chairman and President, who is the highest responsible person of the unit. This initiative leads senior management to identify sustainability issues of concern to the Company's operations and stakeholders, thereby formulating strategies and promoting sustainability-related tasks. The ESG Sustainability Initiative regularly convenes meetings to review the implementation of goals and the execution of results. It also consolidates the results of sustainable projects and the progress of greenhouse gas inventories, reporting quarterly to the Board of Directors. 3. The Corporate Governance and Sustainable Development Committee convened once in 2024, discussing the following agenda items: <ol style="list-style-type: none"> (1) Review of the Company's 2023 ESG Report (2) Approval of the Company's 2024 sustainability development and greenhouse gas inventory execution plans 	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
			4. The Board of Directors annually listens to reports from the Committee and the management team on the current year's execution of ESG, plans and goals for the subsequent year, and regularly reviews the progress of implementation. The Board also regularly reviews and supervises the progress of strategies and urges the management team to make adjustments when necessary.	
II. Does the Company perform assessments of risks in environmental, social, and corporate governance issues relevant to its business activities and devise risk management policies and strategies accordingly?	✓		<p>1. The Company regularly sends out surveys on major issues to stakeholders to understand the sustainability issues they prioritize. The identification of these major issues is conducted according to the reporting principles of the GRI (Global Reporting Initiative) standards. The issues are categorized into three main areas: environment, society, and corporate governance. The scope of risk assessment primarily focuses on the Company itself, with subsidiaries included in the evaluation framework.</p> <p>2. The ESG Sustainability Task Force conducts analysis based on the materiality principle of the sustainability report. They communicate with internal and external stakeholders, and review domestic and foreign research reports and documents and integrate the evaluation information given by various departments and subsidiaries to evaluate major ESG issues. They formulate risk management policies for effective identification, measurement, monitoring and control, and take specific actions to reduce the impact of related risks.</p> <p>3. Based on the risks after the assessment is made, formulate relevant management policies for major issues related to the environment, society and corporate governance as below:</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons														
	Yes	No	Summary															
II. Does the Company perform assessments of risks in environmental, social, and corporate governance issues relevant to its business activities and devise risk management policies and strategies accordingly?	✓		<table><tr><th>Major Issues</th><th>Risk Evaluation Item</th><th>Explanation</th></tr><tr><td rowspan="2">Environmental</td><td rowspan="2">Energy Management</td><td>1. Continue implementing the thermal energy recovery system (ceramics factory). 2. Promote improvement incentive programs. 3. Gradually replace the transportation fleet to enhance transportation efficiency. 4. Adopt renewable energy power sources.</td></tr><tr><td></td></tr><tr><td rowspan="3">Social</td><td>Talent Attraction and Retention</td><td>1. Emphasize a diverse and inclusive workplace while providing healthcare services. 2. Offer a variety of educational training and career development opportunities. 3. Enhance employee satisfaction and retention rates through benefit measures.</td></tr><tr><td>Customer Health and Safety</td><td>1. Become the preferred choice for customers by providing long-term and high-quality services. 2. Ensure products comply with regional regulations and customer requirements.</td></tr><tr><td>Innovative Products and Technology</td><td>1. Continue pursuing innovative designs and participating in international awards. 2. Focus on quality management and keep pace with market-leading brands.</td></tr></table>	Major Issues	Risk Evaluation Item	Explanation	Environmental	Energy Management	1. Continue implementing the thermal energy recovery system (ceramics factory). 2. Promote improvement incentive programs. 3. Gradually replace the transportation fleet to enhance transportation efficiency. 4. Adopt renewable energy power sources.		Social	Talent Attraction and Retention	1. Emphasize a diverse and inclusive workplace while providing healthcare services. 2. Offer a variety of educational training and career development opportunities. 3. Enhance employee satisfaction and retention rates through benefit measures.	Customer Health and Safety	1. Become the preferred choice for customers by providing long-term and high-quality services. 2. Ensure products comply with regional regulations and customer requirements.	Innovative Products and Technology	1. Continue pursuing innovative designs and participating in international awards. 2. Focus on quality management and keep pace with market-leading brands.	No significant difference.
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Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons						
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II. Does the Company perform assessments of risks in environmental, social, and corporate governance issues relevant to its business activities and devise risk management policies and strategies accordingly?			<table><tr><th>Major Issues</th><th>Risk Evaluation Item</th><th>Explanation</th></tr><tr><td>Corporate Governance</td><td>Operational Performance</td><td>1.Enhance the influence of proprietary brands, expand product and channel landscapes, and plan for long-term growth. 2.Flexibly utilize OEM capabilities in faucet hardware and sanitary ceramics, complementing proprietary brands to strengthen customer loyalty among retail channel partners. 3.Diversify the customer base of the UK warehousing and logistics business (PJH) and improve adaptability to market changes.</td></tr></table>	Major Issues	Risk Evaluation Item	Explanation	Corporate Governance	Operational Performance	1.Enhance the influence of proprietary brands, expand product and channel landscapes, and plan for long-term growth. 2.Flexibly utilize OEM capabilities in faucet hardware and sanitary ceramics, complementing proprietary brands to strengthen customer loyalty among retail channel partners. 3.Diversify the customer base of the UK warehousing and logistics business (PJH) and improve adaptability to market changes.	No significant difference.
Major Issues	Risk Evaluation Item	Explanation								
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III. Environmental topics (I) Has the company developed an appropriate environmental management system, given its distinctive characteristics?	✓		The Company's manufacturing sites identify, comply with, and meet environmental regulatory requirements according to local laws, while continuously implementing environmental protection and improvement measures. The subsidiary, Milim G&G Ceramics Co., Ltd., has established an environmental management system in accordance with ISO 14001 and continues to obtain third-party verification (certificate valid from April 23, 2024, to March 25, 2027).	No significant difference.						

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Is the company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?	✓		<p>The Company actively promotes various energy reduction measures, selecting high-efficiency and energy-saving equipment to optimize energy usage and reduce internal energy consumption, while continually evaluating the use of renewable energy. The subsidiary, Milim G&G Ceramics Co., Ltd., has obtained ISO 50001 certification (certificate valid from April 13, 2022, to April 12, 2025). In 2024, the increase in renewable energy consumption was slightly higher by 2% compared to 2023. Moving forward, the Company plans to continue expanding renewable energy generation facilities and gradually increase the usage of renewable energy year by year.</p> <p>The subsidiary primarily sources raw materials locally to reduce carbon emissions during transportation and continuously integrates resources to achieve circular reuse. This includes recycling process materials, reducing pollution during manufacturing, minimizing waste, recovering residual heat, and reusing water, thereby lowering environmental impact. The Company remains committed to green manufacturing and reducing unnecessary resource waste. Along the value chain, efforts are made to jointly develop recyclable product packaging. In product design, the use of recyclable materials with low environmental impact is prioritized, alongside active development of water-saving kitchen and bathroom products to maximize the benefits of a circular economy.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(III) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		<p>The Company's Board of Directors serves as the highest decision-making body for climate-related issues, and has established the Corporate Governance and Sustainable Development Committee (the Committee), chaired by the Chairman. The committee annually reviews the Company's climate change strategies and targets, actions to manage climate change risks and opportunities, execution progress, and discusses future plans, subsequently reporting to the Board of Directors.</p> <p>In accordance with the framework outlined in the Financial Stability Board (FSB)'s Task Force on Climate-related Financial Disclosures (TCFD) recommendations, the Company evaluates climate change risks and opportunities, conducts comprehensive assessments periodically, and reviews updates annually. The latest climate risk assessment was recently completed, identifying the major risks as follows: the increasing severity of extreme weather events, rising raw material costs, carbon taxes and fees, and changes in customer consumption behavior.</p> <p>To mitigate these risk factors, the Company concurrently identifies feasible opportunities and formulates response measures. In terms of climate change mitigation, efforts include advancements in energy management, carbon data disclosure, and renewable energy development. In terms of climate change adaptation, the Company has implemented strengthened infrastructure measures and optimized water resource utilization.</p> <p>For more detailed assessments and response measures related to climate change risks and opportunities, refer to Climate-Related Information for Listed Companies of this year's Annual Report on Page 94.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons																																
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(IV) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water use reduction, or waste management?	✓		<p>[Greenhouse Gas Management] Currently, only the parent company in Taiwan and the subsidiary, Milim G&G Ceramics Co., Ltd. (ceramics factory), have conducted greenhouse gas (GHG) inventories in accordance with the ISO 14064-1:2018 standard, completing the assessments for Scope 1 and Scope 2 emissions.</p> <p>Greenhouse gas emissions over the past two years:</p> <table> <tr> <th colspan="2">Year</th> <th>2023</th> <th>2024</th> </tr> <tr> <th colspan="2">Item (Unit)</th> <th>Emissions (tons of CO2 equivalent)</th> <th>Emissions (tons of CO2 equivalent)</th> </tr> <tr> <td rowspan="3">Parent company</td> <td>Scope 1</td> <td>21.2272</td> <td>23.0696</td> </tr> <tr> <td>Scope 2</td> <td>340.1684</td> <td>369.9570</td> </tr> <tr> <td>Sub-total</td> <td>361.3956</td> <td>393.0266</td> </tr> <tr> <td rowspan="3">Milim</td> <td>Scope 1</td> <td>22,816.3516</td> <td>25,003.6434</td> </tr> <tr> <td>Scope 2</td> <td>21,308.2330</td> <td>27,285.5239</td> </tr> <tr> <td>Sub-total</td> <td>44,124.5846</td> <td>52,289.1673</td> </tr> <tr> <td colspan="2">Total</td> <td>44,485.9802</td> <td>52,682.1939</td> </tr> </table> <p>In 2024, the Scope 1 and Scope 2 GHG emissions of the Company and the subsidiary, Milim G&G Ceramics Co., Ltd. (ceramics factory) totaled 52,682.1939 tons CO₂e, with Scope 1 direct emissions and Scope 2 indirect electricity-related emissions roughly split in half, accounting for 47.51%</p>	Year		2023	2024	Item (Unit)		Emissions (tons of CO2 equivalent)	Emissions (tons of CO2 equivalent)	Parent company	Scope 1	21.2272	23.0696	Scope 2	340.1684	369.9570	Sub-total	361.3956	393.0266	Milim	Scope 1	22,816.3516	25,003.6434	Scope 2	21,308.2330	27,285.5239	Sub-total	44,124.5846	52,289.1673	Total		44,485.9802	52,682.1939	No significant difference.
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Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(IV) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water use reduction, or waste management?	✓		<p>and 52.49%, respectively. The main reason for the increase in carbon emissions in 2024 was the emission factor data for provincial electricity announced by the Ministry of Ecology and Environment of the People's Republic of China in December 2024, which was higher than the coefficients obtained in 2023, leading to a significant increase in Scope 2 emissions for the subsidiary. Additionally, production in 2024 increased by nearly 460,000 units compared to 2023. The greenhouse gas emissions per unit of product in 2024 amounted to 0.0155 tons CO₂e/metric ton, slightly higher than the 0.0151 tons CO₂e/metric ton recorded the previous year. Key reduction measures at the factory level include the use of renewable energy, recovery, and reuse of residual heat from production processes, regular reviews of equipment and processes, replacement of high-energy-consuming equipment, and process optimization. In office areas, lighting equipment is being gradually replaced with LED fixtures, equipment is regularly maintained to reduce energy consumption, and energy-saving awareness campaigns are conducted intermittently.</p> <p>[Water Stewardship] The Company has long been committed to energy conservation and environmental protection regarding water resources. In its water-saving initiatives, the Company focuses on fully implementing daily practices of water conservation to maximize the utility of available water resources.</p>	No significant difference.
(IV) Does the company take			Water consumption over the past two years	No significant

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons														
	Yes	No	Summary															
inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water use reduction, or waste management?			<table><tr><th rowspan="2">Year</th><th>2023</th><th>2024</th></tr><tr><th>Water consumption (metric tons)</th><th>Water consumption (metric tons)</th></tr><tr><td>Parent company</td><td>3,962</td><td>3,927</td></tr><tr><td>Milim</td><td>640,243</td><td>533,657</td></tr><tr><td>Total</td><td>644,205</td><td>537,584</td></tr></table> <p>The subsidiary has implemented various improvement measures, including integrating wastewater systems into recycling systems and using recycled water in production processes to increase water output. In 2024, under the execution of water resource management and water-saving technologies, approximately 106,586 metric tons of water were saved—a reduction of around 16.64% compared to 2023. The Company has been dedicated to water resource recycling and reuse for many years. In 2024, the total water withdrawal amounted to 537,584 thousand cubic meters.</p> <p>[Waste Management] In 2024, the subsidiary Milim G&G Ceramics Co., Ltd. successfully obtained ISO 14001 Environmental Management System certification. To achieve sustainable resource reuse, our waste management principles prioritize in-house reuse to reduce the consumption of raw materials. This is followed by recycling, with incineration or landfill being the last resort.</p>	Year	2023	2024	Water consumption (metric tons)	Water consumption (metric tons)	Parent company	3,962	3,927	Milim	640,243	533,657	Total	644,205	537,584	difference.
Year	2023	2024																
	Water consumption (metric tons)	Water consumption (metric tons)																
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Implementation items	Implementation				Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons																								
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(IV) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water use reduction, or waste management?			<div>Hazardous and non-hazardous waste generated over the past two years:</div> <table><tr><th rowspan="2">Year</th><th colspan="2">2023</th><th colspan="2">2024</th></tr><tr><th>Hazardous (metric tons)</th><th>Non-hazardous (metric tons)</th><th>Hazardous (metric tons)</th><th>Non-hazardous (metric tons)</th></tr><tr><td>Parent company</td><td>0</td><td>4.05</td><td>0</td><td>3.58</td></tr><tr><td>Milim</td><td>0.52</td><td>3,490.02</td><td>0.58</td><td>3,283.12</td></tr><tr><td>Total</td><td>0.52</td><td>3,494.07</td><td>0.58</td><td>3,286.70</td></tr></table> <div>Through process technology improvements and source management measures, such as reducing raw material usage, the subsidiary minimizes waste generation, achieving waste reduction and enhancing utilization rates. In 2024, the consolidated company’s total waste output amounted to 3,286.7 metric tons, reflecting a decrease of approximately 6% compared to 2023.</div>		Year	2023		2024		Hazardous (metric tons)	Non-hazardous (metric tons)	Hazardous (metric tons)	Non-hazardous (metric tons)	Parent company	0	4.05	0	3.58	Milim	0.52	3,490.02	0.58	3,283.12	Total	0.52	3,494.07	0.58	3,286.70	No significant difference.
Year	2023		2024																										
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Total	0.52	3,494.07	0.58	3,286.70																									
IV. Social topics (I) Has the company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		The Company supports and adheres to fundamental human rights principles, including the Universal Declaration of Human Rights, the Two Covenants, the United Nations Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. In addition, the Company complies with legal regulations in all regions where it operates worldwide. Based on the United Nations Guiding Principles on Business and Human Rights, the Company has established a human rights policy that fully reflects its responsibility to respect and protect human rights, which has been published on the Company’s website.		No significant difference.																								

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(I) Has the company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		A summary of our human rights management policy and specific initiatives is as follows:	No significant difference.
			Human Rights Management Policy	
			Diversity, Inclusion, and Equal Employment Opportunity	
			Prohibition of Forced Labor and Child Labor	
			Provision of Fair Compensation and Working Conditions	

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(I) Has the company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		Human Rights Management Policy	No significant difference.
			Provision of a Safe, Hygienic, and Healthy Work Environment	
			Maintaining Positive Labor-Management Relations and Providing Diverse Communication Channels	
			Implementing Information Security and Personal Data Protection Laws	

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(I) Has the company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		In addition, in 2024, human rights protection training was conducted for employees, with a total of 3,175 hours and 254 participants completing the training. In the future, we will continue to focus on human rights protection issues and promote relevant educational training to enhance awareness of human rights protection and reduce the likelihood of related risks.	No significant difference.
(II) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee remuneration?	✓		<p>Employee Remuneration</p> <p>The annual bonus system of the Company is contingent upon the profit status of the Company for that year. Distribution of bonuses also takes into account individual employee performance results, departmental effectiveness, and other company-mandated indicators. This performance-based bonus standard is designed to motivate all colleagues to work collectively towards the Company's objectives. Employee remuneration shall be distributed in accordance with the Company's Articles of Association, with the amount not being less than 2% of the Company's annual profits. In compliance with the Financial Supervisory Commission's directive (Jin-Guan-Zheng-Fa-Zi No. 1130385442 issued on November 8, 2024) and Article 14-6 of the Securities and Exchange Act, the Board of Directors resolved on March 6, 2025, to amend the Company's Articles of Association. The amendment specifies that the proportion of employee remuneration allocated to junior-level employees shall not be less than 25%. The proposed revision to the Articles of Association is scheduled for discussion at the 2025 Annual General Shareholders' Meeting.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee remuneration?	✓		<p>Employee Benefits Measures The Company has established an Employee Welfare Committee, which allocates 0.05% of Globe Union Industrial Corp.'s total monthly sales revenue for welfare funds. These funds are used to provide various benefits for colleagues, such as scholarships for employees and their children, travel subsidies, holiday bonuses for Dragon Boat Festival and Mid-Autumn Festival, birthday gifts, regular health checks, subsidies for childbirth and marriage or funeral expenses, installation of sports and fitness equipment, and annual fixed subsidies for employee-formed clubs and other benefits. Regarding the leave system, in addition to the standard two-day weekend, legally mandated special leave, and unpaid leave applications for employees with personal or family care needs are considered, ensuring employees can balance work with personal and family responsibilities.</p> <p>Workplace Diversity and Equality We are committed to gender equality in compensation and equitable promotion opportunities, ensuring a friendly workplace where employees of all genders can feel secure in their roles. In the year 2024, women accounted for an average of 34.5% of our staff, with women in management positions comprising 31.5%.</p> <p>The Company also provides a conducive working environment to ensure comprehensive well-being for all employees, regardless of their background: (1) In accordance with the "Regulations on Occupational Health Protection," we employ qualified factory physicians/nurses who provide monthly on-site health management services to safeguard employee health. (2) Following the Labor Standards Act and the National Health</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee remuneration?	✓		<p>Insurance Act, we handle all insurance matters, including providing group accident insurance for employees. (3) To create a friendly workplace that empowers women, we have established lactation rooms and are attentive to the needs of our female colleagues.</p> <p>Performance Reflected in Employee Remuneration</p> <ul style="list-style-type: none"> Article 25-1 of the Articles of Association: Should the Company realize a profit in any fiscal year, a minimum of two percent of the profits must be allocated for employee remuneration, and up to two percent may be allocated for director remuneration; however, if the Company has accumulated losses, funds must be reserved to offset these losses first. Employee remuneration may be distributed in the form of stock or cash, and may include employees of certain subsidiary companies who meet specified criteria. Overall Remuneration Policy: The Company believes that a robust remuneration and benefits system is crucial for creating employee satisfaction and is integral to the sustainable development of the business. Therefore, we are committed to developing a fair, transparent, competitive, and sustainable remuneration system that supports the growth of both our employees and the Company. Below is our remuneration policy: Annually, we consider the Company's operational performance, external market salary levels, and individual employee performance to conduct regular evaluations to ensure the fairness and competitiveness of our remuneration. The overall remuneration package includes fixed salary, performance bonuses, employee remuneration, and long-term incentives 	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee remuneration?	✓		<p>(such as employee stock ownership plans). The reward measures are designed to motivate employees to contribute to the long-term success of the Company.</p> <p>We strive to create a performance-driven, fair, and happy working environment that provides employees with opportunities to excel. The Company values performance and rewards accordingly, integrating corporate development visions and strategic goals with an objective performance management system. Remuneration is based on individual performance outcomes. Additionally, the Company encourages the comprehensive development of our employees. Colleagues are encouraged to outline their own further education plans and work goals and to engage in discussions with their supervisors to jointly ensure the achievement of personal work targets and the development of professional competencies.</p>	No significant difference.
(III) Does the company provide employees with a safe and healthy work environment? Are employees trained regularly on safety and health issues?	✓		<p>Occupational Safety and Health Policy</p> <p>The Company adheres to the Occupational Safety and Health Act, formulating policies in accordance with customer and relevant organizations' regulations. It respects the requirements of stakeholders regarding occupational safety and health, aiming to build a workplace that promotes health and happiness. With disaster prevention and mitigation as its core philosophy, the Company employs appropriate management tools, advanced technologies, and available resources to address occupational safety and health issues across operational sites, devising effective solutions, and continuously refining occupational safety practices.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(III) Does the company provide employees with a safe and healthy work environment? Are employees trained regularly on safety and health issues?	✓		<p>Additionally, it enhances protective measures for operational personnel and invests resources to strengthen occupational disease prevention, creating a zero-incident environment. The subsidiary, Milim G&G Ceramics Co., Ltd., has obtained ISO 45001 certification (certificate valid from May 25, 2022, to March 31, 2025).</p> <p>The Company has also established quantitative indicators to improve overall occupational safety performance and effectively control risks. In 2024, both the parent company and Milim G&G Ceramics Co., Ltd. reported a disabling injury frequency rate of zero. There were three occupational accidents involving three employees (0.14% of the total number of employees at the end of 2024). Among these, there were no fire-related incidents and no fatalities (0% of the total number of employees at the end of 2024).</p> <p>Occupational Environment Monitoring To protect workers from exposure to hazardous substances in the workplace and provide them with a healthy and comfortable working environment, the Company conducts regular annual workplace environment monitoring to understand workers' exposure conditions.</p> <p>Occupational Safety Education and Training Over the Past Two Years To ensure that employees are well-informed about occupational safety and health regulations and to promote their health and well-being, the Company organizes annual education and training programs. The courses include emergency response at operational sites (including fire incidents) and occupational safety and health topics.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons									
	Yes	No	Summary										
(III) Does the company provide employees with a safe and healthy work environment? Are employees trained regularly on safety and health issues?	✓		<p>The number of participants and person-hours involved in public safety education training and awareness campaigns over the past two years is as follows:</p> <table><tr><th>Occupational Safety Training</th><th>Total Training Hours (Hours):</th><th>Number of Trainees (Person-times):</th></tr><tr><td>2023</td><td>57,675</td><td>28,008</td></tr><tr><td>2024</td><td>52,113</td><td>17,086</td></tr></table>	Occupational Safety Training	Total Training Hours (Hours):	Number of Trainees (Person-times):	2023	57,675	28,008	2024	52,113	17,086	No significant difference.
Occupational Safety Training	Total Training Hours (Hours):	Number of Trainees (Person-times):											
2023	57,675	28,008											
2024	52,113	17,086											
(IV) Has the company implemented an effective training program that helps employees develop skills over the course of their career?	✓		<p>Each year, the Company designs comprehensive competency training programs for managers and employees in accordance with business operations, directions, and forward-looking development strategies. These programs include onboarding training, professional advanced training, and managerial training, to support employees in continuous learning and growth through diverse learning methods. The Company also incorporates training courses on the development of corporate ethics to cultivate key employee capabilities. For details on the number of training hours in 2024, please refer to the ESG Report.</p> <p>During annual performance reviews, managers and employees jointly discuss and establish individual annual capability development plans. Employees are encouraged to enhance their professional skills through internal and external training courses. Regular reviews and feedback assist employees in tailoring the best career development plans.</p>	No significant difference.									

