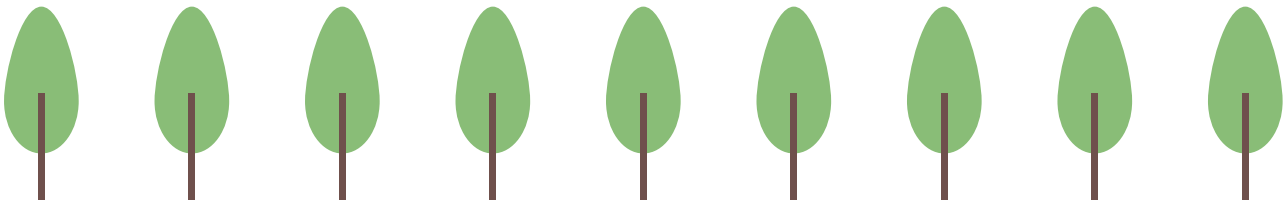


Sustainability Report

2024



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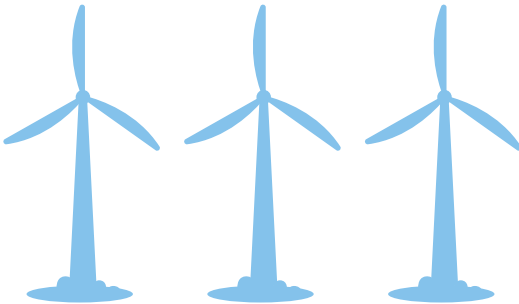
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Statement from Management

GRI 2-22

Dear investors, partners, and all stakeholders of the Company:

As the global economic landscape continues to evolve, climate change, social responsibility, and corporate governance have emerged as critical issues that enterprises must address. BASSO firmly believes that only by integrating corporate growth with sustainable development can we maintain competitiveness in a rapidly changing market environment and create long-term value for society. Therefore, we actively embed ESG (Environmental, Social, and Corporate Governance) principles into our core business operations to achieve both economic benefits and positive social impact.

In 2024, we continued to deepen and enhance our efforts in the ESG domain and achieved significant progress:

Environmental Sustainability: Advancing Toward a Green Future

We fully recognize that environmental protection is not only a corporate responsibility, but also a source of hope for future generations. Therefore, we are committed to continuously optimizing our production processes to reduce energy consumption and carbon emissions, and to strengthening resource recycling in order to minimize our impact on the global environment. In 2024, our specific initiatives for environmental sustainability include:

- » The installation of solar panels on the factory roof was completed, thereby increasing the proportion of renewable energy utilized.
- » Actively control the use of SF6 protective gas and assess the feasibility of alternative solutions.
- » Implement an energy management data system to monitor electricity usage and replace high-energy-consuming equipment.

In the future, we will continue to improve our environmental performance and promote energy conservation and carbon reduction, ensuring that corporate development proceeds in parallel with environmental protection.

Social Responsibility: Employee and Community Care

We have consistently regarded Employees as the company's most important Assets and are therefore committed to providing a healthy, safe, and inclusive working environment. We promote diversity and inclusion policies to ensure that every Employee can realize their potential in a fair environment. Furthermore, we actively participate in social welfare initiatives to fulfill our corporate social responsibility. Specific actions for 2024 include:

- » Providing comprehensive training and career development, and continuously promoting the BASSO STAR Internship Program to enhance talent competitiveness.
- » Strengthen compensation and benefits policies.
- » Actively engaging in social welfare initiatives by integrating company resources and Employee compassion with the community.
- » Implemented ISO 45001 and obtained external certification to enhance Employee safety and health.

We firmly believe that caring for Employees and society not only enhances corporate cohesion but also drives the company's long-term and stable growth.