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(V) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection or customer rights protection and grievance procedure policies implemented?	✓		<p>The Company controls the value chain of our products, from raw materials and logistics to sales, establishing operational standards and management mechanisms. We continuously monitor product safety information and maintain a robust internal feedback system to ensure the commitment to product safety.</p> <p>We have established an information security policy to manage and protect customer privacy. Through internal and external cybersecurity oversight, disaster drills, social engineering prevention, and training programs, we enhance employee awareness and safeguard customer data.</p> <p>The Company strictly adheres to the local government regulations and international standards relevant to manufacturing and sales. We have developed basic quality management guidelines and created operational standards for our employees to follow. All sales contracts undergo an internal review before we initiate any sales activities.</p> <p>Product labeling is critical for protecting consumer rights and health. Our company maintains a laboratory and a product certification department to ensure that our products meet regulatory requirements concerning composition, manufacturing, and labeling.</p> <p>The Company (GERBER、PJH and LENZ) has established customer service hotlines and feedback mailboxes to receive customer complaints and assist frontline sales colleagues in handling them, ensuring the protection of customer rights and interests.</p>	No significant difference.

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons				
	Yes	No	Summary					
(VI) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		<div>The Company has established the "Supplier Evaluation Management Policy," creating criteria for evaluating suppliers based on delivery schedules, production capacity, and equipment. The Company also emphasizes the implementation of integrity, ethics, health and safety, and environmental quality in supplier practices. We utilize supplier survey forms to gather information about new suppliers and conduct both regular and ad hoc evaluations to monitor and assess their performance. In 2024, our collaborating suppliers meet the following conditions:</div> <table><tr><td>Supplier Evaluation</td><td>All suppliers must pass our supplier evaluation and adhere to the Supplier Code of Conduct.</td></tr><tr><td>Supplier Assessment</td><td>The Company conducts regular monthly assessments and tracks improvements on any deficiencies identified in suppliers. This process is aimed at enhancing quality and technology, as well as strengthening environmental, safety, and health performance.</td></tr></table>	Supplier Evaluation	All suppliers must pass our supplier evaluation and adhere to the Supplier Code of Conduct.	Supplier Assessment	The Company conducts regular monthly assessments and tracks improvements on any deficiencies identified in suppliers. This process is aimed at enhancing quality and technology, as well as strengthening environmental, safety, and health performance.	No significant difference.
Supplier Evaluation	All suppliers must pass our supplier evaluation and adhere to the Supplier Code of Conduct.							
Supplier Assessment	The Company conducts regular monthly assessments and tracks improvements on any deficiencies identified in suppliers. This process is aimed at enhancing quality and technology, as well as strengthening environmental, safety, and health performance.							
V. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or guarantees for the reports above?	✓		The Company compiles its sustainability reports in accordance with the disclosure frameworks outlined by the Global Reporting Initiative (GRI) Standards, issued by the Global Sustainability Standards Board in 2021, the Account Ability Principle Standard (AA1000), the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD).	No significant difference.				

Implementation items	Implementation			Deviations from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
VI. Describe the deviations, if any, between actual practice and the sustainable development regulations, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: The Board of Directors passed the “Corporate Responsibility Principles” in December, 2014 to strengthen the implementation of corporate social responsibility. In March 2022, the Board of Directors approved the amendments to the “Sustainable Development Regulations” for implementation, and reviewed the implementation and made improvements accordingly. There are no significant differences.				
VII. Other important information to facilitate a better understanding of the Company's implementation of sustainable development: Society is made up of people playing different roles. The Company aims to become the most trustworthy company in the world and realize sustainable development. We therefore strive to create an exceptional working environment so that even as we win over the trust of customers, employees, suppliers, shareholders and competitors, we are also fulfilling our social responsibility. The Company provides support and sponsorships to social organizations, such as: the Straits Economic and Cultural Interchange Association, the Rotary Club of Taichung, and purchased Mid-Autumn Festival gift boxes from the Down Syndrome Foundation & Taichung Disability Welfare and Care Association in support of public welfare. Employees have long supported the Taichung Industrial Park Volunteer Association, contributing a total of NT\$250 thousand. Employees also participate in blood donation activities, and land-cleaning and fertilization efforts to rehabilitate Taiwan’s native species. Moreover, the Company’s founder established the Hope Media Foundation, which donated NT\$14,410 thousand in 2024 to numerous organizations, including: Taichung City Government Fire Department Tanzih Station, Antzer Intelligence Center & Antzer Yifeng Park, Taiwan Hope Volunteer Group, Taiwan Window of Life Charity Association, Taiwan Children’s Rights Promotion Association, Yunlin County Little Angels Development Association, Taiwan Osteosarcoma Care Association, Taiwan Benevolent Guidance Academy Cultural Education Research Association, National Central University Public Welfare Communication Center, Great Rice Jar Sustainability Care Association, Rainbow Love Home Life Education Association, and the Taiwan Deaf Association. Out of respect for human rights, all our employees are treated equally regardless of gender, religion, political affiliation, and employment opportunity. We strive to create a good working environment free from all forms of discrimination and harassment. All safety and health aspects are monitored and comply with government regulations.				

Explanation 1: Work environment and personal protection measures: The Company recognizes the importance of protective measures for the workplace and for individual employees. Our key targets and implementation are as follows:

Item No.	Target/Goal	Project	Current Situation	Implementation
1	Zero accident elevator	Cargo elevators are for cargo only. Overloading is strictly prohibited. They must be maintained and serviced by qualified vendors on a regular basis.	Contracts have been signed with professional vendors for the regular maintenance and service of elevators. Elevators must pass the annual inspection to remain in service.	The heads of relevant units are informed on the spot about the prohibition against passengers in the cargo elevator and overloading. Elevator safety and care rules are posted. All equipment used by the Company is rated the highest class among all enterprises in terms of safety and standardization.
2	Zero electrical hazards	Every electrical equipment should comply with Article 9 of the Regulations for Electrical Technician and Power Facility Inspection and Maintenance Management. Implementation is in compliance with national regulations for safe electricity usage. All electrical equipment comes with a residual current circuit breaker and earth-fault protection.	Contracts have been signed with qualified vendors to conduct electrical safety inspections of all factory circuits, power-off tests, and maintenance take place each year at least once, as required by regulations.	Power circuits suspected of being overloaded are immediately reviewed for improvement. All circuit boxes are labeled with the warning "Do not open if you are not a professional circuit operator" in order to prevent electric shock hazards.
3	Zero fire hazard	Fire prevention equipment is inspected and repaired within a specific time frame according to applicable requirements each year.	In accordance with Article 15 of the Enforcement Rules of Fire Services Act, at least one 4-hour firefighting, emergency notification, and evacuation training drill and the local firefighting agency is notified in advance. The fire prevention and maintenance unit services, maintains, and replaces damaged facilities on a regular basis. The Industrial Safety Group performs safety audits on a daily basis to make sure that the firefighting access, fire hydrants, and other safety equipment are normal.	Any safety concern in fire safety equipment is to be addressed in a timely manner. If it is abnormal and is determined through inspection to have been damaged, it will be taken care of and replaced immediately, and it will also be numbered for management.

Item No.	Target/Goal	Project	Current Situation	Implementation
4	Electronic access control	Apply electronic access control to prevent against unauthorized access. Follow applicable access-control requirements of the Company.	New employees are all given standard privileges. Applications for special access privileges require approval from the highest-ranking supervisor with the relevant approval-granting rights. External people visiting for business must obtain a pass. Visitors must follow instructions and park their vehicles in designated areas. Related release receipts for goods leaving the site will be inspected and verified.	Access control records are maintained. Once an employee is no longer with the Company, access is immediately revoked.
5	After-hours security	Each day, the last employee to leave the site must set the security alarm to keep the Company safe. After working hours, staff may only access the site under special circumstances, and only after having explained their purpose to the security guard in order to ensure personnel and property safety.	Staff to work overtime on holidays and on the weekends have to follow the overtime staff list issued by the Department of Human Resources. Employees working overtime on holidays and on the weekends must first register with the General Administration Section and collect the security token. The security token must be returned on the next working day to ensure effective management.	If the alarm is triggered for an unknown reason, the security guard on site or the security company shall find the reason and report the incidence.
6	Airconditioning maintenance management	The chillers, fans and cooling towers undergo planned maintenance.	Chillers are regularly inspected during operation. Any problems are scheduled for correction.	The cooling towers are regularly cleaned and chlorine tabs added to prevent against bacteria and germs and to protect against generation of high pressure on the chillers to reduce expenditure on electricity.
7	Zero accident for power centrifuge	Design the automatic inspection checklist and ask operators to perform periodic inspections, as required.	Article 74 of the Occupational Safety and Health Facilities Regulations stipulates that the power centrifuge must come to a complete stop before any object is removed from the machine.	Items are truthfully inspected and verified, and heads of executive units are asked to provide precise guidance.

Item No.	Target/Goal	Project	Current Situation	Implementation
8	Zero accident for fire-related operations	The head of the operating unit shall inform the safety control unit (the General Administration Section or Safety Section) if operations likely to generate sparks are to be performed. The operating unit shall follow the Fire Operating Guide.	The safety control unit needs to inspect and make sure that there is no safety concern and shall inform operators of details to pay attention to before fire operations begin, despite the fact that a fire operation has been applied for and approved.	All danger sources are to be removed from the fire operation area, and areas with falling sparks are monitored at all times. Fire extinguishers shall be available at the workplace and readily accessible. Based on the class shown on the fire operation certificate, safety measures at the operation site and time-effectiveness of the operating certificate are checked from time to time.
9	Contractor safety and health declaration	Contractors need to carefully read through the document before signing it and ask questions in advance if there is any area that is unclear to them. Reach an agreement regarding construction safety and health requirements, and confirm preconstruction protection and post-construction cleanup upon signing of a contract.	Contractors shall abide by requirements for safety management and provide operators with necessary protective equipment and devices during construction. The construction management department, safety management department, and 6S management department shall confirm on-site that protection requirements are fulfilled to warrant construction before it begins, inspect the process, and accept work upon completion.	The contractor may be ordered to stop work immediately in the event of a serious breach of safety and health regulations. Actions that may be taken for other nonconformities include mandated improvements by a given deadline and termination of contract.
10	Zero accident cutting machines	Purchase of new automatic band saw	Automatic starts and stops are possible while cutting an object in order to ensure the safety of the operator.	The head of the user unit is required to restrict operation to designated personnel.

Item No.	Target/Goal	Project	Current Situation	Implementation
11	Labor safety protection	Embark on a series of safety knowledge trainings, set up a safety supervision scheme, and improve safety at the workshop. Establish a 3-tier safety education system and a supervisor safety and production accountability system.	All employees are to complete physical checkups for occupational diseases and health. A complete database of all employees' health records is thereby established. All 3-tier safety training files are archived. Standards for carriage of labor supplies are specified. Occupational safety and health examinations take place on a yearly basis. Provide on-site health consultation services for medical professionals, establish employee health management classification, and prevent occupational accidents and occupational diseases.	Apart from training on safety awareness, workplace safety and comfort are ensured through the workshop layout, improved ventilation, and better natural/artificial lighting. We will abide by the regulations concerning the frequency of on-site health care services and handle relevant labor health protection matters such as health management consultation and health promotion. We will timely adjust the duties and tasks of employees according to their physical conditions, which not only helps prevent occupational accidents and occupational diseases, but also improves employees' physical and mental health, and their working abilities.
12	Pollution control (water, air, noise)	Perform pollution control according to the requirements and standards of the environmental protection department. Invest in wastewater treatment systems, applicable clean energy, equipment for desulfurization and dust removal for waste gas prior to emission, and soundproof equipment.	The Company is continuing to make improvements on water, air and noise pollution.	Emission indicators are monitored online and linked to the network of the environmental protection department. Environmental factors are inspected on a yearly basis to ensure constant improvements. Wastewater is recycled and reused.
13	Recycling and reuse	Improve the product yield, reduce waste generation, and strengthen 6S competitions and recycling of waste for reuse to concretize resource waste reduction, recycling, and reutilization.	The product yield is discussed on a monthly basis. Recycling and reutilization of waste is managed. Utilization of residual heat is continued. Reclaimed water is used for resource saving, and the outstanding 6S units are recognized.	The Company adheres strictly to environmental regulations during waste treatment for harm elimination, volume reduction and recycling. This effectively prevents any impact on the surrounding environment.

Item No.	Target/Goal	Project	Current Situation	Implementation
14	Energy conservation	To identify potential problems in energy use, we commissioned an external environmental technology company to audit our energy consumption. The Company also proposed and implemented clean production review.	A comprehensive management organization has been set up as part of our energy management system. A series of energy-saving and waste reduction schemes have been implemented and assessed.	Lighting, water, and electricity are being transformed. Kiln residual heat is recycled and re-utilized. Energy-saving electrical equipment is adopted. Reclaimed water is used again. The kilns are known for their high energy-saving performance. Energy saving lamps and water valves are used, and buildings such as dormitories and workshops are repaired. All of these are meant to promote energy conservation and consumption reduction, reduce the concentration of pollutants discharged, and realize effective overall emissions.

Climate-Related Information for Listed Companies

1. Execution Status of Climate-Related Information

Item	Implementation
<p>1. Articulate the oversight and governance by the Board of Directors and management regarding climate-related risks and opportunities.</p>	<ul style="list-style-type: none"> Corporate governance plays a critical role in addressing climate change. Recognizing this, the Company established the Corporate Governance and Sustainable Development Committee (the Committee) in November 2023, with the Chairman serving as the committee's highest decision-maker. The committee holds regular annual meetings to deliberate on and make resolutions regarding climate-related activities and strategies. The results of these activities and the corresponding strategic decisions are regularly reported to the Board of Directors. The Chairman and President serve as the highest responsible person for the "ESG Sustainability Task Force," leading senior executives within the Company in planning and executing sustainability development and climate change strategies. The "ESG Sustainability Task Force" is composed of the Company's senior executives and includes a dedicated sustainability management department responsible for cross-departmental coordination, communication, and integration of sustainability and climate change-related management activities. The department reports to the "ESG Sustainability Task Force," which sets the Company's short-, medium-, and long-term goals and development strategies for sustainability and climate change. The top responsible person annually reports to the Committee and, upon receiving its resolution, subsequently submits the report to the Board of Directors.
<p>2. Explain how identified climate risks and opportunities impact the company's business, strategies, and finances (in the short, medium, and long term).</p> <p>3. Describe the financial impacts of extreme weather events and transitional actions.</p>	<ul style="list-style-type: none"> Based on a comprehensive evaluation, the Company's significant climate risks mainly stem from domestic and international regulations, as well as demands from key stakeholders such as customers, regarding corporate greenhouse gas reduction and adherence to product water and energy efficiency standards. On the other hand, the opportunities brought about by climate change are primarily in the areas of products and services. The Company has long been dedicated to the development of low-consumption, water-saving bathroom products, earning consistent support and trust from established markets. Moving forward, the Company will continue to optimize energy-efficient and waste-reducing products and services to meet market demands, enhance competitiveness, and expand market share. To properly manage risks associated with extreme weather events and the transition to a low-carbon economy, the Company has actively developed response strategies and is progressively integrating climate-related risks into its operational decision-making. Through risk identification and management, we strive to achieve climate mitigation and adaptation goals, thereby enhancing the Company's climate resilience

Item	Implementation				
<p>2. Explain how identified climate risks and opportunities impact the company's business, strategies, and finances (in the short, medium, and long term).</p> <p>3. Describe the financial impacts of extreme weather events and transitional actions.</p>	Impacts of climate risks and opportunities on business operations, strategy, and financials (short-, medium-, and long-term)				
	Type	Period	Climate Risk/ Opportunity	Financial Impact	Response Measures
	Physical Risk	Short-term	Increased severity of extreme weather events (typhoons, heavy rainfall, drought)	The growing severity of extreme weather events may lead to operational disruptions, equipment damage, or employee absenteeism, resulting in increased personnel and asset-related costs and higher overall operating expenses.	<p>1. Implement flood prevention actions before typhoons, such as placing sandbags, clearing drainage systems, and elevating equipment.</p> <p>2. Enhance infrastructure resilience (e.g., install flood barriers), assess flood risk at manufacturing sites, and develop and execute risk mitigation strategies.</p> <p>3. Conduct regular annual inspections and maintenance of factory environments to reduce the risk of operational disruptions due to climate events.</p>
	Transition Risk	Medium-term	Carbon taxes and fees	As the company's main markets are in North America and Europe, the formal implementation of international carbon border adjustment mechanisms would require not only the payment of carbon taxes/fees but also the provision of carbon footprint data for products, leading to increased operating costs.	<p>1. Collaborate with external experts to stay informed of regulatory trends at each operational site to ensure early response.</p> <p>2. Establish greenhouse gas inventories to monitor emissions from each site and assess appropriate response strategies.</p> <p>3. Optimize and improve manufacturing processes to reduce carbon emissions.</p>

Item	Implementation				
	Type	Period	Climate Risk/ Opportunity	Financial Impact	Response Measures
<p>2. Explain how identified climate risks and opportunities impact the company's business, strategies, and finances (in the short, medium, and long term).</p> <p>3. Describe the financial impacts of extreme weather events and transitional actions.</p>	Transition Risk	Long-term	Rising raw material costs	Climate change increases market uncertainty, putting pressure on manufacturing costs due to factors such as restrictions on mineral resource extraction and natural gas price fluctuations, potentially raising operating costs.	<p>1.Improve the efficiency of energy and resource usage, reduce waste, and maximize resource utilization to lower operational costs.</p> <p>2.Seek alternative energy sources or raw materials and diversify suppliers to mitigate the risks of price fluctuations and obtain favorable rates.</p>
		Long-term	Changes in consumer behavior	Failure to develop low-carbon products in line with market trends may result in reduced sales and lower revenue.	<p>Optimize products and packaging materials to meet customer or regulatory demands:</p> <p>1.Optimize packaging design to use the least and smallest amount of packaging while ensuring product protection during transportation.</p> <p>2.Avoid the use of plastic bags wherever possible.</p> <p>3.Continue investment in R&D—In 2024, the Company allocated NT\$160 million for R&D, with 17% dedicated to energy-saving products.</p> <p>4.Currently, water hardware products comply with the latest environmental regulations and meet energy- and water-saving standards; ceramic toilets are also being continuously improved for energy and water efficiency to reduce environmental impact.</p>

Item	Implementation				
2. Explain how identified climate risks and opportunities impact the company’s business, strategies, and finances (in the short, medium, and long term). 3. Describe the financial impacts of extreme weather events and transitional actions.	Type	Period	Climate Risk/ Opportunity	Financial Impact	Response Measures
	Opportunity	Medium-term	Limited resource management (resource recycling and conservation strategies)	The company has completed the installation and operation of carbon reduction-related equipment. By improving energy efficiency, reducing consumption, recovering thermal energy, and reusing treated wastewater, the company has lowered its use of water and energy resources, thereby reducing operating costs.	The company actively implements "resource conservation" strategies in electricity and water resource management by promoting conservation awareness, gradually replacing old equipment with more energy-efficient models, and optimizing waste heat recovery and reuse systems at kiln plants to improve overall energy efficiency and resource flexibility.
		Long-term	Adoption of more efficient transportation methods or reduced transportation distances	By selecting suitable transportation contractors and maintaining effective price management, the company plans more efficient transportation models to reduce operating costs.	1.All automotive transportation within China utilizes vehicles that meet the "China National Stage V Emission Standards" and complies with government guidance on staggered delivery based on weather conditions. 2.To meet order requirements, part of the production has been relocated to the company’s factory in Mexico, reducing shipping distances and improving logistics efficiency.
Note: The time horizons in the table are defined as follows : Short-term (1–3 years); Medium-term (3–5 years); Long-term (more than 5 years). Based on the above assessment of risks and opportunities, although extreme weather events and transition-related					

Item	Implementation
	actions currently have no direct financial impact on the company in the short term, it remains essential to conduct regular evaluations to continually reduce the potential impact of climate risk factors on the company
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	<p>The Company identifies and assesses climate-related risks through the following processes:</p> <ol style="list-style-type: none"> 1. At the organizational level, top-down evaluations are conducted to identify the Company's key risks. 2. At the operational level, bottom-up evaluations are performed, along with consolidated analyses of individual market assessments. 3. By engaging with external stakeholders, materiality assessments are carried out to understand the issues they are concerned about, aiming to minimize their impact and assist the Company in achieving long-term goals and operational strategies. <p>After consolidating climate-related risks, Globe Union evaluates the likelihood of each risk occurring and its potential impact on the Company. The Company also considers the time frame in which these risks could materialize, completing a materiality assessment analysis of climate-related risks and opportunities. This analysis defines the priority and severity of risk management and enables the Company to adopt corresponding risk management strategies based on the severity levels.</p> <p>Regarding the management process for transition risks and opportunities, Globe Union identified that the energy-intensive ceramic firing process poses a risk of increased operating costs due to future carbon taxes (fees). As a result, the Company continues to enhance energy management at its ceramic manufacturing plants, investing in upgrades and modifications to heat recovery systems. Since 1992, Milim G&G Ceramics Co., Ltd. has established a kiln waste heat recovery system. Over the past 20+ years, the system has undergone three major upgrades. By recovering heat generated during the production process, especially for the drying stage after toilet bowl forming, the company has significantly reduced its reliance on boilers for continuous heat supply. This has effectively lowered overall energy consumption, achieving both energy-saving and environmental protection goals. Simultaneously, it is gradually increasing the proportion of renewable energy in use. Through mechanisms to manage short-term target progress annually, employee and management performance in achieving energy management goals is assessed. This encourages all departments to discuss concrete measures, establish improvement incentive mechanisms, and formulate action plans.</p> <p>Regarding the management process for physical risks, the Company considers how changing precipitation patterns and reduced water supply may significantly decrease available water resources. The ceramic manufacturing process, which relies heavily on water, may face operational continuity risks, potentially affecting the Company's safety inventory levels. The Company leverages tools developed by the World Resources Institute (WRI) to investigate, analyze, and assess the likelihood and impact of increased droughts (immediate risks) and changes in rainfall patterns (long-term risks) leading to water shortages at factories. Recommendations for climate change</p>

Item	Implementation
<p>4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p>	<p>adaptation measures are proposed based on this analysis. Within the analyzed time frame, some subsidiaries of the Group have manufacturing sites located in areas identified as potentially water-scarce; however, there is no direct impact on current operations. Nevertheless, these potentially at-risk facilities proactively implement water-saving and recycling measures, enhance the recovery capacity of wastewater treatment systems, and improve the efficiency of wastewater reuse. These efforts help mitigate the impact of water shortages on operations and reduce associated risks.</p> <p>Adhering to its philosophy of "to become a trusted partner, a source of pride, and a sustainable business," the Company established new "Sustainable Information Management Regulations" in 2024. This integrates risk management processes into the Company's overall internal control system. The Company conducts an annual audit of its sustainability information management processes, led by the internal audit supervisor, and regularly reports the audit results to the Audit Committee and the Board of Directors.</p>
<p>5. When using scenario analysis to assess resilience to climate change risks, it is essential to detail the scenarios employed, parameters, assumptions, analytical factors, and main financial impacts.</p>	<p>None at this time.</p>

Item	Implementation
<p>6. If there is a transformation plan in place to manage climate-related risks, the content of this plan should be outlined, along with the indicators and targets used to identify and manage physical and transition risks.</p>	<p>None at this time.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for pricing determination should be explained.</p>	<p>None at this time.</p>

Item	Implementation
8. If climate-related targets are set, the plan should cover the activities involved, scopes of greenhouse gas emissions, planning periods, and annual progress towards these goals. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and quantity of the carbon offset credits or the number of RECs should be detailed.	None at this time.
9. Greenhouse gas inventory and verification status, reduction goals, strategies, and specific action plans	(Additional information to be filled in sections 1-1 and 1-2)

1.1. Greenhouse Gas Inventory and Verification Status for the Last Two Fiscal Years

1.1.1. Greenhouse Gas Inventory Information

Statement of detailed account of greenhouse gas emissions over the last two fiscal years, including total emissions (metric tons of CO₂e), intensity (metric tons CO₂e/NT\$ million), and the scope of data covered.

The Company, a publicly listed entity with a capitalization of less than NT\$5 billion, follows the disclosure schedule set by the Financial Supervisory Commission. According to this schedule, the Company is required to disclose the standalone greenhouse gas inventory information for the parent company in 2026, and for subsidiaries included in the consolidated financial statements in 2027. However, the Company has proactively planned and initiated a greenhouse gas inventory project. Currently, only the parent company in Taiwan and the subsidiary, Milim G&G Ceramics Co., Ltd. (ceramics factory), have conducted greenhouse gas (GHG) inventories in accordance with the ISO 14064-1:2018 standard, completing the assessments for Scope 1 and Scope 2 emissions.

The GHG emissions per unit of product in 2024 amounted to 0.0155 tons CO₂e/metric ton, slightly higher than the 0.0151 tons CO₂e/metric ton recorded the previous year.

Year		2023	2024
Item (Unit)		Emissions (tons of CO ₂ equivalent)	Emissions (tons of CO ₂ equivalent)
Parent company	Scope 1	21.2272	23.0696
	Scope 2	340.1684	369.9570
	Sub-total	361.3956	393.0266
Milim	Scope 1	22,816.3516	25,003.6434
	Scope 2	21,308.2330	27,285.5239
	Sub-total	44,124.5846	52,289.1673
Total		44,485.9802	52,682.1939

Note:

1. For Scope 1 emissions, both the parent company and Milim adopt the emission factors published in the "Greenhouse Gas Emission Factor Management Table Version 6.0.4" by the Environmental Protection Administration, and determine the Global Warming Potential (GWP) based on the IPCC AR6 standards released in 2021.
2. For Scope 2 emissions, the parent company uses the most recently published electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs, while Milim uses the latest officially announced emission factor for Mainland China.

1.1.2. Greenhouse gas verification information

Overview of the verification status of greenhouse gas emissions up to the date of publication of this annual report for the last two fiscal years, including the scope of verification, the verifying body, the verification standards applied, and the opinion.

The Company, a publicly listed entity with a capitalization of less than NT\$5 billion, follows to the disclosure schedule set by the Financial Supervisory Commission. According to this schedule, the Company is required to assurance for the parent company's standalone greenhouse gas inventory in 2028, and for subsidiaries included in the consolidated financial statements in 2029. Therefore, has not yet been completed.

1.2. Greenhouse gas reduction targets, strategies, and specific action plans

Outlines the base year for greenhouse gas emissions and its corresponding data, the reduction targets, strategies, and specific action plans, as well as the progress towards achieving these reduction targets.

The Company aims to complete greenhouse gas assurance ahead of the regulatory schedule and, based on the assurance outcomes, will establish emission reduction targets, strategies, and concrete action plans.

(VI) Implementation of ethical corporate management and measures and departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
<p>I. Establishment of ethical corporate management policy and approaches</p> <p>(I) Has the company implemented a Board approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p>	✓		The Ethical Corporate Management Principles and Ethical Corporate Management Operating Procedures and Code of Conduct established by the Company are approved by the Board. The Company has established work rules and conduct rules to ensure that all employees, the Board of Directors, and executives can practice proper ethics, eliminate corruption, and comply with government laws and regulations. This includes both internal management and external business activities.	No significant difference.
<p>(II) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p>	✓		The Company's Ethical Corporate Management Principles include preventative measures against business activities at higher risk of unethical behavior, such as bribery, illegal political donations, the offering or receiving of illegal benefits, violation of business secrets, and more.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(III) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		The Company has formulated the Ethical Corporate Management Principles in accordance with the relevant laws to establish a corporate culture of ethical management, and ensure our sound development. The Ethical Corporate Management Principles were last revised on November 8, 2019.	No significant difference.
II. Implementation of ethical corporate management (I) Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	✓		According to Article 9 of the Code of Conduct, prior to any commercial transactions, the Company shall take into consideration the legality of its agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any transactions with persons so involved. When entering into contracts, the Company shall include in such contracts terms compliance with the ethical corporate management policy. In the event that the trading counterparties are involved in unethical conduct, the Company may suspend or terminate the contract at any time.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Does the company have a dedicated unit responsible for business integrity under the Board of Directors which reports the ethical management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	✓		The Financial Department of the Company is responsible for promoting corporate integrity in business operations. A report on the implementation of the "Corporate Integrity Management" is presented at least once a year at the Board of Directors' meeting. The Company has established and made available internal regulations, including the "Corporate Integrity Management Code," "Integrity Management Operational Procedures, and Conduct Guidelines." These documents are published on the Company's internal network for all employees, both existing and new, to access and understand at any time. Employees are required to read these regulations annually and record their compliance in the system, which facilitates tracking of individuals who have not yet completed the required training. The most recent report was presented on December 13, 2024, detailing the policies, internal and external implementation, and outcomes of the Company's integrity management initiatives during the year.	No significant difference.
(III) Has the company established policies to prevent conflicts of interests, implemented such policies, and provided adequate channels of communications?	✓		Any (potential) conflicts of interest should be explained to the direct supervisor and action taken as directed by the superior to avoid such conflicts; if the superior allows the same person to remain in charge then they should give the order in writing.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(IV) Does the company have effective accounting and internal control systems in place to implement business integrity? Does the internal audit unit follow the results of unethical conduct risk assessments and devise relevant audit plans to audit the systems accordingly and prevent unethical conduct, or hire outside accountants to perform the audits?	✓		The Company has established effective accounting and internal control systems. Internal auditors regularly audit compliance with the above systems and report the results to the Board.	No significant difference.
(V) Does the company organize internal and external education and training periodically to help enforce honest operations?	✓		The “Code of Conduct” formulated by the Company regulates the prohibition of offering or receiving illegal benefits, avoidance of conflict of interests, organization in charge of confidentiality measures and their responsibilities, insider transactions and confidentiality, handling of personnel’s unethical conduct, protection and handling of reports. The regulations not only reflect the values of honesty and integrity, but also specifically regulate matters that personnels should pay attention to when performing business. The responsible units also regularly forwards relevant official letters from the competent authority to directors and internal personnel to enhance their awareness of legal compliance. The "Code of Conduct" is published on the Company's internal employee system, making it readily accessible for all employees to review the standards at any time. Additionally, relevant	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(V) Does the company organize internal and external education and training periodically to help enforce honest operations?	✓		documents from regulatory authorities are periodically forwarded to directors and internal personnel to enhance their awareness and compliance with legal requirements. The Company organizes internal training on ethical corporate management every year. Directors are asked to adequately attend relevant external seminars and courses. In 2024, a total of 2,192 new employees of the subsidiary received new employee orientation on the day they join the Company (the average education and training time for each person was about 1 hour). The training scope includes the “Code of Conduct”. In 2024, there are 24 new employees at the head office who received on-the-job training on the day when they joined the Company (the education and training time for each person was approximately 8 hours) and the “Code of Conduct” and “Insider Trading” were included. Additionally, within the Company, an online course on the "Code of Conduct" has been completed by employees for a total of 119 person-times, with 59.5 hours of training conducted.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
III. Implementation of the Company's whistleblowing system (I) Does the company provide incentives and means for employees to report malpractices? Does the company assign dedicated personnel to investigate the reported malpractices?	✓		The Company established a whistleblower channel (whistle@globeunion.com) for employees around the world. Employees may solve ethical dilemmas, seek advice, or report concerns to the department supervisor or local human resources unit or internal audit unit. Otherwise, employees may raise concerns or report violations of the code of conduct through the global employee whistleblower channel under their real name. The Group's Human Resources is responsible for the global employee whistleblower channel and cooperates with the audit unit or appoint relevant units to help with investigations based on the circumstances. The Company will issue reasonable bonuses according to the severity of the report. Internal staff who have made false reports or malicious accusations shall be disciplined, and those with great severity shall be dismissed.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(II) Does the company have in place standard operating procedures for investigating and processing reports, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓		Each report should specify detailed information such as the person(s), incident, location, and objects, and the content will only be accepted if the whistleblower provides his/her real name and contents are specific, complete, and good-willed. According to the Company's operating regulations for the internal whistleblower system, whistleblower complaints involving general employees should be reported to the respective functional managers, while those involving directors or senior executives should be reported to the independent directors or the Audit Committee. If it is confirmed that the reported individual has violated relevant laws or the Company's policies and regulations on integrity management, immediate action must be taken to stop the implicated activities, and appropriate measures must be taken, including, if necessary, pursuing legal action for damages to protect the company's reputation and interests. Appropriate actions based on the findings of the fact-checking process must be taken. The responsible department must respond with the outcome of the handling within the prescribed number of days and conclude the case.	No significant difference.

Evaluation item	Operating status			Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(III) Has the company provided proper whistleblower protection?	✓		Managers and personnel involved in handling whistleblower complaints must maintain confidentiality regarding the whistleblower's identity and the details of the complaint. They must also commit to protecting whistleblowers from improper treatment as a result of their complaints. Strict confidentiality management is enforced regarding the reporter and the content of the report, thoroughly safeguarding the information of the reporter and stakeholders involved. It is forbidden for the whistleblower to lose identity or employment rights, or work under differentiated working conditions.	No significant difference.
IV. Information disclosure improvement Has the company disclosed the contents or its ethical corporate management principles as well as relevant implementation results on its website and on the Market Observation Post System?	✓		The Company discloses information related to ethical management in a timely manner through the Market Observation Post System, annual reports, and the corporate website.	No significant difference.
V. Describe the deviations, if any, between actual practice and the ethical corporate management principles, if the company has formulated such principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies: The Company has formulated the Ethical Corporate Management Principles and its deviations in practice are described above.				
VI. Other important information to facilitate a better understanding of the Company's implementation of ethical corporate management: (Such as if the company has review and amended its ethical management rules): The Ethical Corporate Management Principles were revised on November 8, 2019.				

(VII) Other significant information which may improve the understanding of corporate governance and operation:

1. The Company has defined the Regulations Governing Major Internal Information Disclosure that explicitly define the Company's handling and disclosure mechanism for important disclosures. The regulations have been approved by the Board and announced through our internal system.
2. Licenses designated by the competent authority held by personnel involved with transparency of financial information: R.O.C. CPA: 2 accountants.

(VIII) Implementation of internal control system:

1. Internal Control Statement: Please refer to the Market Observation Post System at <https://mopsplus.twse.com.tw/mops/#/web/t06sg20>.
2. Accountant engaged to review the internal control system: None.

(IX) Important resolutions made during shareholders' meetings and Board of Directors' meetings in the past year and up to the publication date of this annual report:

Date of shareholders' meeting: May 30, 2024

Shareholders' Meeting Resolutions	Implementation
1. Acknowledged the Company's 2023 business report and financial statements.	The resolution was approved as proposed.
2. Approval of the 2023 earnings distribution plan.	The resolution was approved as proposed.
3. Completion of the election for the 19th Board of Directors (including independent directors).	The election results were announced on the day of the shareholders' meeting on the Market Observation Post System, and the Company registration changes were completed within the prescribed deadline.
4. Proposal to lift the non-compete restrictions for newly appointed directors and their proxies.	The resolution was approved as proposed. Significant announcements were made on the Market Observation Post System on the day of the shareholders' meeting.

Important Board resolutions:

Important resolutions reached by the Board of Directors in 2024 and up to the publication of the annual report are as follows:

Date of the Board of Directors Meeting	Details of the proposal and subsequent developments	Matters stated in Article 14- 3 of the Securities and Exchange Act	Dissenting or qualified opinion of independent director(s)
The 18th term The 21st meeting 2024.1.26	1. Approval of the disbursement of severance pay for Manager of the Company.		
	2. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	3. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 18th term The 22nd meeting 2024.3.11	1. Approval of the remuneration for directors and employees in 2023.		
	2. Approval of 2023 business report and financial statements.		
	3. Approval of 2023 Statement of Internal Control.	✓	N/A
	4. Approval of election of the 19th Board of Directors, including independent directors of the Company.		
	5. Approval of the resolution to lift the non-compete restrictions for the newly appointed directors of the 19th term.		
	6. Approval of the time, date, location, procedure for shareholders' nomination and proposals, and the agenda for the 2024 shareholders' meeting.		
	7. Approved the exercise of conversion of employee warrants by issuing new shares.	✓	N/A
	8. Approval of public expense audit case by the CPA.	✓	N/A
	9. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	10. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		

Date of the Board of Directors Meeting	Details of the proposal and subsequent developments	Matters stated in Article 14- 3 of the Securities and Exchange Act	Dissenting or qualified opinion of independent director(s)
The 18th term The 23rd meeting 2024.4.12	1. Approval of the proposal for surplus distribution as cash dividends.		
	2. Approval of the list of directors (including independent directors) nominees for the 2024 annual shareholders' meeting.		
	3. Approval of the time, date, location, procedure for shareholders' nomination and proposals, and the agenda for the 2024 shareholders' meeting.		
	4. Approval of the revision to the "Procedure for Non-Assurance Services provided by the CPAs" of the Company.	✓	N/A
	5. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	6. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 18th term The 24th meeting 2024.5.9	1. Approval of consolidated financial report for Q1 2024.		
	2. Approved the exercise of conversion of employee warrants by issuing new shares.	✓	N/A
	3. Approval of the Company's proposed managerial appointment and remuneration plan.		
	4. Approval of the inter-company loan to subsidiary extensions.	✓	N/A
	5. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	6. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 19th term The 1st meeting 2024.5.30	The chairman was elected by the newly appointed Board of Directors.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		

Date of the Board of Directors Meeting	Details of the proposal and subsequent developments	Matters stated in Article 14- 3 of the Securities and Exchange Act	Dissenting or qualified opinion of independent director(s)
The 19th term The 2nd meeting 2024.6.26	1. Approval of the appointment of the Remuneration Committee.		
	2. Approval of the appointment of members to the second Corporate Governance and Sustainable Development Committee of the Company.		
	3. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	4. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 19th term The 3rd meeting 2024.8.7	1. Approval of consolidated financial report for Q2 2024.		
	2. Approval of the ratification of the Company's Group Chief Operating Officer appointment.		
	3. Approval of the Promotion of the Company's Senior Associate General Manager to Vice President.		
	4. Approval of the Company's 2023 ESG Report.		
	5. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
The 19th term The 4th meeting 2024.11.11	Resolutions: All directors attending the meeting approved.		
	1. Approval of consolidated financial report for Q3 2024.		
	2. Approval of the proposal for a capital increase in cash for the Company's subsidiary, GU Plumbing de Mexico, S.A. de C.V.	✓	N/A
	3. Approval of the list of shareholders and their respective stock quantities for the second issuance of employee stock options in 2023.		
	4. Approval of the severance package proposal for the Company's managerial staff.		
	5. Approval for changes to the positions of Chief Financial Officer, Financial Manager, and Spokesperson of the Company.	✓	N/A

Date of the Board of Directors Meeting	Details of the proposal and subsequent developments	Matters stated in Article 14- 3 of the Securities and Exchange Act	Dissenting or qualified opinion of independent director(s)
	6. Approval of the change in the Company's Corporate Governance Officer Case.		
	7. Approved the exercise of conversion of employee warrants by issuing new shares.	✓	N/A
	8. Approval of the revision to the Company's "Procedure for Board of Directors Meetings".		
	9. Approval of the revision to the Company's "Audit Committee Charter".		
	10. Approval of the revision to the Company's "Corporate Governance Best Practice Principles".		
	11. Approval of the revision to the Company's "Sustainable Development Best Practice Principles".		
	12. Approval of the revision to the Company's "Procedures for Ethical Management and Guidelines for Conduct".		
	13. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	14. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 19th term The 5th meeting 2024.12.13	1. Approval of the Company's 2025 corporate budget and business strategy plan.		
	2. Approval of the Company's 2025 annual audit plan.		
	3. Approval of the establishment of the "Sustainable Information Management Regulations".		
	4. Approval of the amendments to the Company's "Internal Control System".	✓	N/A
	5. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	6. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		

Date of the Board of Directors Meeting	Details of the proposal and subsequent developments	Matters stated in Article 14- 3 of the Securities and Exchange Act	Dissenting or qualified opinion of independent director(s)
The 19th term The 6th meeting 2024.12.24	Approval of the collaboration on an urban renewal project involving demolition and reconstruction by Shenzhen Globe Union Enterprise Co., Ltd.	✓	N/A
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		
The 19th term The 7th meeting 2025.3.6	1. Approval of the remuneration for directors and employees in 2024.		
	2. Approval of 2024 business report and financial statements.		
	3. Approval of 2024 Statement of Internal Control.	✓	N/A
	4. Approval of the amendments to the Company's Articles of Association.		
	5. Approval of the time, date, location, procedure for shareholders' nomination and proposals, and the agenda for the 2025 shareholders' meeting.		
	6. Approval of the routine evaluation of CPAs' independence.	✓	N/A
	7. Approval of public expense audit case by the CPA.	✓	N/A
	8. Approved the exercise of conversion of employee warrants by issuing new shares.	✓	N/A
	9. Approval of the amendments to the Company's Internal Audit Implementation Rules.	✓	N/A
	10. Approval of the Company's engagement in trading of derivatives.	✓	N/A
	11. Approval of the application of the credit line with the bank.		
	Opinion(s) of the independent director(s): None.		
	Response of the Company to the independent director opinion(s): None.		
	Resolutions: All directors attending the meeting approved.		