Corporate Governance: Enhancing Transparency and Accountability

Robust corporate governance serves as the foundation for sustainable business operations. We are committed to continuously enhancing the effectiveness of the Board of Directors, increasing information transparency, and upholding ethical business practices to safeguard Shareholder Equity and ensure the company's long-term development. In 2024, our key advancements in corporate governance include:

- » Enhance risk management mechanisms to improve corporate resilience and adaptability.
- » Enhance the Director diversity policy, employ a merit-based selection process, and strengthen corporate governance.
- » Continuously enhancing corporate information disclosure and aligning with international best practices.

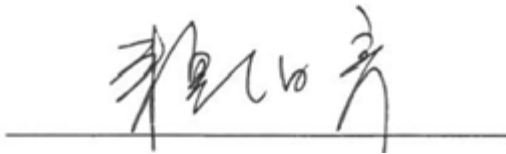
Looking ahead, we will continue to drive digital transformation and the integration of intelligent technologies to enhance operational efficiency. Concurrently, we remain committed to achieving sustainable development goals, ensuring the company's sustained growth on a foundation that balances innovation and responsibility.

Co-Creating a Sustainable Future

In the context of the global movement toward sustainable development, we are acutely aware of the responsibilities and mission entrusted to corporations. We will continue to advance our ESG strategy and, through the CDP and EcoVadis platforms, share our ESG initiatives with investors, partners, and all sectors of society, working collaboratively to achieve a more resilient future. I extend my sincere gratitude to all partners who support BASSO. Let us work together to create greater positive change for the world.

BASSO INDUSTRY CORP.

Chairman of the Board



Chairman of the Board and Chairperson of the ESG Committee

About This Report

GRI 2-2, 2-3, 2-4, 2-5

Is the scope of disclosure in the ESG report consistent with the scope of subsidiaries covered in the company's consolidated financial statements?	1. As the Company has no consolidated subsidiaries, the scope of the consolidated financial statements is consistent with that of the sustainability report, both of which encompass the Company as a single legal entity. 2. All financial data are sourced from financial reports publicly disclosed following audit and attestation by certified public accountants. Environmental and social data are consistent with the sustainability information uploaded to the ESG digital platform, collected and compiled independently by each department, and reviewed and verified by the respective department heads. 3. The Company has implemented relevant ISO management systems for environmental matters, with data sampled and verified by an independent third-party certification body. (For relevant certificates, please refer to Attachment 1.)
Scope of Report Disclosure	This report defines BASSO INDUSTRY CORP. as the organizational boundary (hereinafter referred to as "BASSO", "the Company", or "we"). The Company's standalone operating locations in Taiwan are as follows. Head Office and Plant 1: No. 24, 36th Road, Taichung Industrial Park Plant 2: No. 17, 36th Road, Taichung Industrial Park Plant 3: No. 22, 34 Road, Taichung Industrial Park Plant 5: No. 16, 35th Road, Taichung Industrial Park Plant 6: No. 20, 34th Road, Taichung Industrial Park Plant 7: No. 33, 37th Road, Taichung Industrial Park Plant 8: No. 22, 36th Road, Taichung Industrial Park The aforementioned locations are herein referred to as "significant operating locations" in this report.
Report Disclosure Period	The period covered is from January 1, 2024 to December 31, 2024. Should any information pertain to multiple fiscal years, it will be separately disclosed within the body of the report.
Report Issuance Frequency	Annually
Report Publication Date	August 2025

▼ Channels for Providing Feedback on ESG Report Content

Responsible Unit	Finance and Accounting Department – Spokesperson (Ying-Chu Chen) / ESG Specialist (Yu-Tung Shen)
Extension Number	(04)2359-8877 #1619
Email	IR@basso.com.tw
Company Website	https://www.basso.com.tw/

Information Restatement
In this report, certain information for the fiscal years 2022 and 2023 has been restated due to typographical errors, calculation errors, or changes in calculation methods. All instances of information restatement are disclosed within the report.
External Assurance
The report for fiscal year 2024 was not externally verified.