Attendance of Independent Directors at Board Meetings

Date Name	2024									
	1/26	3/11	4/12	5/9	5/30	6/26	8/7	11/11	12/13	12/24
Chin-Shan Huang	◎	◎	◎	◎	—	—	—	—	—	—
Young-Sheng Hsu	◎	◎	◎	◎	—	—	—	—	—	—
Wen-Yi Fan	△	◎	◎	◎	◎	◎	◎	◎	◎	◎
Ta-Chin Hsu	◎	◎	◎	◎	—	—	—	—	—	—
Pi-Ling Hu	—	—	—	—	◎	◎	◎	◎	◎	◎
Chien-Chih Sheng	—	—	—	—	◎	◎	◎	◎	◎	◎
Hung-Yi Hsiao	—	—	—	—	◎	◎	◎	◎	△	◎

Date Name	2025
	3/6
Pi-Ling Hu	◎
Chien-Chih Sheng	◎
Wen-Yi Fan	◎
Hung-Yi Hsiao	◎

Note: ◎ Attended in person (including via video) △ Represented by proxy ☆ On leave
 — Not yet appointed or resigned after reelection

Implementation of Directors' Recusal for Conflict of Interest Matters:

Board of Directors Date	Name of Recused Director	Agenda Item	Reason for Conflict of Interest Recusal	Participation in Voting
2024/6/26	Independent Director Wen-Yi Fan Chien-Chih Sheng Hung-Yi Hsiao	Appointment of Remuneration Committee members	Three independent directors are stakeholders.	Except for the three independent directors who, in accordance with the law, recused themselves from discussion and voting, the acting chairman consulted the other attending directors. With no objections raised, the proposal was approved as presented.
	Chairman Shane Ouyang Director Yuan-Lung Luo Independent Director Chien-Chih Shen Hung-Yi Hsiao	The appointment of members to the second Corporate Governance and Sustainable Development Committee.	Two directors and two independent directors are stakeholders.	Except for the two directors and two independent directors who, in accordance with the law, recused themselves from discussion and voting, the acting chairman consulted the remaining attending directors. With no objections raised, the proposal was approved as presented.

- (X) Dissenting or qualified opinions of directors or supervisors against an important resolution passed by the Board of Directors that are on record or stated in a written statement in the past year and up to the printing date of this annual report: N/A.

IV. Compensation for the service of the external auditor:

Unit: Thousand NTD

Name of the accounting firm	Name of CPA	Accountant's duration of audit	Audit fee	Non-Audit fee	Total	Notes
Ernst & Young	Chin-Yuan Tu	2024.01.01~ 2024.12.31	6,230	3,310	9,540	Non-audit service fees include: advisory services for organization-level GHG inventory, Board performance evaluation fees, sustainability report advisory services, and corporate income tax audit and attestation services.
	Wen-Chen Lo					

- (I) If the accounting firm has been changed and the annual audit fees were lower for the year of the firm change compared to that of the previous year, audit fees before and after

the changes and the reason for such changes should be disclosed: No change of accounting firm.

- (II) If the audit fees have decreased by more than 10% compared to the previous year, the amount, ratio, and reason for the reduction in audit expense should be disclosed: None.

V. Information on change of accountants: None.

VI. If the company's chairman, president, financial manager, or accounting manager has worked at the firm of the certifying accountants or its affiliates within the last year, their name, position, and position at the firm of the certifying accountant or its affiliates should be disclosed: None.

VII. Share transfers and share pledging by directors, supervisors, managers and shareholders holding more than 10% equity in the past year and up to the printing date of this annual report :

- (I) Change in share equity among directors, supervisors, managers, and major shareholders:

Please refer to the Market Observation Post System at

<https://mopsplus.twse.com.tw/mops/#/web/home>

Single Company > Equity Changes / Securities Issuance >

Details of directors and supervisors' shareholding balances

Single Company > Equity Changes / Securities Issuance > Major Shareholders' Shareholding / Pledge / Transfer > Details of Directors and Supervisors' Shareholding Balances > Directors and Supervisors' Shareholding Balances

<https://mopsplus.twse.com.tw/mops/#/web/stapap1>

Announcements on internal personnel's pledge release

https://mopsov.twse.com.tw/mops/web/STAMAK03_1

Post-event reporting forms for changes in internal personnel's shareholding

Single Company > Equity Changes / Securities Issuance > Equity Transfer Data Inquiry > Post-Event Reporting Forms for Changes in Internal Personnel's Shareholding

https://mopsplus.twse.com.tw/mops/#/web/query6_1

- (II) Share transfer information (the parties to the transaction are related):None.

- (III) Share pledge information (the parties to the transaction are related): None.

VIII. Information on the relationship between any of the top ten shareholders (related party, spouse, or kinship within the second degree):

March 25, 2025

Name	Shareholding		Shares held by spouse and underage children		Total shares held in the name of others		Shareholders with the top 10 shareholding ratios who are related, spouses, and second degree relatives, their names, and their respective relationships.		Notes
	No. of shares	Shareholding ratio %	No. of shares	Shareholding ratio %	No. of shares	Shareholding ratio %	Name (or name)	Relationship	
Ming-Ling Co., Ltd. (Representative: Shane Ouyang)	37,974,032	9.24	0	0	0	0	Shane Ouyang	Representative of Institutional Director for Ming- Ling Co., Ltd.	N/A
Shane Ouyang	31,090,496	7.56	0	0	0	0	Ou Young Chang Su-Hsiang Lei Ouyang	Mother and son Brothers	N/A
Ou Young Chang Su-Hsiang	28,516,175	6.94	0	0	0	0	Shane Ouyang Lei Ouyang	Mother and son	N/A
Lei Ouyang	26,858,132	6.53	0	0	0	0	Ou Young Chang Su-Hsiang Shane Ouyang	Mother and son Brothers	N/A
Yue Feng International Co., Ltd. Investment account under the custody of Taishin Bank	26,159,515	6.36	0	0	0	0	N/A	N/A	N/A
Trust property account of Scott Ouyoung at the Taipei Branch of the United Bank of Switzerland	20,558,787	5.00	0	0	0	0	Scott Ouyoung	Principal (deceased)	N/A
Chih-Yung Li	17,028,024	4.14	0	0	0	0	N/A	N/A	N/A
Chun-Yu Investment Co., Ltd. (Representative: Li-Chuan Chiu)	7,581,160	1.84	0	0	0	0	N/A	N/A	N/A
HSBC Custodian Arcaidi Emerging Markets Small-Cap Equity Fund	3,876,383	0.94	0	0	0	0	N/A	N/A	N/A
J.P. Morgan Custodian Xianjin Xingguang Global Composite Equity Index	3,772,405	0.92	0	0	0	0	N/A	N/A	N/A

IX. The shareholding of the Company, directors, supervisors, managers, and enterprises that are directly or indirectly controlled by the Company in the same re-invested company: N/A.

C. Capital Overview

I. Capital and Shares:

(I) Source of share capital:

Unit: Share/NT\$

Year Month	Issue price	Authorized capital		Paid-in capital		Notes		
		No. of shares	Amount	No. of shares	Amount	Source of share capital	Shares acquired by noncash assets	Other
March, 2020	10	600,000,000	6,000,000,000	356,848,962	3,568,489,620	Conversion of employee warrants 636,000 shares	N/A	Note 1
November, 2020	10	600,000,000	6,000,000,000	358,163,962	3,581,639,620	Conversion of employee warrants 1,315,000 shares	N/A	Note 1
March, 2023	10	600,000,000	6,000,000,000	358,413,962	3,584,139,620	Conversion of employee warrants 250,000 shares	N/A	Note 2
March, 2023	10	600,000,000	6,000,000,000	408,413,962	4,084,139,620	Cash capital increase 50,000,000 shares	N/A	Note 3
December, 2023	10	600,000,000	6,000,000,000	408,728,962	4,087,289,620	Conversion of employee warrants 315,000 shares	N/A	Note 2
March, 2024	10	600,000,000	6,000,000,000	409,343,962	4,093,439,620	Conversion of employee warrants 615,000 shares	N/A	Note 2
May, 2024	10	600,000,000	6,000,000,000	409,463,962	4,094,639,620	Conversion of employee warrants 120,000 shares	N/A	Note 2
November, 2024	10	600,000,000	6,000,000,000	409,613,962	4,096,139,620	Conversion of employee warrants 150,000 shares	N/A	Note 2
March, 2025	10	600,000,000	6,000,000,000	410,566,962	4,105,669,620	Conversion of employee warrants 953,000 shares	N/A	Note 2

Note 1: October 2, 2015, Jin-Guan-Zheng-Fa-Zi No. 1040039608.

Note 2: April 7, 2020, Jin-Guan-Zheng-Fa-Zi No. 1090336257.

Note 3: Granted approval by Jin-Guan-Zheng-Fa-Zi No. 1110360842 dated November 9, 2022, and permitted to extend fundraising period by Jin-Guan-Zheng-Fa-Zi No. 1120331240 dated January 18, 2023.

Note: As of March 25, 2025, the number of common shares in circulation, following the suspension of share transfers, is 411,016,962 shares. (Of which 450,000 shares are still pending company registration amendment.)

Shares Type

March 25, 2025 (as of the date of suspension of transfer registration)

Unit: Shares

Shares Type	Authorized capital			Notes
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	411,016,962	188,983,038	600,000,000	

Information about the comprehensive reporting system: None.

(II) Major shareholders: Shareholders with a shareholding ratio of over 5%

March 25, 2025

Unit: Shares

Name of major shareholder	Shares	No. of shares held	Shareholding ratio (%)
Ming-Ling Co., Ltd. (Representative: Shane Ouyang)		37,974,032	9.24
Shane Ouyang		31,090,496	7.56
Ou Young Chang Su-Hsiang		28,516,175	6.94
Lei Ouyang		26,858,132	6.53
Yue Feng International Co., Ltd. Investment account under the custody of Taishin Bank		26,159,515	6.36
Trust property account of Scott Ouyang at the Taipei Branch of the United Bank of Switzerland		20,558,787	5.00
Chih-Yung Li		17,028,024	4.14
Chun-Yu Investment Co., Ltd. (Representative: Li-Chuan Chiu)		7,581,160	1.84
HSBC Custodian Arcadi Emerging Markets Small-Cap Equity Fund		3,876,383	0.94
J.P. Morgan Custodian Xianjin Xingguang Global Composite Equity Index		3,772,405	0.92

(III) Company dividend policy and implementation:

1. Dividend policy:

The Company's Articles of Association stipulate that: If there is a surplus balance shown in the Company's yearly final accounting, the surplus balance shall be used to pay for income tax in accordance with the law, and then used to compensate for deficits in previous years; 10% of the remaining amount shall then be allocated as legal reserve, but allocation to the reserve may not be required if the legal reserve has reached the Company's paid-in capital. After the surplus balance has been apportioned to or reversed from the special reserve in accordance with the regulations

of the competent authority, it should be combined with the undistributed surplus balance from previous years. The resulting amount should be distributed per the surplus distribution proposal drafted by the Board of Directors to be submitted to a shareholders meeting for final resolution and approval. If the earnings are distributed in cash, the Board of Directors shall be authorized to make a resolution in accordance with Article 228-1 and Article 240-5 of the Company Act and shall be reported to the shareholders' meeting.

The Company may distribute all or a part of the capital reserve or legal reserve, based on financial, business, and operational considerations, according to regulations or the regulations of the competent authority. If it is distributed in cash, the Board of Directors shall make resolutions in accordance with Article 241 of the Company Act and shall be reported to the shareholders' meeting.

The Company's dividend policy stipulates that no less than 30% of the available surplus balance should be distributed to shareholders as dividends in accordance with current and future development plans and with consideration to investment market trends, cash-flow demands, and domestic and international competition status as well as consideration of shareholders' interests.

Distribution of company surplus may be in the form of stock dividends or cash based on considerations of capital budgeting, business expansion needs, and sound financial plans for the purpose of sustainable growth, but cash dividends should be no less than 60% of total shareholder dividends for the current year. The aforementioned dividend distribution policy may take into consideration the Company's business needs, transfer investment and merger cash-flow requirements, and circumstances such as major legislation change; appropriate adjustment to the ratio of cash dividend distribution will be proposed by the Board of Directors to the shareholders' meeting for final resolution.

2. Distribution of shareholder dividends proposed in the latest shareholders' meeting:

On April 11, 2025, the Board of Directors resolved that the distributable profit for 2024 amounted to NT\$449,361,130 dividend of NT\$143,855,937 was allocated to shareholders, corresponding to a cash dividend of NT\$350 per thousand shares.

(IV) Effect of stock grants proposed in the latest shareholders' meeting on the Company's business performance and earnings per share: N/A.

(V) Remuneration of employees, directors, and supervisors:

1. Percentages and ranges of remuneration to employees, directors, and supervisors, as specified in the Company's Articles of Association:

According to the Company's Articles of Association:

If the Company was profitable during the year, at least 2% of the profit shall be allocated as employee remuneration, and no more than 2% may be allocated as remuneration for directors and supervisors. However, profits must first be taken to offset cumulative losses if any.

Employee bonuses may be paid in shares or cash. Employees at affiliated companies that satisfy certain criteria may also qualify.

2. Basis for estimating the amount of remuneration of employees, directors and supervisors; basis for calculating the number of shares to be distributed as employee remuneration; and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period: If any changes made to the amounts after the annual financial reports are published, the changes will be applied in accordance with accounting estimation changes and will be included in the financial statements of the following year. The Company did not distribute stock dividends to employees in 2024.
3. Remuneration proposals passed by the Board of Directors:
 - (1) Employee, director, and supervisor remuneration will be distributed in cash or shares. If there is any discrepancy with the recognized costs for the year then the difference, reason, and response should be disclosed:

In accordance with the relevant provisions of the Company's Articles of Association, the Board of Directors resolved on March 6, 2025, to allocate NT\$3,420 thousand for director remuneration and NT\$19,380 thousand for employee remuneration, to be distributed in cash. This allocation matches the amounts estimated in the accounts.
 - (2) The amount of remuneration to employees to be paid in shares and its percentage out of the standalone or individual financial report for the current period in terms of the sum of net profit after tax and employee remuneration: None.
4. Any discrepancy between actual remuneration distribution of employees, directors, and supervisors (including the number of shares, the amount and share price) and the recognized remuneration of employees, directors, and supervisors, and disclosure of the differences, reasons, and responses:

On March 11, 2024, the Company's Board of Directors resolved, and on May 30, 2024, the shareholders' meeting reported the allocation of NT\$4,095 thousand as director remuneration and NT\$21,905 thousand as employee remuneration, consistent with the amounts recorded in the accounts.

(VI) Company stock buyback:

1. Exercised: The most recent year and as of the printing date of the Annual Report: None.
2. Currently exercising: None.

II. Issuance of corporate bonds: None.

III. Issuance of preferred stocks: None.

IV. Issuance of global depositary receipts (GDR): None.

V. Issuance of employee share options and restricted share awards:

(I) Exercise of employee share option plan (ESOP):

1. Outstanding employee share options and impact on the shareholder equity:

March 25, 2025

March 23, 2023

Tranche of ESOP	2020 First Employee Stock Option (ESOP) Issuance	2021 First Employee Stock Option (ESOP) Issuance	2023 First Employee Stock Option (ESOP) Issuance	
Date of approval by competent authorities and total units	April 7, 2020 10,696,000 shares	December 9, 2021 5,000,000 shares	June 20, 2023 3,000,000 shares	
Date of issuance (processing)	August 10, 2020	February 14, 2022	August 9, 2023	November 12, 2024
Units issued	10,200,000 shares	2,100,000 shares	1,400,000 shares	750,000 shares
Units available for issuance	0 shares (Note 1)	0 shares (Note 1)	850,000 shares	
Ratio of units available for issue to total shares outstanding	2.86%	0.59%	0.34%	0.18%
Subscription duration	3 years	3 years	3 years	
Mode of implementation	Issuance of new shares	Issuance of new shares	Issuance of new shares	
Time frame and ratio of restricted subscription (%)	50% can be exercised two years from the day after issuance; 100% can be exercised after three years.			
Units exercised (shares)	2,853,000	0	N/A	
Amount exercised (NT\$)	33,874,500	0	N/A	
Number of rights unexercised	2,947,000	1,600,000	1,400,000	750,000
Exercise price for unexercised units (NT\$)	11.5	13.7	13.2	14.8
Ratio of unexercised rights To total shares outstanding (%)	0.72%	0.39%	0.34%	0.18%
Impact on shareholders' equity	Dilution of our Company's earnings per share is still generally limited and so will not exert a major impact on shareholders' equity.			

Explanation : 2020/8/10, total outstanding shares: 356,848,962 shares

2022/2/14, total outstanding shares: 358,163,962 shares

2023/8/9, total outstanding shares: 408,413,962 shares

2024/11/12, total outstanding shares: 409,613,962 shares

As of March 25, 2025, the number of common shares in circulation, following the suspension of share transfers, is 411,016,962 shares.

Note 1: As the issuance period has been reached, the units available for issuance is therefore 0.

2. Managers who have acquired employee stock warrants and the 10 employees with the highest number of convertible rights and the conditions of their exercise and subscription as of the printing date of the Annual Report:

As of March 25, 2025

Unit: Shares: Thousand shares ; Amount: Thousand NTD

Date of issuance		Title	Name	Number of rights vested	Vested rights as a percentage of total outstanding shares	Exercised				Unexercised			
						Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares	Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares
2020.08.10	Managers	Vice President	Lourdes Lee, Zhen-Hui Jin, Chong Kheng Lim	1,750	0.4%	500 500	12.3 11.5	6,150 5,750	0.24%	750	11.5	8,625	0.18%
		President	Todd Alex Talbot (Note 1)	3,200	0.78%	350 750	12.3 11.5	4,305 8,625	0.27%	2,100	NA	NA	0.51%
		Vice President	Eric Chen(Note 2) Michael David Bond (Note 3)										
		Assistant Vice President	Sheng-Hsiung Huang (Note 3) Jung-Chao Lin (Note 4)										

Note 1: Discharged from duties upon expiration of term on January 1, 2024.

Note 2: Resigned on January 1, 2025.

Note 3: Manager has left his or her respective position at the Company within two years of receiving the employee subscription right; hence, said employee subscription right is no longer valid.

Note 4: Retired on July 1, 2023.

Unit: Shares: Thousand shares ; Amount: Thousand NTD

Date of issuance		Title	Name	Number of rights vested	Vested rights as a percentage of total outstanding shares	Exercised				Unexercised			
						Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares	Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares
2020.08.10	Employee	Employee	Hong-Ting Wang, Jason David Shaw, Keith Edward Yurko, Nathalie Wilhelmina Vandecraen, Richard Ian George	2,700	0.66%	200 303	12.3 11.5	2,460 3,485	0.12%	2,197	11.5	25,266	0.53%
			Eric Wu (Note 3), Janet OH (Note 3), Raul Maldonado (Note 3), Ching-Hsiang Chang (Note 3) Min-Feng Ku (Note 5) Kyle W Selph(Note 6)	2,550	0.62%	250	12.4	3,100	0.06%	2,300	NA	NA	0.56%

Note 3: Manager has left his or her respective position at the Company within two years of receiving the employee subscription right; hence, said employee subscription right is no longer valid.

Note 5: Resigned on May 1, 2024.

Note 6: Resigned on July 13, 2024.

Unit: Shares: Thousand shares ; Amount: Thousand NTD

Date of issuance		Title	Name	Number of rights vested	Vested rights as a percentage of total outstanding shares	Exercised				Unexercised			
						Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares	Number of rights	Subscription price	Value of rights	Ratio of rights to total outstanding shares
2022. 02.14	Managers	Vice President	Zhen-Hui Jin, CHONG KHENG LIM	500	0.12%	0	0	0	0%	500	13.7	6,850	0.12%
	Employee	Employee	Carmen Fiordiroso, Chip Boyles	1,100	0.27%	0	0	0	0%	1,100	13.7	15,070	0.27%
			Jeff Kessler (Note 3)	500	0.12%	0	0	0	0%	500	NA	NA	0.12%
2023. 08.09	Managers	Vice President	Jack Hung	1,000	0.24%	0	0	0	0%	1,000	13.2	13,200	0.24%
	Employee	Employee	Carmen Fiordiroso	400	0.10%	0	0	0	0%	400	13.2	5,280	0.10%
2024. 11.12	Managers	Vice President	Nelson Lin	750	0.18%	0	0	0	0%	750	14.8	11,100	0.18%

Note 3: Manager has left his or her respective position at the Company within two years of receiving the employee subscription right; hence, said employee subscription right is no longer valid.

(II) Processing of the issuance of restricted share awards:

1. Restricted share awards that have not all met the vesting conditions as of the date of this Annual Report and impact on shareholders' equity: None.
2. Managers with vested restricted shares as of the date of this Annual Report and the top ten employees in terms of vested units: None.

VI. Mergers, acquisitions, or issuance of new shares for acquisition of shares of other companies: None.

VII. Implementation of capital allocation plan:

- (I) Content of plan: Up to the season prior to the printing date of this Annual Report, negotiable securities issued in previous batches or private placements that have not been completed or were completed within the last three years and have not yet realized the estimated return: None.
- (II) Implementation Status: An itemized analysis of the purposes of the aforementioned plans was conducted up to the quarter preceding the publication date of the Annual Report. The implementation status and its comparison to the originally anticipated benefits: None.

D. Operational Highlights

I. Business activities

(I) Business scope

The main business scope of Globe Union involves the design, manufacturing, marketing, and warehousing logistics of bathroom products. These operations are executed through two divisions: the Global Plumbing Division and the PJH Logistics Division in the United Kingdom.

The Global Plumbing Division focuses on both proprietary brands and ODM/OEM services, with primary markets in North America and Europe. This team is one of the few in the industry capable of simultaneously offering diverse services, including proprietary branding, ODM, and OEM. In the North American market, the division serves a variety of customers, including wholesale distributors, retail channel operators, and leading bathroom brands, through a diverse mix of business solutions. In the European market, it caters to the needs of retail channel customers by leveraging its proprietary brand and ODM business lines.

The PJH Logistics Division in the UK offers nationwide services, supported by two major logistics centers, a dedicated fleet of delivery vehicles, and the capability for Last Mile Delivery. Its primary customer base is divided into three main types: bathroom product retailers, national retail chains (Big Box), and national builders.

Business breakdown:

Business		2024	Notes
Proprietary brand	(Global Plumbing Division)	38%	
ODM/OEM	(Global Plumbing Division)	23%	
PJH	(UK Logistics Division)	39%	
Total		100%	

New products under development:

Based on the group's technology development roadmap, efforts are being made to actively expand key technology research and patent layouts, anticipating future trends. The main projects include:

1. Ceramics innovations

(1) Introduction of noise optimization and Quiet Clean technology:

This year, the Company will further refine toilet noise optimization technology by integrating numerical simulation software with synchronous prototype testing. Improvements will be precisely targeted at noise sources, focusing on noise reduction designs for the discharge pipe and water outlet ring. In addition, the Quiet Clean technology will push for more patent applications to ensure a competitive edge in the market.

(2) Expansion of the ReadySet™ product line:

The Company plans to launch the Rocket Head ReadySet™ installation components for more models of exposed-pipe toilets and extend this solution to concealed-pipe toilets, quick-install water tanks, and snap-on toilet seat covers. The aim is to create comprehensive and convenient installation solutions. Furthermore, we will continue to strengthen patent layouts to enhance market competitiveness and build technical barriers.

2. Brass innovations

(1) Faucet design:

- ✓ Development of a new multi-functional two-in-one showerhead set, expanding on the 1-in-1 design with patented magnetic positioning technology to enhance showering versatility and convenience.
- ✓ Creation of a series of lightweight, slim, and refined designs aligned with new trends.

(2) Optimization of installation experience:

- ✓ Extending easy-installation concepts to the bathtub Roman faucet installation by combining advantages of both above-counter and under-counter quick-installation techniques for improvement.

(3) Health and filtration features:

- ✓ Addressing increasing hygiene demands, the Company is developing kitchen faucets with water filtration functionality.

(II) Industry overview:

1. Current industry status and developments

The Globe Union's business is globally positioned in the bathroom products industry, which is closely tied to the housing market. In its three major markets—North America, Europe, and the United Kingdom—the real estate market in 2025 remains cautious due to factors like high exchange rates, elevated housing prices, and uncertainties surrounding tariff policies implemented by the new US administration.

The National Association of Realtors (NAR) has issued optimistic forecasts for the real estate market in 2025 and 2026, anticipating growth in home sales and moderate declines in mortgage rates. Existing home sales are expected to grow by 9% in 2025 and an impressive 13% in 2026. Similarly, new single-home sales are anticipated to rise by 11% in 2025 and 8% in 2026. The housing start indicator suggests a steady recovery in new housing construction, coupled with the positive outlook for existing home sales. This trend is expected to drive growth in residential renovations and maintenance expenditures in 2025. Moreover, rising home prices have increased homeowner equity, likely encouraging more home improvement and repair projects. The Leading Indicator of Remodeling Activity (LIRA) predicts annual spending on home renovations and maintenance will grow by 1.2%, reaching US\$477 billion by the third quarter of 2025, compared to the current US\$472 billion.

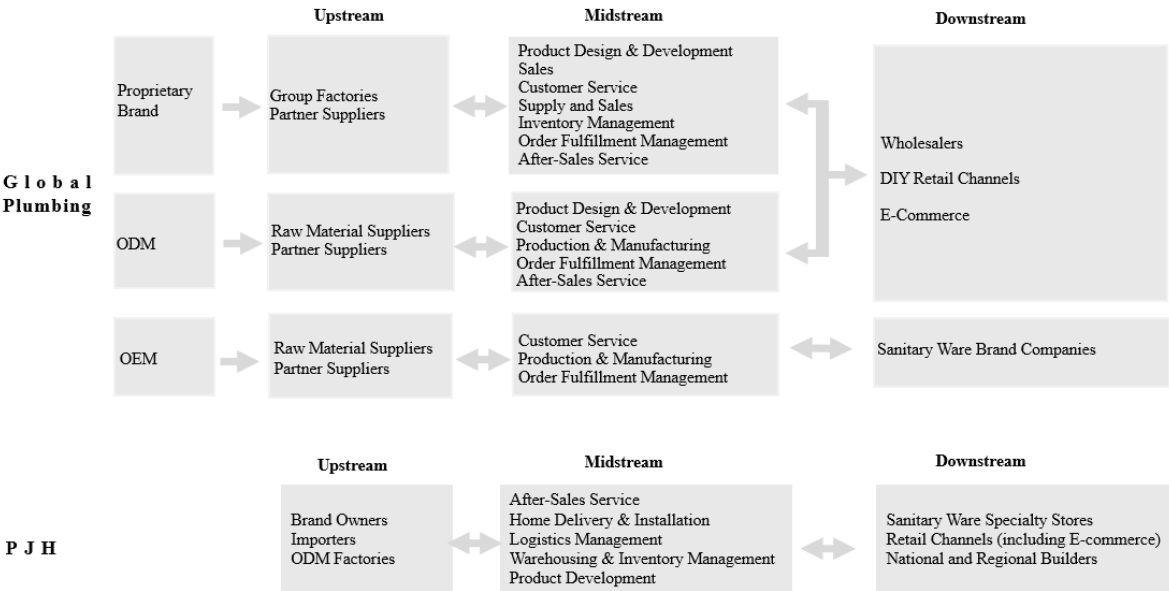
The Canadian Real Estate Association (CREA) predicts that as interest rates continue to decline, market demand will return, leading to a significant rebound

in the real estate market starting in the second quarter of 2025. National home sales are expected to grow by 6.6% in 2025.

According to EUROCONSTRUCT data, the decline in new housing construction led to a 2.7% drop in 2024. However, the market is expected to start recovering in 2025 and continue improving through 2026.

In the UK, as interest rates and mortgage rates decline, demand in the private housing market is gradually recovering, driving a broader real estate market rebound. Total construction output is expected to grow by 2.5% in 2025 and 3.8% in 2026. Private housing is projected to increase by 8.0% in 2025 and 7.0% in 2026. Additionally, expenditures on private housing repair, maintenance, and improvement (RM&I) are anticipated to rise by 3.0% in 2025 and 4.0% in 2026.

2. Upper, mid, and down-stream industry supply chain:



3. Product development trends and competition:

A. Industry background and market dynamics

1. Macroeconomic challenges and opportunities

The global economy faces ongoing impacts, including the US-China trade conflict, geopolitical risks, and fluctuations in the supply of raw materials, particularly metals. Additionally, the digital wave is accelerating AI- and data-driven transformations in manufacturing and marketing, while consumer demands are becoming increasingly diverse. Governments are placing more emphasis on sustainability regulations, with European and American markets imposing stricter requirements for eco-friendly and low-toxicity materials, driving both industry and product upgrades.

2. Consumer behavior trends

Balancing health and luxury, post-pandemic consumers are prioritizing a healthy living experience and premium comfort in their homes. The demand for smart technologies has surged, with a rapid increase in preference for contactless controls and connected products. Open-concept designs continue to influence home trends, emphasizing integrated design where functionality and aesthetics are equally important for kitchen and bathroom products.

B. Trends in water hardware and ceramic bathroom products

1. Energy efficiency and eco-friendly designs: Optimized water flow control and temperature regulation technologies allow for efficient flushing and showering, achieving water conservation while reducing energy consumption. Sustainable materials are utilized, featuring waterless electroplating, non-toxic channel structures, and recycled materials to meet global environmental standards.
2. Quiet and comfortable user experience: Continuous advancements in noise-reduction technologies focus on creating quiet environments, with toilets and faucet channels designed to minimize noise.
3. Convenient installation and maintenance optimization: Quick-installation designs for faucets, toilets, and bathroom accessories reduce required tools and installation time. Features like easy-detach-and-attach simplify daily maintenance and cleaning processes, enhancing user convenience and satisfaction.
4. Design aesthetics and multifunctionality with a modern and luxurious appeal : Ceramic and metal components are crafted with a stronger emphasis on streamlined forms and premium textures, showcasing a modern and luxurious aesthetic that aligns with consumers' design preferences. Space-saving and multifunctional designs enable products like toilets, bathtubs, and faucets to offer greater utility within limited spaces, catering to modern residential and commercial needs.
5. Innovations in health and hygiene: Antibacterial and stain-resistant surfaces applied to ceramic and hardware products enhance hygiene, addressing post-pandemic consumer concerns.

6. Smart technologies and smart home integration: Features like infrared sensors and voice control for touchless operation are integrated into faucets, showers, and toilets. These innovations improve hygiene, convenience, and customization for an enhanced user experience.

C.Competition:

1.Brand and market positioning

- Focus on blueprint planning for in-house brands GERBER and LENZ, strengthening mid-priced product offerings in retail channels to optimize profitability.
- Continuously enhance brand image through innovative design and technology to drive competitive market segmentation.
- Leverage e-commerce platforms to expand the market, actively investing in online sales and digital marketing to reach a wider audience and boost brand visibility and competitiveness in digital channels.

2.Technological innovation and R&D investment

- Center on technology differentiation as a core competitive strategy, focusing on continuous breakthroughs in new structures and innovative experiences.
- Actively expand patent portfolios to secure technological advantages and market competitiveness.

3.Quality control

- Strengthen product quality and user experience to meet consumer demands for reliability and durability.
- With the growth of online consumption, place emphasis on customer reviews and feedback on e-commerce platforms to further enhance product quality and digitally optimize after-sales services.

Future outlook:

1. Continue to focus on technological innovation and product upgrades, launching high-value-added products in line with market trends. Strengthen R&D investments, explore applications of digital technologies, and enhance product performance and user convenience.
2. Bolster brand and channel strategies, deeply cultivate the mid-price market, and expand influence in the high-end market. Through precise market positioning and marketing strategies, amplify the brand's presence in e-commerce, driving the synchronized growth of online and offline channels.
3. Actively address industry sustainability challenges by developing products and processes that meet environmental standards, supporting the brand's long-term competitive advantage. Prioritize green innovation and sustainable development, invest in environmentally friendly R&D, reduce carbon footprint and resource consumption, and establish the brand's leading position in sustainable development.

(III) Overview of technology and R&D:

1. R&D expenses of the latest year, up to the print date of the Annual Report

Unit: Thousand NTD

Item \ Year	2024	As of February 28, 2025 (Unaudited)
R&D expenses	166,094	27,708

2. Successfully developed technologies and products

Item	Project name	Status and impact of R&D results
1	LENZ ceramic toilets and basins	This product line includes innovative packaging that integrates toilet installation features, enriching the lineup with a complete suite of options that includes both brass fixtures and ceramic pieces.
2	Anti-finger & water-repellent dual-coating	The dual coating allows products to maintain a clean appearance for extended periods by reducing fingerprint and water stain adhesion. This minimizes cleaning frequency and lowers maintenance costs. The water-repellent properties also reduce dirt buildup, enhancing the product's quality and value. Designed to meet the needs of high-end markets, this feature strengthens brand competitiveness.
3	ReadySet™ quick-detach toilet seat design	This design simplifies cleaning, enabling thorough access to gaps between the toilet and the seat. Easy to install without the need for specialized tools, it saves time and costs. The quick-detach feature makes repairs or replacements more efficient, reducing customer inconvenience. By improving usability, this design is especially appealing to households and commercial spaces with high demands, boosting both product appeal and competitiveness.

(IV) Long- and short-term business plans:

A. Short-term business plans:

1. Brand enhancement and expansion

With the promotion of the brand gradually achieving positive results, the visibility and demand for the Company's US-based GERBER brand and Europe-based LENZ brand have grown synchronously. The Company plans to undertake strategic integrations for the brand development.

- Brand product portfolio strategy: Plan product portfolios that focus on the brands, and draft product DNA based on the core strategies of the two

brands. Implement integrative product designs for our GERBER and LENZ product lines in order to share the design resources and reduce manufacturing costs.

- Product innovation: In accordance with our mission "We provide ease and peace of mind", we consistently enhance the overall user experience of our proprietary products. This encompasses quality control, packaging design, product aesthetics, user-friendly installation devices, water-saving efficiency, anti-pollution functionality, and the entire logistics delivery process. By ensuring stable high quality, optimized performance, and effortless installation, we elevate consumers' brand experience and bolster brand value.
- Expand brand sales channels: The sales strategy for GERBER will focus on cultivating and growing our existing market share in the wholesale channel, and gradually entering the North American retail and big box stores to expand its sales channels. Regarding the enthusiastic response from the retail channel to the professional brand GERBER, we will strategically expand the retail market and online channel for GERBER to increase its product lineup, strengthen its product portfolio, and sales channels, as well as strengthen people-oriented services. The brand will position its products featuring mid-to-high-end, high-quality, and design-oriented to increase brand power and therefore overall revenue contribution.

The European-based LENZ has been positioned as a mid-to-high-end kitchenware brand. It continues to experience stable growth, and with the emergence of e-commerce in Europe, the Company will implement an expansion strategy for LENZ's brand, increase the marketing plan for the LENZ ceramic bathroom products, and expand its sales channels.

2. New perspectives in business: strengthening manufacturing

The Company has streamlined the integration of Group businesses and divisions, we are focused on production capacity management and enhancing core processes to strengthen manufacturing capabilities. In recent years, the Group has actively implemented a balanced global investment strategy, promoting supply chain diversification through a "parallel supply chain" approach. In 2019, we established a ceramics manufacturing plant in Mexico, successfully improving yield rates and production capacity. As market demand recovers, we are actively exploring non-China-based production facilities for hardware faucet manufacturing. This will further advance our diversified production strategy. In terms of our customer strategy, the Company adopts a single-window approach and leverages its unique product manufacturing advantages to provide existing customers with a complete product line (ceramics and faucets). We offer flexible solutions, including professional branding, ODM/OEM services, and private label customization. By utilizing product differentiation and diverse design choices, we aim to capture greater market share.

3. Steady growth of PJH professional sales channel services

UK's PJH is a leading local professional provider of sales channels for kitchen and bathroom products. In recent years, the Company has continuously improved and streamlined the foundational framework of

logistics operations. These efforts have strengthened corporate culture and enhanced team cohesion, significantly boosting enterprise value, service efficiency, and customer satisfaction. PJH also demonstrated extremely high response capabilities in dealing with risk management and won praise from customers. PJH will expand its distribution logistics equipment and infrastructure in line with the overall market strategy to support business development. The Company will continue to manage and reduce costs to maintain steady profit influx.

B. Long-term business plans:

1. Increase production efficiency and achieve stable manufacturing capabilities
The Company has introduced and self-developed assisting facilities that improve production efficiency and reduce labor intensity. In accordance with the concepts of environmental protection and energy conservation, the Company improved its production environment and yield and implemented lean production, sustainable development, and building a new generation of future-oriented factories.

2. Channel development and expansion

The Company will take full advantage of its product design and manufacturing capacity as well as brand recognition to uncover new sales platforms and provide customers with diverse services (brands and OEM) and products (faucets and ceramic toilet products). With the precise market positioning and core values of the Company's brands GERBER and LENZ, the Company will strive to develop the brand expand its market and channels, and drive growth with the brand. The long-term business development strategy will focus on increasing the brand power of self-owned brands, GERBER and LENZ, so that consumers can enjoy exquisite quality bathroom products at reasonable prices as the primary goal. Based on solidifying short-term business niches, the Company will continue to implement lean manufacturing as well as enhance and steadily expand the market share of the North American and European bathroom market. Sales strategies will focus on establishing physical retails and virtual sales channels as the main route for future product sales. Brand and product information transparency will allow faster interactions with consumers through various information on the web.

II. Market, production, and sales:

(I) Market analysis: The Company is in the bathroom and kitchen products industry. Our main markets are North America and Europe.

1. Main markets

Unit: Thousand NTD

Region \ Year	2024		2023	
	Amount	%	Amount	%
North America	10,155,938	55.92	10,429,750	56.95
Europe (which includes the United Kingdom)	7,685,392	42.32	7,578,503	41.38
Other	320,114	1.76	305,676	1.67
Total	18,161,444	100.00	18,313,929	100.00

2. Market share:

The Company's main business regions are North America and Europe, of which the UK's PJH revenues are a main part. In 2024, the Group achieved revenue of \$10.155 billion in North America and \$7.685 billion in Europe. By offering exceptional service and superior product quality, alongside a dual approach of self-owned branding and OEM/ODM strategies, the Company has successfully secured a prominent position in the global bathroom and kitchen product markets.

3. Future market supply, demand, and future growth:

(1) Supply and demand:

According to the "Plumbing Fixtures Market Global Forecast 2025-2030" report published by 360iResearch in January 2025, the global plumbing fixtures market reached US\$118.2 billion in 2024. From 2025 to 2030, the compound annual growth rate is projected to be 5.03%, with the market size expected to reach US\$160.2 billion by 2030.

This growth is driven by factors such as urbanization and infrastructure development, alongside the housing and construction boom. Additionally, consumer preferences for water-saving and environmentally friendly products, automation and smart devices, high-performance solutions, and antibacterial features provide significant opportunities for further market expansion.

1) North America

According to Statista, the demand for plumbing fixtures in North America is expected to reach US\$26.4 billion in 2025, with a compound annual growth rate of 2.71% between 2025 and 2029. In addition, the United States is projected to account for US\$20.8 billion in demand in 2025, with a compound annual growth rate of 2.66% from 2025 to 2029. Canada's 2025 demand is estimated at US\$2.89

billion, with a higher compound annual growth rate of 3.22% over the same period.

This growth is fueled by the accelerated development of residential and commercial projects in the region, as well as the increasing prevalence of home remodeling and renovation. These factors have created significant opportunities for bathroom and kitchen equipment manufacturers. To address evolving consumer needs, brands are focusing on introducing multifunctional products. Furthermore, as water conservation becomes a priority for consumers and businesses, the demand for smart bathroom products is anticipated to grow robustly in the coming years.

2) Europe

The Statista report also highlights that rising national awareness of environmental sustainability is driving demand for high-quality, sustainable bathroom equipment. By 2025, the demand for bathroom equipment in Europe is estimated to reach US\$15.9 billion, with a compound annual growth rate of 2.88% expected from 2025 to 2029. In 2025, the demand for bathroom equipment in Germany is projected to reach US\$3.22 billion, with a compound annual growth rate of 3.88% from 2025 to 2029. France is expected to see a demand of US\$1.68 billion in 2025, with a compound annual growth rate of 2.02% over the same period. Meanwhile, the UK's estimated demand for bathroom equipment in 2025 will be US\$980 million, with a compound annual growth rate of 0.25% from 2025 to 2029.

(2)Growth potential:

According to the Home Improvement Research Institute (HIRI) report, the US home improvement market shows significant potential. Although it is projected to decline by 0.1% in 2024 compared to 2023, growth is expected to resume with a 3.9% increase in 2025. Specifically, the consumer segment of the home improvement market is anticipated to decrease by 0.2% in 2024 but recover with a 4.2% growth in 2025.

4. Competitive niches

(1)Increased brand power of self-owned brands and high market share

Globe Union owns 100-year-old North American brand GERBER. The Company continues to invest in developing environmentally friendly and water-conserving features in our products. We are dedicated to providing services and products that instill comfort, trust in our quality, and peace of mind in our commitment. This dedication has garnered high praise from professional plumbers and wholesale channels, leading to the company achieving the third highest market share in bathroom ceramics sales in the United States, establishing a strong competitive advantage. The North American bathroom market is roughly divided into two major channels, wholesale and retail, which account for approximately 45% and 55% respectively. Under the steady sales foundation among the North American bathroom market wholesale channels (approximately 45% of the overall market), GERBER's brand recognition and revenue have grown year by

year. In 2019, the Company established a subsidiary in Mexico, which increased the production capacity to support the business development of the Group's GERBER brand to expand the retail market. GERBER brand plans to further expand its retail channels, strengthen its brand, and expand into new target markets.

Sales revenue from our European LENZ brand continues to grow, and the Company will prudently evaluate and integrate its product lines and develop diverse sales channels to strengthen the long-term growth of LENZ.

(2) Clear strategic business placement and development models for core technology

- Self-owned brands and OEM two-pronged model:

Utilizing the two-pronged model of self-owned brands and OEM, we combine VC and faucet product profiles and product life-cycle management systems to reduce development costs. This allows us to flexibly allocate production capacity and speed up product launch schedules. In terms of sales strategies, we introduce products that coincide with the legislation, functional, and price demands of their respective markets globally and improve our profits by focusing on high-value innovative products.

- The multi-country production strategy:

The Company has implemented the deployment of multi-country manufacturing bases. Currently, there are the Globe Union Ann Bo and Milim plants in China, and the GU PLUMBING de MEXICO S.A. de C.V., which was set up in Mexico in 2019. In 2024, the Group established a plumbing hardware production base in Thailand through a strategic cooperation model, completing the CHINA+1 setup for plumbing hardware products. The operations team has planned the capacity layout and implemented a unified global manufacturing management system to enhance decision-making efficiency for capacity planning. This approach provides more flexible supply chain services for customers while reducing costs.

- Mastering core development technology:

We intend to take full advantage of key development technologies, actively research and develop high value products, and improve technical production procedures, paired with strategic patent deployment. This will allow us to enhance our products' value proposition.

(3) Strengthening Board oversight and governance systems for professional management teams ensures the implementation of corporate integrity and sustainable development

The Company has accumulated technical expertise, production capabilities, customer relationships, service networks, organizational management, and cultural systems over a long period, reaching a mature stage. Under the Board's supervision, professional management teams plan and develop short- and mid-term business plans with the goals of precise management and efficiency, improvement of quality and cost control, and eventually, a

steady revenue stream and growth. We also abide by the Company's commitment to sustainable growth and strive to develop sustainable development through long-term planning, cautiousness, and steady steps.

5. Favorable and unfavorable factors to long-term development and response measures

(1) Favorable factors:

Products and brand positioning encompass different markets globally, reducing the risk of relying solely on one market. In terms of environmental protection and energy conservation, the demand for environmentally conscious products continues to increase in Western countries. The Company's efforts to improve energy efficiency through integrated development of materials, production processes, and design have won us market recognition, which can spread across the globe to all other markets.