▼ Schedule 1: International Management Systems Approved by the Company

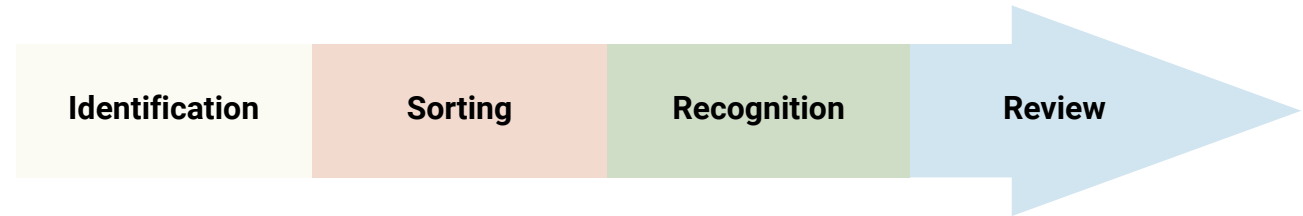
	Management System	Verification Body		Management System	Verification Body
 MIRDC	ISO 9001	MIRDC	 TÜV SÜD	CE / ROHS	TÜV SÜD
 MIRDC	ISO 14001	MIRDC	 MIRDC	ISO 45001	MIRDC
 110216 BASSO Plastic Injection Plant GTT International Certification Co., Ltd.	IATF 16949:2016	GTT International Certification Co., Ltd.	 MIRDC	ISO 14064-1	MIRDC



Stakeholder Engagement

GRI 2-14, 2-29

▼ Identification Process



Step1

▼

► Stakeholder Identification

BASSO, in alignment with the company's sustainability context and industry characteristics, and with reference to AA1000 SES:2015 for stakeholder engagement...In accordance with the Stakeholder Engagement Standard (SES) and guided by five key principles, the Company assesses the dependency, influence, level of concern, diversity of perspectives, and its responsibilities toward stakeholders. Through this evaluation, seven primary categories of stakeholders have been identified: (1) Shareholders, (2) Employees, (3) Customers, (4) Suppliers, (5) Media, (6) Government, and (7) Society/Community.

Step2

▼

► Collection of Domestic and International Sustainability Issues

Based on the GRI and SDGs, in conjunction with benchmarking against industry peers and consolidating issues of current international concern, a total of 13 topics were identified and evaluated as material issues.

Step3

▼

► Assessment of Internal and External Attention

The degree of attention to material sustainability issues valued by the company and its seven major stakeholder groups was further evaluated through a questionnaire survey. A total of 79 valid external questionnaires were collected from the seven major stakeholder groups, and 14 valid questionnaires were obtained from 12 internal company units, resulting in an aggregate of 93 valid responses. External survey total: 79 responses (Customers: 15, Shareholders: 19, Employees: 31, Media: 4, Suppliers: 6, Government: 2, Society/Community: 2). Internal survey total: 14 responses (Sales Department: 1, Environmental and Safety Office: 1, Finance Department: 2, Quality Assurance Department: 1, Procurement Department: 1, Die Casting Department: 1, Plastics Department: 1, General Affairs Department: 2, Coating Department: 1, Human Resources Department: 1, Machining Department: 1, Tooling Section: 1).

Step4

▼

► Analysis of Operational Impact

In accordance with the principles of economic, environmental, and social impact, BASSO identifies the significance and risk of each issue to the company based on the weighted concerns of stakeholders. Upon analysis, seven material topics were identified for BASSO. Following a resolution by the ESG Committee, "Labor-Management Relations" and "Occupational Safety and Health Management" were additionally designated as material topics.

Step5

▼

► Develop Materiality Matrix

A materiality matrix is constructed based on the results of internal and external issue surveys, mapping both positive and negative impacts. The effectiveness of each material issue is reviewed and adjusted on a regular basis, and annual evaluations are conducted on material issues and their associated impacts.