(2) Unfavorable factors:

- 1) Exchange rate risk: Group revenues come mainly from Europe and the Americas. Procurement and production are located in China and Mexico. The Group's foreign exchange is therefore affected by fluctuations in EUR, USD and RMB.

Response strategies: On the financial side, reasonable derivative financial products are used for foreign currency hedging; on the marketing side, we negotiate with our customers to share the exchange rate risks.

- 2) Environmental laws and regulations: The global market and Western countries in particular are becoming increasingly stringent with regard to environmental protection. This in turn poses greater challenges for further research in usable materials and processes.

Response strategies: By constantly developing novel materials and even non-metallic processes, the Company can avoid possible metal pollution and meet environmental protection regulatory requirements in each country.

- 3) Market channel development: Most of the Group's customers are in Europe and the US. The growth of the online and physical channel market has been relatively slow.

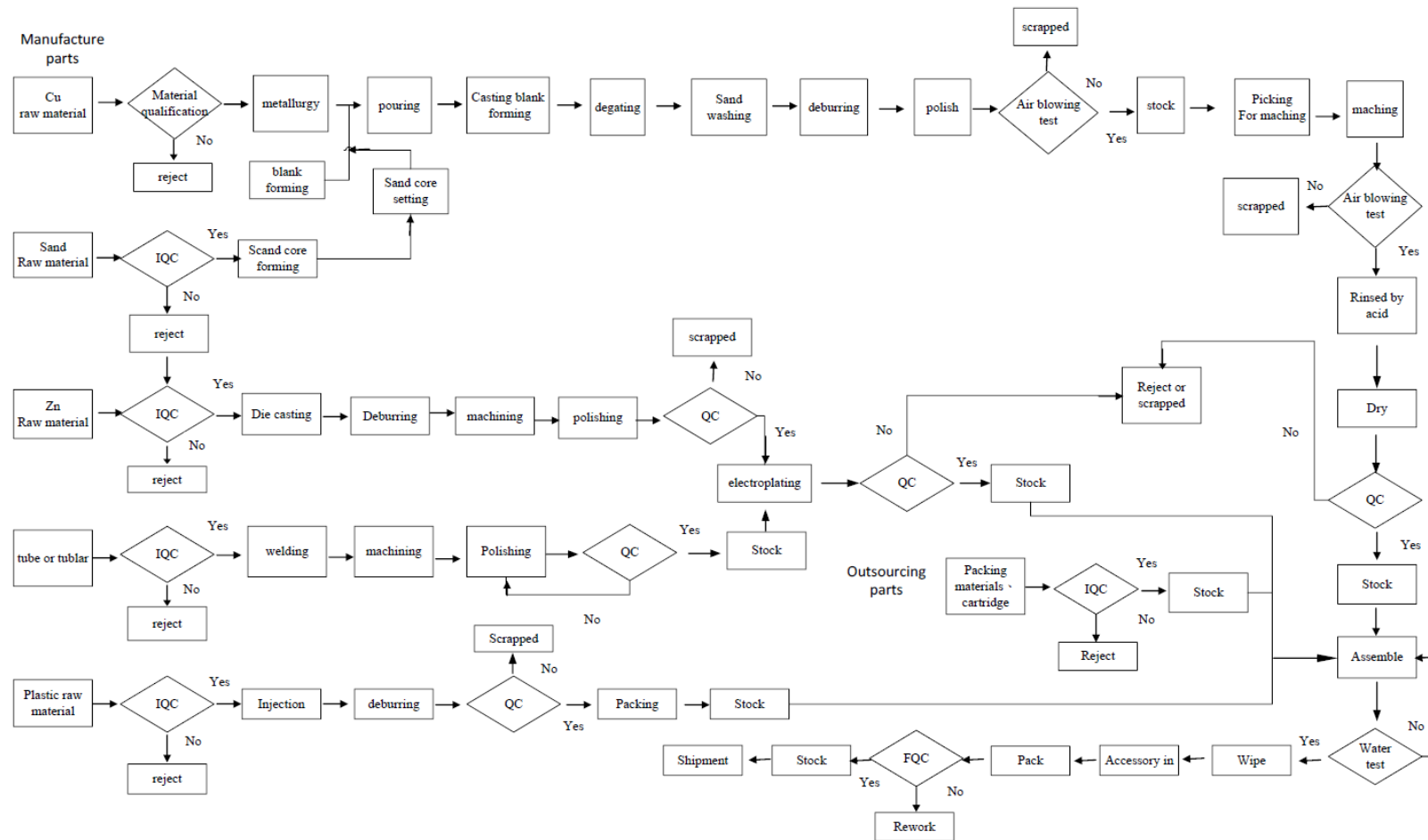
Response strategies: Positioned as a mid-to-high-end brand, the Company's North American brand GERBER is actively developing online sales and strengthening existing physical channels. Meanwhile, efforts are made to optimize the yield from our Mexican plant and increase productivity. The brand is actively strengthening relations with clients who are brand owners. With their brand power and operation sites plus our production and design capabilities, we are able to explore different layers of the distribution market. We are also continuing to study online sales systems in order to expand our reach to consumers and provide them with production information even more quickly.

(II) Major applications and manufacturing processes of core products:

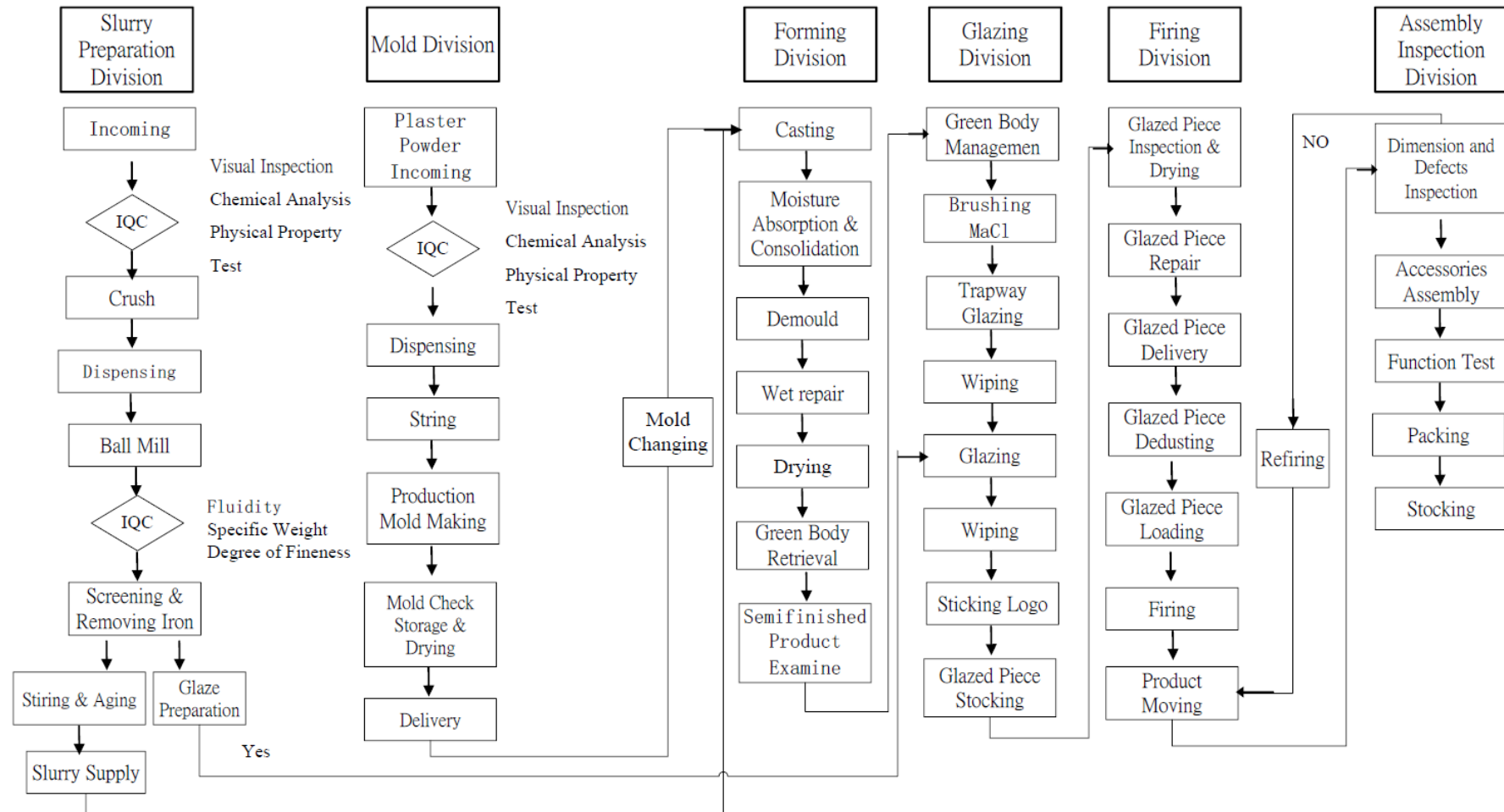
Major applications of core products: Suitable for bathroom, kitchen, and garden use.

Manufacturing processes of products:

Faucet product manufacturing process:



Ceramic tank and toilet manufacturing process:



(III)Supply of main raw materials: A sound relationship with our suppliers ensures that our sources are stable. The main raw materials for hardware products include copper, zinc, and plastic. Brass, previously widely used in faucets due to its material stability and oxidation resistance, is gradually being replaced by zinc alloy combined with plastic water channels. Zinc alloy is primarily used for the manufacturing of exterior components, while plastic materials are applied to water flow components and functional parts. As for ceramic bathroom products, the primary raw materials consist of clay, glaze materials, and plaster powder. These materials are abundantly supplied with sufficient market competition. Additionally, long-term agreements with suppliers and reserved stocks of raw materials ensure production stability.

(IV)Names of customers who accounted for more than 10% of the purchases/sales in any of the last two years, and purchases/sales amount and percentage, with explanations of the increase/decrease of such purchases/sales:

Information on main suppliers within the last two years: We buy many types of products from various suppliers. For this reason, no supplier accounted for more than 10% of the annual purchases.

Information on key sales customers during the past two years:

Unit: Thousand NTD

Year Item	2024				2023			
	Name	Amount	Percentage of net sales %	Relationship with issuer	Name	Amount	Percentage of net sales %	Relationship with issuer
1.	Customer A	3,126,067	17.21	N/A	Customer A	2,989,369	16.32	N/A
	Other	15,035,377	82.79		Other	15,324,560	83.68	
	Net sales	18,161,444	100.00		Net sales	18,313,929	100.00	

III. Number of current employees, mean number of years in service, mean age, and distribution of education in the most recent two years and up to the date this Annual Report was printed:

Consolidated financial statements:

2025/3/25

Year		2023	2024	Current year up to February 28, 2025
Employee count	Direct employees	2,083	2,181	2,161
	Indirect employees	1,902	1,832	1,839
	Total	3,985	4,013	4,000
Average age		42.2	42.4	42.3
Average years of service		9.5	9.1	9.6
Academic qualification ratio (%)	Ph.D.	0.00	0.03	0.03
	MA	2.63	2.33	2.50
	University/College	18.92	17.05	18.17
	High school	25.71	19.62	22.00
	Below high school	52.74	60.97	57.30

IV. Environmental protection expenditure information:

Losses incurred as a result of environmental pollution (including compensation and environmental protection audit results that violate environmental laws and regulations; the date of punishment, the number of the punishment, the provisions of the statute violated, the content of the statute violation, and the content of the punishment should be listed) in the most recent year and up to the date this Annual Report was printed, estimated values that might occur now and in the future, and their countermeasures:

In February 2024, Milim was fined RMB 68,000 by the Fangzi Branch of the Weifang Municipal Bureau of Ecology and Environment for non-compliance with wastewater discharge methods and destinations as stipulated in its pollutant discharge permit. Subsequently, in June, the People's Government of Fangzi District, Weifang City, issued an ecological damage compensation notice requiring Milim to pay RMB 202,381 as ecological damage compensation.

Following the initial penalty, Milim took proactive measures to rectify its wastewater pipeline system, incurring a project renovation cost of RMB 728,000. The rectification report was submitted in February 2024, and by May, the on-site re-inspection conducted by the Weifang Municipal Bureau of Ecology and Environment, along with its Fangzi District branch, marked the case as concluded.

V. Employees-employer relations:

Talent is the key to maintaining core competitiveness. Globe Union views employees as partners in sustainable growth based on the philosophy that "corporate growth is driven by constant innovation and developing the value of talent." We provide complete career development, an excellent workplace environment, and competitive pay. We also encourage teamwork and mutual learning to achieve better performance. This atmosphere shows that we take talent development very seriously, care for organization members, and hope to help employees actively develop their individual and professional potential through constant learning and growth.

(I) The Company's employee benefit measures, continuing education, training, retirement regulations and their actual implementation, along with employer-employee agreements, and measures for protecting employee rights:

1. Employee benefit

(1) Remuneration:

It includes monthly salaries, year-end bonuses, and employee remuneration distributed according to the Company's Articles of Association based on annual profits. Additionally, on March 6, 2025, the Board of Directors approved a resolution to amend the Articles of Association, stipulating that the proportion of remuneration allocated to frontline employees must not be less than 25%. The revision of the Articles of Incorporation will be proposed as a discussion item at the 2025 shareholders' meeting.

Annual performance evaluations are used to conduct objective assessments and provide employees with an environment with fair compensations and promotional opportunities.

(2) Health and safety-related benefits:

The Company has hired doctors/nurses to offer monthly onsite healthcare services since January 2020 in line with the Regulations of the Labor Health Protection in order to provide the best care and protection to our employees. Besides filing various insurance in line with the Labor Standards Act and Labor Health Protection Regulations, the Company has also filed group accidental insurance for the employees to enhance their overall protection. Moreover, employee healthcare seminars and health examinations are also routinely arranged, and comfortable employee cafeteria, coffee bar and clean and sanitary nursing rooms have also been set up in the hopes of providing a safe and comfortable work environment for our employees.

(3) Education and entertainment-related benefits:

We provide scholarships for employees and their children, group travel subsidies; Dragon Boat and Mid-Autumn Festival bonuses; annual company banquets; performance bonuses; birthday bonuses; childbirth, marriage, bereavement and holiday bonuses; and fitness equipment and facilities; and encourage employees to establish clubs, including the Yoga Club, Board Game Club, Basketball Club, Badminton Club, Human Engine Club, and Crochet Club. A fixed amount of subsidies is provided

to each club on an annual basis.

Related labor management measures are in compliance with applicable laws and regulations of the government, such as the Labor Standards Act, the Act of Gender Equality in Employment, the Occupational Safety and Health Act, and the Labor Insurance Act. We value employees' right to express their opinions, and therefore established an Employee Welfare Committee at our head office and unions in Milim. We also sign labor contracts when employees are hired to protect their rights.

2. Employee continuing education and training

An abundance of high-quality human resources is considered the foundation of corporate sustainability. We truly believe that "corporate growth is driven by constant innovation and developing the value of talent." Driven by this core business philosophy, we allocate a budget to provide employees with complete education and training every year, not only to improve their abilities and literacy, but also to bring out their potential and enhance our competitiveness.

During 2024, a total of NT\$13,638 thousand was spent on education and training, including 20,532 internal and external training sessions throughout the year that added up to 34,110 hours; a headcount of 29,465 people received the training. These primarily consisted of leadership and management, culture and values/code of conduct, labor safety training, internal audit, quality management, technology R&D, accounting management, information management, sales management, cybersecurity, intellectual property management, human rights education and training, new employee orientation, and etc.

Continuing education for managers of Globe Union:

Course Name	Organizer	Date	Course Hours	Name of Managers
AED Education and Training Course	General Affairs Section	2024/1/10	1	Jun-Hong Li
Communication Connect Through Conversation	Human Resources Department	2024/4/29	4	Jack Hung, Lourdes Lee, Jun-Hong Li, Ming-Feng Chang
Communication Skills	Human Resources Department	2024/4/29	4	Sherry Lin, Vivian Chen
New Employee Education and Training	Human Resources Department	2024/5/13	7	Nelson Lin
Strategies for Influencing Others	Human Resources Department	2024/6/28	4	Jack Hung, Lourdes Lee, Jun-Hong Li, Ming-Feng Chang
Influence	Human	2024/6/28	4	Sherry Lin, Vivian Chen

Course Name	Organizer	Date	Course Hours	Name of Managers
	Resources Department			
Developing organization Talent	Human Resources Department	2024/7/25	4	Jack Hung, Lourdes Lee, Jun-Hong Li, Ming-Feng Chang
Insider Trading Prevention and Response	Taiwan Corporate Governance Association	2024/7/26	3	Jack Hung, Lourdes Lee, Eric Chen, Nelson Lin, Zhen-Hui Jin, Ta-Ying Chang, Jun-Hong Li, Ming-Feng Chang, Sherry Lin, Vivian Chen
Refreshment	Human Resources Department	2024/8/22	4	Vivian Chen
Accounting Supervisor Continuing Education Program	Accounting Research and Development Foundation	2024/9/12 ~2024/09/13	12	Vivian Chen
Insider Trading Education and Training for 2024	Office of the Board Secretary	2024/10/16	0.5	Jack Hung, Lourdes Lee, Eric Chen, Ta-Ying Chang, Jun-Hong Li, Ming-Feng Chang, Vivian Chen
How Directors and Supervisors Oversee Corporate Risk Management and Crisis Handling	Taiwan Corporate Governance Association	2024/11/11	3	Shane Ouyang, Lourdes Lee, Eric Chen, Nelson Lin, Zhen-Hui Jin, Ta-Ying Chang, Ming-Feng Chang, Vivian Chen
Company's Regulatory Compliance and Directors' Oversight Responsibilities	Taiwan Corporate Governance Association	2024/12/11	3	Shane Ouyang, Jack Hung, Eric Chen

3. Pension scheme

The retirement plans of the Company are applicable to all formally hired employees. In compliance with the Labor Pension Act, the Company defines its appropriation plan and follows the plan and formulates Employee Retirement Procedures accordingly by setting aside 6% from each employee's salary on a monthly basis to the personal pension account with the Bureau of Labor Insurance. All pension funds are under the management of the Labor Pension Reserve Supervision Committee and saved in the dedicated pension account in the name of the Labor Pension Reserve Supervision Committee. They are completely separated from the Company. In 2024, one employee retired under the old pension scheme. The appropriate pension was paid by the Company in accordance with the pension rates set out under Article 55 of the Labor Standards Act.

The employee pension regulations is a defined benefits plan under the Labor Standards Act. The payment of employee pensions are based on a function of their years of service as well as their average monthly salary at time of retirement. For the first fifteen (including or less) years of service, two points are given for every year of service. For additional years of service, one point is given for each year. The maximum number of points is 45. The Company has been full coverage to the pension fund in the dedicated account with the Bank of Taiwan in 2019. The processing zone has approved that no additional contributions are required. Before the end of each year, the Company calculates the balance of the aforementioned labor pension reserve account. If the balance is insufficient to pay the estimated pensions of employees eligible for retirement in the following year, a lump-sum payment is made before the end of March of the following year to make up for the difference.

For other overseas subsidiaries of the Group, pension contributions are made to the relevant pension management organizations in accordance with local laws. For subsidiaries in China, a set proportion of each employee's total salary is set aside for pension insurance and paid to the relevant government agency in accordance with local laws. This is then deposited into individual employee accounts.

4. Measures for protecting employee rights

The Company's employee management policy complies with the Labor Standards Act and relevant labor regulations. Internal management regulations are updated to reflect regulatory changes as necessary to ensure that employee rights are protected.

Establishment of mechanisms for regular employee communication to ensure that employees understand the Company's operating principles: Besides the dedicated email address available for employees to provide feedback (gu.careyou@globeunion.com), the Company uses electronic notices, announcements on monthly birthday celebration events, town hall, employer-employee meetings, occupational safety meetings, and quarterly briefings on current activities for relevant quarter to keep employee up to date on company affairs at all times.

- (II) Losses incurred as a result of employer-employee disputes (including labor inspection results that violate the Labor Standards Act; the date of punishment, the number of the punishment, the provisions of the statute violated, the content of the statute violation, and the content of the punishment should be listed) in the most recent year and as of the date the Annual Report was printed, estimated values that might be incurred now and in the future, and their countermeasures: An employment contract was disputed. A former senior manager of the Company filed a retirement application in September 2018. The Company agreed for the employee to retire on October 31, 2018 and paid the relevant amount according to the contract with the employee. However, the former employee filed a civil lawsuit in the Taiwan Taichung District Court on January 7, 2020, claiming that the Company still needs to pay remaining pension and remuneration amounts. Ultimately, the Taiwan High Court Taichung Branch determined that the claims of the former senior manager were unfounded, overturned the first-instance judgment, and ruled entirely in favor of the Company, exempting it from additional pension or salary payments. The former senior manager did not appeal to the Supreme Court, and the case concluded with a final ruling in favor of the Company on January 9, 2025.

VI. Cybersecurity management

- (I) Cybersecurity risk management framework, cybersecurity policies, specific management plans, and the resources invested in cybersecurity management

1. Cybersecurity Risk Management Framework:

The department responsible for cybersecurity in the Company is the Cybersecurity Department. This department has an appointed Chief Cybersecurity Officer and several professional cybersecurity personnel, who are responsible for formulating internal cybersecurity policies, as well as planning and implementing cybersecurity operations.

On March 2, 2021, the Company established the "Cybersecurity Management Committee" to review its cybersecurity policies and supervise its cybersecurity operations. The Executive Vice President of the General Administration currently serves as the Chairman of the Cybersecurity Management Committee. A cross-departmental team has been established to enhance horizontal communication on cybersecurity initiatives, facilitating the promotion and implementation of cybersecurity policies. Regular updates on the execution of these policies are reported to the Board of Directors, with the most recent report delivered on November 11, 2024.

2. Cybersecurity Policy Items and Specific Management Plans:

(1) Cybersecurity policies:

To ensure the confidentiality, integrity, and availability of information within operational and service delivery processes, comply with relevant regulations, and reduce internal and external cybersecurity risks, the specific cybersecurity objectives are as follows:

- Ensure the confidentiality of data and prevent unauthorized use.
 - Guarantee the availability and security of information systems.
 - Maintain the effectiveness and continuity of information-related business operations.
 - Comply with legal and regulatory requirements.
- (2) Cybersecurity management measures that have been implemented: Authority management, access control, external threats, system availability, email security management, and others.
- The Company's reporting and handling of cybersecurity incidents are carried out in accordance with the Company's regulations on cybersecurity reporting procedures.
- (3) Implementation status of cybersecurity in 2024:
- Continued enhancement of cybersecurity awareness: Employee cybersecurity training, social engineering drills, and ongoing professional development for cybersecurity specialists.
 - Strengthening remote VPN access security:
 - Implementation of multi-factor authentication for VPN access, limiting the scope of VPN access to the minimum required, and allowing access only from company-issued devices.
 - Management of external consultants' remote connections, with monitoring and recording of remote activities.
 - Reinforcement of hosts and endpoints:
 - Expansion of MDR system deployment to cover all servers at headquarters.
 - Introduction of internal firewalls to enforce segmentation and enhance server defense capabilities.
 - Cybersecurity risk identification: Conducting vulnerability scans, strengthening the security of dedicated networks, and performing Globe Union domain security assessments.
 - Enhancement of backup and disaster recovery capabilities
 - Annual disaster recovery drills for critical systems and backbone networks.
 - Increasing cloud backup strategies to mitigate the risk of data loss due to on-premises disasters.
 - Implementation of ISO 27001 Cybersecurity Management System
 - Conducting gap analyses to identify areas needing improvement.

- Rapidly assessing cybersecurity risks and current conditions.
- Guiding the enhancement and continued supervision of compliance checks.
- Improving management and governance effectiveness, aligning with international standards.

Furthermore, the Company successfully obtained ISO27001:2022 third-party certification in 2024, ensuring that its cybersecurity management system complies with international standards. These measures aim to comprehensively enhance the Company's cybersecurity protection capabilities, ensuring stable and secure business operations.

Please refer to the Company's website for the full content mentioned above and cybersecurity implementation status:

<https://tw.globeunion.com/sustainability/risk-management/information-security/>

3. The resources invested continuously in the cybersecurity management:

The budget for the maintenance of information system software and hardware is approximately NT\$10.5 million, and the budget for enhancing cybersecurity is approximately NT\$4.23 million. Both budgets were successfully implemented in the current year.

- (II) List any losses suffered by the company in the most recent year and as of the date the Annual Report was printed due to significant cybersecurity incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VII. Important contracts:

Nature of contract	Contracting parties	Commencement date/Expiration date	Content	Restrictive clauses
Syndicated loan contract	Syndicated loan from eleven banks including E.Sun Commercial Bank, Ltd., CTBC Bank, Taipei Fubon Bank, and Bank of Taiwan (the coordinating bank for the syndicated loan)	2022.05.25～ 2027.05.25	Syndicated loan	For the duration of the contract, specific financial ratios shall be maintained in the annual and Q2 consolidated financial statements

Nature of contract	Contracting parties	Commencement date/Expiration date	Content	Restrictive clauses
Land lease contract	Taichung Branch of the Export Processing Zone Administration, Ministry of Economic Affairs (Tanzi Science and Technology Industrial Park, administered by the Industrial Park Management Bureau, Ministry of Economic Affairs)	2023.10.01 ~2033.09.30	Land lease	May only be used for the specified business purpose
Cooperation agreement	Shenzhen Qianhai Huirui Enterprise Management Co., Ltd.	From December 27, 2024, until completion	Cooperation agreement	The land cannot be pledged, seized, bought, sold, rented, or subjected to any claims by third parties. Furthermore, no direct or indirect land cooperation proposals may be initiated or accepted with any third parties

E. Discussion and Analysis of Financial Standing and Financial Performance and Risks

I. Financial position

Comparative analysis of financial position (consolidated financial statements)

Unit: Thousand NTD

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	10,417,952	9,818,367	599,585	6.11
Property, plant and equipment	2,962,924	2,298,557	664,367	28.90
Right-of-use assets	1,391,801	2,146,445	(754,644)	(35.16)
Investment property	15,990	35,761	(19,771)	(55.29)
Intangible assets (including business reputation)	825,677	770,759	54,918	7.13
Other assets	747,697	415,304	332,393	80.04
Total assets	16,362,041	15,485,193	876,848	5.66
Current liabilities	8,089,641	6,371,268	1,718,373	26.97
Non-current liabilities	1,893,848	3,214,194	(1,320,346)	(41.08)
Total liabilities	9,983,489	9,585,462	398,027	4.15
Equity attributable to owners of parent	6,378,552	5,899,731	478,821	8.12
Share capital	4,096,151	4,090,549	5,602	0.14
Capital reserve	993,211	988,391	4,820	0.49
Retained earnings	1,401,609	1,470,520	(68,911)	(4.69)
Other equity	(112,419)	(649,729)	537,310	(82.70)
Treasury stock	-	-	-	-
Non-controlling interests	-	-	-	-
Total equity	6,378,552	5,899,731	478,821	8.12

(I) Explanation for changes of over 20%:

1. Property, plant and equipment increased compared to 2023: Primarily due to GU Plumbing de Mexico, S.A. de C.V.'s purchase of land and factory buildings.
2. Right-of-use assets decreased compared to 2023: Mainly due to GU Plumbing de Mexico, S.A. de C.V. terminating the land and factory lease agreements early and switching to ownership, leading to a decrease in right-of-use assets.
3. Investment property decreased compared to 2023: Primarily due to reclassification effects.
4. Other assets increased compared to 2023: Mainly because prepaid equipment expenses increased by NT\$99,383 thousand, and financial assets measured at fair value through other comprehensive income increased by NT\$137,141 thousand.

5. Current liabilities increased compared to 2023: Largely due to a rise in short-term loans by NT\$1,269,981 thousand and an increase in other payables by NT\$566,626 thousand.
6. Non-current liabilities decreased compared to 2023: Mainly due to a reduction in long-term loans by NT\$400,000 thousand and non-current lease liabilities by NT\$881,053 thousand (primarily from early termination of leases).
7. Other equity increased compared to 2023: This was chiefly driven by an increase in exchange differences arising from the translation of financial statements of foreign operations, amounting to NT\$448,828 thousand.

(II) Financial condition changes in the past two years and future response plans: No significant impact on the financial condition.

II. Financial performance

Comparative analysis of financial performance (consolidated financial statements)

Unit: Thousand NTD

Item \ Year	2024	2023	Difference	
			Amount	%
Operating income	18,161,444	18,313,929	(152,485)	(0.83)
Operating margin	6,176,485	5,619,846	556,639	9.90
Operating profit or loss	583,353	331,056	252,297	76.21
Non-operating income and expenses	54,486	480,894	(426,408)	(88.67)
Net profit before tax	637,839	811,950	(174,111)	(21.44)
Net profit of continuing operations for this period	470,013	605,101	(135,088)	(22.32)
Losses from discontinued operations	-	-	-	-
Net income (loss) for this period	470,013	605,101	(135,088)	(22.32)
Other comprehensive income (OCI) for this period (Net income after tax)	489,743	14,470	475,273	3,284.54
Total comprehensive income for this period	959,756	619,571	340,185	54.91
Net income attributable to owners of the parent company	470,013	605,101	(135,088)	(22.32)
Net income attributable to non-controlling interests	-	-	-	-
Total comprehensive income attributable to owners of the parent company	959,756	619,571	340,185	54.91
Total comprehensive income attributable to non-controlling interests	-	-	-	-
Earnings per share (NTD)	1.15	1.52	(0.37)	(24.34)

(I) Explanation for changes of over 20%:

1. Operating profits increased compared to 2023: The main reason is an increase in gross operating profit by NT\$556,639 thousand.

2. Non-operating income and expenses decreased compared to 2023: The main reason is a reduction in other income by NT\$356,635 thousand and a decrease in other gains and losses by NT\$84,089 thousand.
3. Pre-tax net profit, net profit from continuing operations for the period, net profit for the period, and net profit attributable to the owners of the parent company decreased compared to 2023: The main reasons are an increase in gross operating profit by NT\$556,639 thousand, an increase in operating expenses by NT\$304,342 thousand, and a decrease in non-operating income and expenses by NT\$426,408 thousand.
4. Other comprehensive income for the period (after-tax amount) increased compared to 2023: The main reason is an increase in exchange differences on translating the financial statements of foreign operations by NT\$424,451 thousand.
5. Total comprehensive income for the period and total comprehensive income attributable to the owners of the parent company increased compared to 2023: The main reasons are an increase in gross operating profit by NT\$556,639 thousand, an increase in operating expenses by NT\$304,342 thousand, a decrease in non-operating income and expenses by NT\$426,408 thousand, and an increase in exchange differences on translating the financial statements of foreign operations by NT\$424,451 thousand.

(II) Sales forecast for the coming year and basis:

The Company's sales forecasts are based on the industry environment as well as supply and demand. Our production capacity and business development are also taken into account. The Company has a large product portfolio and each product uses a different unit of measurement so anticipated sales volume is not listed here. The anticipated distribution of product sales is: Faucets & showerhead products 34%, porcelain products 44%, other 22%.

III. Cash flows:

(I) Analysis on the cash flow changes during the current year (consolidated financial statements)

Unit: Thousand NTD

Cash balance at the beginning of year	Annual net cash flow from operating activities	Annual net cash flow from investment activities	Annual net cash flow from fundraising activities	Effects of changes in exchange rates	Cash balance at end of the year
2,964,092	1,409,825	(1,158,064)	(49,176)	143,013	3,309,690

Annual cash flow analysis

1. Net cash inflow from operating activities was NT\$1,409,825 thousand:
Mainly due to:

Main cash inflow sub-total of NT\$2,295,426 thousand:

The pre-tax net profit for this year amounted to NT\$637,839 thousand. This was primarily due to non-cash flow income and expense items of NT\$836,284 thousand, a decrease in inventory by NT\$177,893 thousand, a reduction in other current assets by NT\$293,028 thousand, and an increase in other payables by NT\$196,379 thousand.

Main cash outflow sub-total of NT\$885,601 thousand:

The decrease in accounts payable by NT\$146,440 thousand, the reduction in other current liabilities by NT\$107,103 thousand, interest payments of NT\$211,907 thousand, the decrease in prepaid expenses by NT\$128,005 thousand, and the payment of corporate income tax amounting to NT\$137,547 thousand contributed to these changes.

2. Net cash outflow for investment activities was NT\$1,158,064 thousand:
Primarily, this is due to cash outflows of NT\$774,437 thousand for the acquisition of property, plant, and equipment, as well as cash outflows of NT\$300,604 thousand resulting from the increase in financial assets measured at amortized cost.
3. Net cash outflow for financing activities was NT\$49,176 thousand:
This is primarily due to an increase in short-term borrowings by NT\$4,001,769 thousand (including NT\$3,783,000 thousand for Globe Union and NT\$218,769 thousand for PJH), repayment of short-term borrowings amounting to NT\$2,741,000 thousand (Globe Union repaid NT\$2,741,000 thousand), repayment of long-term borrowings (including current portion due within one year) of NT\$400,000 thousand (Globe Union repaid NT\$400,000 thousand), a reduction in lease liabilities by NT\$426,105 thousand, and the distribution of cash dividends totaling NT\$491,357 thousand.

(II) Cash flow analysis for the coming year

Unit: Thousand NTD

Cash balance at beginning of period (1)	Expected annual net cash flow from operating activities (2)	Expected annual cash outflow (3)	Expected cash surplus (deficit) (1)+(2)-(3)	Remedial measures for expected cash deficit	
				Investment plan	Financing plan
3,309,690	338,893	655,763	2,992,820	—	—

1. Change in cash flow analysis for the coming year:
Operational improvements are expected to generate cash flow from operating activities in 2025; the main expenses will be mostly for capital expenditures such as replacement of production equipment, and dividend payments, as well as payment of lease liabilities. This will lead to an overall cash outflow.
2. Remedial measures for expected cash deficit and liquidity analysis: None.

IV. Effect of major capital expenditures on finance and business in the past year:

To reduce future operating costs and gain greater control, GU PLUMBING de MEXICO, S.A. de C.V. purchased the previously rented factory buildings and land in November 2024, with a payment amounting to NT\$444 million. The funding source for this acquisition was supported by cash inflows from self-owned funds and financing activities. This capital expenditure has had no significant impact on the Company's financial operations.

V. Re-investment policy in the past year, respective profit/loss and main reasons, improvement plan, and investment plan for the coming year:

The re-investment policy of the Company adopts the equity method to focus on long-term strategic objectives. Please refer to Pages 172 to 173 for re-investment profit or loss in the most recent year. In 2024, the Company recognized an investment loss of NT\$118,834 thousand related to GU Plumbing de Mexico, S.A. de C.V., mainly due to low market demand following the pandemic, resulting in lower capacity utilization. Currently, yield rates have been successfully improved, and efforts in 2025 will focus on further optimizing production management and reducing costs. In 2024, the Company also recognized an investment loss of NT\$34,123 thousand associated with Globe Union Ann Bo Manufacturing Co., Ltd., primarily due to the business being in its early operational phase and operations not yet stable. In the future, the Company will continue to carefully evaluate the re-investment plan based on the principle of long-term strategic investment.

VI. Risk analysis of the following items in the most recent year and up to the date the Annual Report was printed:

(I) The effects that interest rates, exchange rate fluctuations, and inflation have on earnings and losses of the Company as well as response measures:

1. The effect of interest rate fluctuations on earnings and losses of the Company as well as response measures:

Interest rate risk mainly comes from change of the market interest rate, which causes fluctuations and risks in cash flow and the fair value of financial tools. The Group's interest rate risk mainly comes from loans with fixed and floating interest rates.

The effect of interest rate fluctuations on earnings and losses of the Company:

Thousand NTD; %	
Item	2024
Net interest income (expense) A	(149,861)
Operating income B	18,161,444
Operating profit C	583,353
A/B	(0.83%)
A/C	(25.69%)

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with floating interest rates. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for 2024 to decrease/increase by NT\$4,464 thousand.

Future response measures:

It is anticipated that the long-term risk of further appreciation in both the US dollar and the New Taiwan dollar will be minimal. The Company manages its interest rate risk by having a balanced portfolio with fixed and floating interest rates, strengthening balance sheet management, and reducing the amount of credit lines used to reduce the risk of increased interest rate. We also evaluate whether to enter into interest rate swaps to manage interest rate risks. Going forward, we will continue to monitor interest rate trends to formulate and adjust the Company's investment and financing strategy.

2. The effect of exchange rate fluctuations on earnings and losses of the Company as well as response measures:

Exchange rate risk is mainly linked to operating activities (when the currency used for income or expenses is different from the Group's functional currency) and net investments of overseas operating entities.

The Group has certain foreign currency receivables denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as the aforementioned do not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

Thousand NTD; %	
Item	2024
Exchange gains and losses A	(21,406)
Operating income B	18,161,444
Operating profit C	583,353
A/B	(0.12%)
A/C	(3.67%)

When NTD appreciates by 1% against USD, its influence on the Company's equity or profit (loss) is as follows (thousand NTD):

	<u>Equity increase (decrease)</u>	<u>Loss (profit)</u>
2024	\$-	\$8,443

When NTD appreciates by 1% against RMB, its influence on the Company's equity or profit (loss) is as follows (thousand NTD):

	<u>Equity increase (decrease)</u>	<u>Loss (profit)</u>
2024	\$-	\$21,252

If the value of NTD depreciates against the above currencies while all other variables remain unchanged, then the impact in 2024 will be equal in an opposite manner for the above currencies.

Future response measures:

The Group's main source of exchange risk comes from conversion between NTD and USD, and between NTD and RMB. Account receivables and account payables in the same foreign currencies have a natural hedging effect. We routinely conduct pre-purchase of forward foreign exchange depending on risk exposure of the difference between receivables and payables, in order to reduce the exchange risks.

3. Response measures for inflation:

Copper and zinc, two of the raw materials required during the Company's production process, in addition to production costs such as transportation costs, are not only affected by global production demand; their prices are also influenced by speculative hot money. The Company looks at both commodity prices and overall economic developments to determine the timing of material purchases and is integrating global purchasing volume to maximize synergy. We also examine product combinations and adequately reflect the increased production costs on selling prices to minimize interference with production from fluctuations in production costs including material prices and transportation etc.

- (II) Policies of engaging in high-risk, high-leverage investments, lending to others, providing endorsement and guarantee, and derivatives transactions, profit/loss analysis, and future response measures:

To manage financial risk, the Company does not engage in high-risk or high-leverage investments.

To control transaction risks, the Company has defined international management regulations and operating procedures aimed at ensuring sound finances and operations in accordance with the relevant government laws and regulations. The management regulations including Procedure for the Acquisition and Disposal of Assets, Operating Procedures of Fund Lending, Endorsement Assurance Guidelines, and Operational Standards for Financial Transactions between Related Parties.

All Company transactions in derivative financial products are for hedging purposes rather than for trading or speculative purposes. Exposure to major risks are therefore limited.

- (III) Future R&D projects and estimated R&D expenditure:

As a technical leader in the ceramic and bathroom product industry, the Group focuses on its proprietary brands (GERBER, LENZ) in the American and European markets while actively expanding its OEM and ODM businesses. The Company systematically integrates design, manufacturing, sales, and operational capabilities to maximize resource efficiency and market competitiveness.

The R&D strategy revolves around four core technological pillars: flow channel technology, assured quality, performance optimization, and ease of installation. These initiatives aim to enhance overall brand value and create competitive market advantages. Through a unique business model, Globe Union effectively combines the synergy between its proprietary brands and OEM efforts, as well as the complementary characteristics of ceramic and brass products. This drives a comprehensive market strategy centered on "using brands to drive OEM development, leveraging ceramic products to promote overall growth, and differentiating products through hardware innovation."

The Group plans to allocate NT\$186,372 thousand to fully promote technological innovation aligned with market demand. Below are the main R&D directions and key projects:

1. Core technology development

- Ceramic product innovations

Ceramic technology is one of Globe Union's core competitive strengths. Looking ahead, the Company will adopt a consumer-driven approach to focus on developing higher-performance products that align with market trends.

- QuietClean Technology: By optimizing flow channel design and applying shock-absorbing materials, flushing noise is reduced by 3dB, enhancing user comfort, particularly for nighttime usage, addressing long-standing consumer complaints about flushing noise.

- EasyClean Technology: Advanced ceramic surface coating technology effectively reduces dirt adhesion by 25% and lowers cleaning frequency, making it the preferred choice for the high-end market.

- 0.8gpf Ultra-Low Water Consumption Technology: Achieving exceptional cleaning performance while significantly reducing water usage per flush. This environmentally friendly design is expected to save approximately 11,000 gallons of water annually per household, complying with increasingly stringent North American water-saving

regulations.

- Faucet and brass product upgrades

Faucet products will focus on the core development principles of "energy-saving, eco-friendly, and convenient," aiming to achieve differentiated competition in the market:

- New Structural Platform: A two-piece zinc alloy and plastic inner flow channel structure platform to reduce costs. This platform also adheres to European environmental material standards, paving the way for expansion into the EU market.
- Cold Start Cartridge Technology: Minimizes unnecessary hot water usage, delivering significant energy savings, reducing household energy consumption by approximately 8% annually, and achieving multiple environmental certifications.
- Magnetic Positioning Technology: For showerhead and kitchen faucet product lines, offering convenient installation solutions through built-in magnetic structures, allowing users to easily position the product, enhancing aesthetics and ease of use.
- Surface Treatment Platformization: Developing new GERBER surface standards incorporating anti-fingerprint and water-repellent technology into the Globe Union color panel technology.

2. Digital upgrades and intelligent applications

- Digitalization Upgrade

Globe Union has made digitalization a cornerstone in advancing its R&D innovations. In 2024, the Company successfully implemented ThingWorx for real-time cross-system dashboard queries, enhancing communication and management efficiency. Additionally, AI software such as Midjourney and Photoshop AI was utilized to create high-quality contextual images and provide 360-degree product rotation previews.

- PLM Software Upgrade

Upgrading the PLM system to offer stronger data management capabilities, integrating design, engineering, production, and supply chain data for real-time updates and cross-department sharing. This reduces data silos and supports efficient decision-making through intuitive data visualization tools.

3. Patent and intellectual property management

To strengthen its technological edge, Globe Union submitted 29 structural patents and 59 design patents in 2024, covering toilet flushing systems, faucet energy-saving technologies, and smart control systems. These strategic patent layouts effectively prevent imitation by competitors.

- The Company conducted 18 competitor patent analyses, enabling effective design avoidance, further optimizing core technologies, and maximizing patent value.
- Globe Union has adopted the TIPS system to safeguard high-potential technological achievements. This system also ensures dynamic monitoring of industry patent trends, securing the competitiveness and protection of its products.

In addition, intellectual property management under the TIPS framework involves building blueprints for core technologies and products, planning high-quality patent layouts, and safeguarding innovative research and development efforts. This includes protecting trade secrets, promoting technical patent initiatives, rewarding patent proposals, and monitoring patents related to industry and customer demands. By leveraging patents strategically, Globe

Union ensures their application creates significant value.

The abovementioned projects require an R&D and patent budget of NT\$106,307 thousand.

(IV) Major changes in government policies and laws at home and abroad and the impact on finance and business of the Company and response measures:

The Company asks professional legal and accounting units to provide assessments, advice as well as response measures to ensure compliance and reduce the impact on finance and business of the Company. Important government policies as well as legal changes at home and abroad in recent years have had no major impact on the Company's operations.

The increasing global attention toward energy conservation and environmental protection has led many countries and regions to adopt stricter environmental regulations, requiring kitchen and bathroom products to meet higher standards for energy savings and emission reduction. Furthermore, fluctuations in US-China trade relations—especially changes in tariff policies—have had a significant impact on supply chains and cost structures.

Measures taken by the Company to address these challenges:

1. **Development of Energy-Saving and Eco-Friendly Products:** The Company is dedicated to developing kitchen and bathroom products that meet the latest environmental standards, such as low-water-consumption toilets and highly energy-efficient faucets, to satisfy market demands and comply with relevant regulations.
2. **Supply Chain Diversification:** To reduce dependence on a single market, the Company actively expands its supply chain by diversifying production and procurement bases to other countries and regions. This strategy ensures stable supply while mitigating risks posed by changes in tariffs.
3. **Strengthening Compliance Management:** The Company has established a robust regulatory compliance management system. It actively monitors domestic and international policy and legal changes to ensure business operations comply with the latest requirements. Additionally, it incorporates new local regulatory demands provided by customers and certification agencies, promptly adjusting strategies to address potential impacts.

(V) Impact of recent technological (including information security risks) and market changes on finance and business of the Company, and response measures:

We did not face or discover any major cyberattacks or operations being affected by damaged systems from 2024 to the publication date of this Annual Report. There was no material negative impact on our business and operations, and we were not involved in any legal cases or investigated for related incidents.

The Company has established comprehensive information security protection measures for its network and computer systems, continually reviewing and evaluating its information security regulations and procedures to ensure their appropriateness and effectiveness. However, given the rapidly changing and evolving nature of information security threats, it cannot guarantee that the computer systems controlling or supporting essential business functions such as manufacturing, operations, and accounting will be entirely immune to cyberattacks.

To prevent and mitigate the damage caused by cyberattacks, the Company has implemented and continues to update relevant improvement measures, such as:

1. Continuously enhance employees' information security awareness through regular information security training and social engineering drills.
2. Ensure that information security personnel engage in annual professional

- development to stay updated on the latest information security knowledge.
3. Strengthen the security of remote access (VPN) by enabling multi-factor authentication, permitting only Company-issued devices for remote connections, and limiting access to the minimum required scope.
 4. Enhance the management and monitoring of remote connections for external consultants.
 5. Improve the security of hosts and endpoints by expanding the deployment of the MDR system to all headquarters servers.
 6. Implement internal network firewalls to enforce access segregation and protect hosts.
 7. Conduct annual disaster recovery drills for critical systems and core switches.
 8. Implement a cloud backup mechanism to reduce the risk of data loss caused by on-premises disasters.
 9. Introduce the ISO information security management system in 2024, performing gap analysis to identify areas for improvement, assess information security risks and status, guide compliance checks, and ensure ongoing monitoring.
 10. Revise and improve the information security management system to enhance management and governance effectiveness while aligning with international standards.

Furthermore, the Company successfully obtained ISO27001:2022 third-party certification in 2024, ensuring that its information security management system complies with international standards. These measures aim to comprehensively enhance the Company's information security protection capabilities, ensuring stable and secure business operations.

Although the Company is making efforts to enhance its information security measures, it acknowledges that it cannot completely eliminate the risks of malicious software and hacker attacks. Consequently, the Company will persist in updating its security protection plan and implementing it to address both internal and external environmental changes.

In the era of rapid technological development, the Group deeply acknowledges the potential impact of technological transformation, information security risks, and industry changes on its financial and business operations. The Company has implemented various measures to effectively respond to these challenges.

Impact of technological changes and response measures:

With the emergence of new technologies such as artificial intelligence, the kitchen and bathroom industry is undergoing digital transformation. The Group actively researches various technologies and software upgrades to optimize design processes and enhance product innovation capabilities.

Impact of industry changes and response measures:

The global emphasis on environmental protection and energy efficiency has led to stricter regulatory standards for kitchen and bathroom products. The Group is actively developing energy-saving and water-efficient products, such as low-water-consumption toilets and energy-efficient faucets, to meet market demands and regulatory requirements. Moreover, by diversifying its supply chain layout, the Company reduces its dependence on a single market, ensuring stable supply and maintaining financial stability.

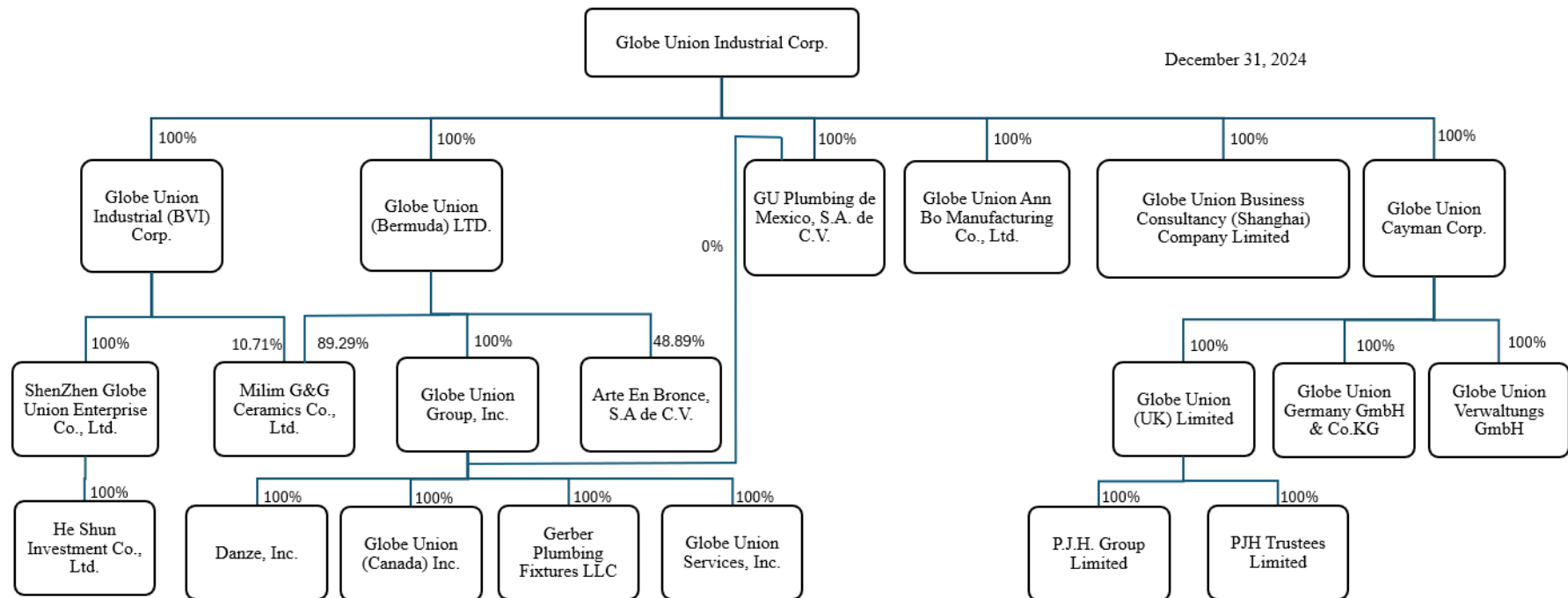
In summary, the Group remains vigilant about technological advancements, information security risks, and industry changes. By adopting proactive measures, the Company ensures its competitiveness and stable growth in a rapidly evolving market.

- (VI) Impact of change in corporate image on risk management and response measures: The Company enjoys a good corporate image and there have been no reports that detract from our corporate image.
- (VII) Expected benefits and potential risks of mergers and acquisitions, and response measures: None.
- (VIII) Expected benefits and potential risks of capacity expansion, and response measures: None.
- (IX) Risks associated with over-concentration in purchases or sales, and response measures: This event did not occur at the Company.
- (X) The effects and risks of large-scale share transfers or conversions by directors, supervisors, or major shareholders holding more than 10% of the Company's shares, and response measures: None.
- (XI) The impact and risk of a change in ownership on the Company, and response measures: None.
- (XII) Litigation or non-litigation events:
Involving the Company or the Company's directors, supervisors, president, de facto company representative, majority shareholders holding more than 10% of the Company's shares, or subsidiaries: None.
- (XIII) Other significant risks and countermeasures: None.

VII. Other important matters: None.

F. Special Disclosures

I. Information on affiliates and subsidiaries: 1. Corporate affiliation chart (Contribution %)



2. Affiliate profiles

December 31, 2024

Company name	Date of establishment	Address	Paid-in capital	Main business/products
Globe Union Industrial (BVI) Corp.	1996.07.26	P.O. BOX 3340,Road Town, Tortola, British Virgin Islands	NT\$ 1,434,538,392	Holding company
ShenZhen Globe Union Enterprise Co., Ltd.	2001.03.13	Fushan Industrial District, Qiaotou Community of Fuyong Subdistrict, Bao'an District, Shenzhen City, People's Republic of China	RMB 380,459,896.03	Manufacture and sale of faucets and related parts
Globe Union Cayman Corp.	2004.09.02	Scotia Center, 4 th Floor , P.O.Box 2804, George Town, Grand Cayman, Cayman Islands	NT\$ 2,687,628,838	Holding company
Globe Union Germany GmbH & Co.KG	2004.12.01	Dreherstr. 11, 59425 Unna, Germany	€ 5,743,075.94	Sale of faucets and related parts
Globe Union Verwaltungs GmbH	2004.10.08	Dreherstr. 11, 59425 Unna, Germany	€ 1,755,000	Holding company
Milim G&G Ceramics Co., Ltd	1992.10.05	Jinshangwa Town, Fangzi District, Weifang City, Shandong Province, People's Republic of China	RMB 263,808,100	Manufacture and sale of porcelain bathroom fittings
Globe Union (Bermuda) LTD.	2000.03.06	21 Laffan Street, Hamilton, HM 09 Bermuda	NT\$ 3,098,446,597	Holding company
Arte En Bronce, S.A de C.V.	1978.08.11	Alfredo Del Mazo No.15 C.Col.Parque Industrial El Cerrillo Lerma, Edo, De Mexico	MXN 9,000,000	Product sales and service center, customer service center
Globe Union Group, Inc.	2002.03.27	2500 Internationale Parkway, Woodridge, IL 60517-4979, USA	US\$ 63,734,859	Holding company
Globe Union (Canada) Inc.	1999.06.08	9260 Cote de Liesse, QC, H8T1A1, Canada	CA\$ 7,298,630	Sales and marketing support services
Danze, Inc.	2000.05.15	2500 Internationale Parkway, Woodridge, IL 60517-4979, USA	US\$ 33,035,522.60	Overseas sales and maintenance center

Company name	Date of establishment	Address	Paid-in capital	Main business/products
Gerber Plumbing Fixtures LLC	2003.02.14	2500 Internationale Parkway, Woodridge, IL 60517-4979, USA	US\$ 42,236,382	Assembly and sale of bathroom products
Globe Union Services, Inc.	2005.04.29	2500 Internationale Parkway, Woodridge, IL 60517-4979, USA	US\$ 1,000,000	Marketing support services
Globe Union (UK) Limited	2007.02.02	Alder House Slackey Brow Kearsley Bolton Lancashire BL4 8SL	£ 39,529,845	Holding company
P.J.H. Group Limited	1972.05.26	Alder House Kearsley Bolton BL4 8 SL	£ 7,500,000	Sale of kitchen and bathroom products
PJH Trustees Limited	1994.06.09	Alder House, Slackey Brow, Kearsley, Bolton, UK, BL4 8 SL	£ 2	Trust company
Globe Union Business Consultancy (Shanghai) Company Limited	2006.01.05	Room 2906, No. 1701, Beijing West Road, Jing'an District, Shanghai, People's Republic of China	RMB 519,514.05	Consulting company
GU Plumbing de Mexico, S.A. de C.V..	2019.08.30	Isidro Lopez Zertuche #3745, Saltillo, Coahuila, MEXICO, CP 25240	MXN 829,247,219	Manufacture and sale of porcelain bathroom fittings
Globe Union Ann Bo Manufacturing Co., Ltd	2022.06.10	Room 401, Building 36, No. 126 Guangma Avenue, Mayong Town, Dongguan City, Guangdong Province	RMB 60,000,000	Manufacturing and selling bathroom products
He Shun Investment Co., Ltd	2022.09.29	Liyuan Road, Qiaotou Community, Fuhai Street, Bao'an District, Shenzhen. Shenzhen Globe Union Enterprise Co., Ltd. 101	RMB 1,000,000	Investment, developing and manufacturing hardware products

3. Controlling and subordinate companies with identical shareholders: N/A

4. Overall businesses covered by affiliates: The business activities of the Company and our affiliates include: The manufacturing industry, the trading industry, and investment companies.

5. Information on the directors and supervisors of affiliates

December 31, 2024

Unit: Thousand NTD: Shares: %

Company name	Title	Name or representative	Shareholding	
			No. of shares	Shareholding ratio (%)
Globe Union Industrial (BVI) Corp.	Director	Shane Ouyang 、 Lei-Hui Lee(Lourdes)	44,427,680 (Held by Globe Union Industrial Corp.)	100.00
ShenZhen Globe Union Enterprise Co., Ltd.	Director	Shane Ouyang 、 Tsun-Chu Chou 、 An-Hsi Lin 、	No issued shares (Held by Globe Union Industrial (BVI) Corp.)	100.00
	Supervisor	Ta-Yin Chang		
Globe Union Cayman Corp.	Director	Shane Ouyang 、 Lei-Hui Lee(Lourdes)	81,555,901 (Held by Globe Union Industrial Corp.)	100.00
Globe Union Germany GmbH & Co.KG	Director	Shane Ouyang 、 Ming-Feng Chang 、 Lei-Hui Lee(Lourdes) 、 Nathalie Vandecraen	No issued shares (Held by Globe Union Cayman Corp.)	100.00
Globe Union Verwaltungs GmbH	Director	Shane Ouyang 、 Ming-Feng Chang 、 Lei-Hui Lee(Lourdes) 、 Nathalie Vandecraen	1,755,000 (Held by Globe Union Cayman Corp.)	100.00
Milim G&G Ceramics Co., Ltd	Director	Shane Ouyang 、 Chen-Hui Chin 、 Hong-Ting Wang 、	No issued shares (Held by Globe Union (Bermuda) LTD.) (Held by Globe Union Industrial (BVI) Corp.)	89.29 10.71
	Supervisor	Ta-Yin Chang 、 Lei-Hui Lee(Lourdes) Chun-Hsien Chen		
Globe Union (Bermuda) LTD.	Director	Shane Ouyang 、 Lei-Hui Lee(Lourdes)	93,449,027 (Held by Globe Union Industrial Corp.)	100.00
Arte En Bronce, S.A de C.V.	Director	RODOLFO MIJARES GARZA 、 SCOTT OUYOUNG 、 MICHAEL ERIC WERNER 、 GUILLERMINA MIJARES OVIEDO 、 PEDRO MIJARES OVIEDO	4,400,000 (Held by Globe Union (Bermuda) LTD.)	48.89
Globe Union Group, Inc.	Director	Shane Ouyang 、 Carmen Christina Fiordirosa	100 (Held by Globe Union (Bermuda) LTD.)	100.00

Company name	Title	Name or representative	Shareholding	
			No. of shares	Shareholding ratio (%)
Globe Union (Canada) Inc.	Director	Shane Ouyang 、 Chong Kheng Lim 、 Corey Dunwoodie	5,824,000 (Held by Globe Union Group, Inc)	100.00
Danze, Inc.	Director	Shane Ouyang	700 (Held by Globe Union Group, Inc)	100.00
Gerber Plumbing Fixtures LLC	Director	Shane Ouyang 、 Carmen Christina 、 Fiordiroso 、 Chong Kheng Lim	Ordinary shares 9,335,000 Preferred shares 32,901,382 (Held by Globe Union Group, Inc)	100.00
Globe Union Services, Inc.	Director	Shane Ouyang 、 Carmen Christina Fiordiroso	100 (Held by Globe Union Group, Inc)	100.00
Globe Union (UK) Limited	Director	Shane Ouyang 、 Lei-Hui Lee(Lourdes) RICHARD IAN GEORGE 、 JASON DAVID SHAW	39,529,854 (Held by Globe Union Cayman Corp.)	100.00
P.J.H. Group Limited	Director	JASON DAVID SHAW 、 RICHARD IAN GEORGE	7,500,000 (Held by Globe Union (UK) Limited))	100.00
PJH Trustees Limited	Director	RICHARD IAN GEORGE	2 (Held by Globe Union (UK) Limited)	100.00
Globe Union Business Consultancy (Shanghai) Company Limited	Director Supervisor	Chen-Hui Chin 、 Ming-Feng Chang 、 Lei-Hui Lee(Lourdes) Ying-Fan Chen	1 (Held by Globe Union Industrial Corp.)	100.00
GU Plumbing de Mexico, S.A. de C.V.	Director	Shane Ouyang 、 Marco Antonio Govea Villasana 、 Chong Kheng Lim 、 Charles Oliver Boyles Jr	829,247,219 (Held by Globe Union Industrial Corp.) (Held by Globe Union Group, Inc)	100.00
Globe Union Ann Bo Manufacturing Co., Ltd	Director Supervisor	Shane Ouyang 、 Ta-Yin Chang 、 An-Hsi Lin Lei-Hui Lee(Lourdes)	No issued shares (Held by Globe Union Industrial Corp.)	100.00
He Shun Investment Co., Ltd	Director Supervisor	Shane Ouyang 、 Ta-Yin Chang	No issued shares (Held by ShenZhen Globe Union Enterprise Co., Ltd.)	100.00

6. Operational overview of each affiliate

(Unit: Thousand NTD)

Company name	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit (loss)	Profit or loss for the current period (after tax)	Earnings (loss) per share (NTD) (after tax)
Globe Union Industrial (BVI) Corp.	1,434,538	2,723,185	18,751	2,704,434	0	(155)	162,450	3.66
ShenZhen Globe Union Enterprise Co., Ltd.	1,703,699	2,578,090	74,810	2,503,280	19,004	87,413	150,275	NA(Note 1)
Globe Union Cayman Corp.	2,687,629	1,902,729	3,279	1,899,450	0	(320)	90,054	1.10
Globe Union Germany GmbH & Co.KG	196,126	439,737	115,742	323,995	660,411	13,907	15,289	NA(Note 1)
Globe Union Verwaltungs GmbH	59,933	5,007	0	5,007	0	(8)	35	0.02
Milim G&G Ceramics Co., Ltd	1,181,333	2,056,361	569,052	1,487,309	2,409,465	126,797	84,363	NA(Note 1)
Globe Union (Bermuda) LTD.	3,098,447	4,760,756	0	4,760,756	0	(1,310)	168,072	1.80
Globe Union Group, Inc.	2,089,229	2,682,601	0	2,682,601	0	0	0	0
Globe Union (Canada) Inc.	166,555	417,094	148,340	268,754	644,341	(70,078)	24,147	4.15
Danze, Inc.	1,082,904	349,223	18	349,205	0	0	0	0
Gerber Plumbing Fixtures LLC	1,384,509	4,683,997	2,142,319	2,541,678	8,702,424	33,920	65,917	7.06
Globe Union Services, Inc.	32,780	106,467	0	106,467	0	0	0	0
Globe Union (UK) Limited	1,628,630	3,347,273	0	3,347,273	0	0	0	0
P.J.H. Group Limited	309,000	2,872,226	1,985,501	886,725	7,088,729	132,396	75,963	10.13

Company name	Capital	Total assets	Total liabilities	Net worth	Operating income	Operating profit (loss)	Profit or loss for the current period (after tax)	Earnings (loss) per share (NTD) (after tax)
PJH Trustees Limited	0	0	0	0	0	0	0	0
Globe Union Business Consultancy (Shanghai) Company Limited	2,326	5,064	337	4,727	9,072	332	345	0
GU Plumbing de Mexico, S.A. de C.V.	1,370,464	2,246,295	1,040,855	1,205,440	1,429,235	(151,406)	(122,977)	(0.15)
Globe Union Ann Bo Manufacturing Co., Ltd	268,680	1,369,245	1,225,608	143,637	2,748,028	40,246	(33,668)	NA(Note 1)
He Shun Investment Co., Ltd	4,478	2,038	228	1,810	0	(2,328)	(2,324)	NA(Note 1)

2024.12.31 exchange rate:

USD/NTD=1 : 32.78 、 CAD/NTD=1 : 22.82 、 HKD/NTD=1 : 4.225 、 CNY/NTD=1 : 4.478 、 GBP/NTD=1 : 41.20 、 EUR/NTD=1 : 34.15 、 MXN/NTD=1 : 1.576

Note1: No issued shares.

7. Consolidated financial statements of affiliates: Please refer to the statement.
8. Reports of affiliates: None.

Statement

We hereby state that the companies that should be included in the 2024 (January 1, 2024 to December 31, 2024) consolidated financial statements of affiliates in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are identical to the companies that should be included in the consolidated financial statements of the parent company and subsidiaries in accordance with International Financial Reporting Standards No. 10, and the information that should be disclosed in the consolidated financial statements of affiliates has been duly disclosed in the aforesaid consolidated financial statements of the parent company and subsidiaries. The Company is therefore not required to prepare a separate consolidated financial statements of affiliates.

Hereby declares

Globe Union Industrial Corp.

Legal representative: Shane Ouyang

March 6, 2025

- II. Private placement of securities in the most recent year up to the date of this Annual Report: None.
- III. Other necessary supplemental information: None.
- IV. Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act in the past year and up to the date of this Annual Report: None.

Globe Union Industrial Corp.



Chairman : Shane Ouyang