- » To uphold respect for the Equity of stakeholders, BASSO identifies its stakeholders and has established a dedicated stakeholder section on the company website. Through appropriate communication channels, the company seeks to understand the reasonable expectations and needs of stakeholders and responds appropriately to the key sustainability issues of concern to them.
- » The principal stakeholders include Shareholders, Employees, customers, suppliers, media, government, and society or the community. Information is disclosed to stakeholders on a regular or ad hoc basis, or direct communication is conducted with stakeholders, in order to respect and safeguard their legitimate rights and Equity.



Interests Related Parties	Significance for the Company	Key Issues of Concern		Communication Channels and Frequency	Communication Performance
Shareholder	Shareholders are the providers of the company's capital. The company shall protect Shareholder Equity, treat all Shareholders equitably, enhance the transparency of corporate governance information, and safeguard Shareholders' right to information.	» Operating Performance » Customer Relationship Management » Product Quality and Responsibility » Talent Development » Production and Manufacturing		Market Observation Post System / Periodic. A Shareholders' Meeting shall be convened at least once per fiscal year. Institutional Investor Conference / Conducted twice per year. Dedicated investor relations mailbox / Irregular intervals.	Invited to attend the online institutional investor conference organized by Concord Securities on May 17, 2024, and the institutional investor conference hosted by Uni-President Securities on November 21, 2024.
Employee	Employee are the indispensable foundation of the company's operations. The company is committed to providing a workplace environment that supports the physical and mental well-being and diverse development of Employee, enabling Employee to work without concerns.	» Product Quality and Responsibility » Operating Performance » Labor-Employer-Capital Relations » Talent Development » Integrity Management and Regulatory Compliance		Labor-management meetings / Held quarterly. Employee Welfare Committee Meeting / Regular Meeting Contact Hotline and Email : pfsh@basso.com.tw ° 04-23501903 Dedicated HR Consultation Service / As Needed. Occupational Safety and Health Committee / Regular Meetings.	Labor-Management Meetings: Meetings are held once each quarter, for a total of four times per fiscal year. Each meeting is attended by 14 participants, resulting in a cumulative total of 56 participant attendances over the four meetings. Employee Welfare Committee Meetings: Two regular meetings were held in 2024, with 25 participants at each meeting, totaling 50 participants across both meetings. Occupational Safety and Health Committee: 20 members in the first quarter, 20 members in the second quarter, and 13 members in the third quarter.
Customer	Customers are the principal source of the Company's revenue. The Company regards product quality, safety, and after-sales service as its foremost commitments to customers. Sustaining a high level of customer satisfaction is instrumental to the Company's continued success. Continuing to pursue customer recognition of the company.	» Product Quality and Responsibility » Customer Relationship Management » Talent Development » Production and Manufacturing » Supplier Management		Annual customer satisfaction survey. Company website / Updated on an irregular basis. Internal designated contact point / real-time communication and consultation. Customer audit / as requested by the customer.	Comparison of customer satisfaction in 2024 versus the previous year: 40% of customers reported increased satisfaction, 20% reported decreased satisfaction, 26.67% maintained the same level of satisfaction, and 13.33% were newly surveyed customers in 2024. In 2024, a total of 112 overseas business trips were undertaken by sales personnel to visit clients, enabling the collection of real-time market information and customer requirements. In the fiscal year 2024, an average of 13 business receptions or external client meetings were held each month, with a total of approximately 160 client groups engaged throughout the year.
Supplier	Suppliers work in close collaboration with the Company and, while pursuing profitability, are also required to adhere to sustainability-related standards, including those pertaining to environmental protection, human rights, conflict minerals, and the prohibition of hazardous substances.	» Sustainable Development » Product Quality and Responsibility » Production and Manufacturing » Integrity Management and Regulatory Compliance » Supplier Management		Supplier evaluations are conducted periodically, focusing on quality, delivery timelines, and pricing. Supplier meetings and correspondence; irregular communication regarding significant matters.	In 2024, 365 Corporate Social Responsibility Compliance Declarations were signed by partner manufacturers, accounting for approximately 70% of all suppliers. A total of 348 suppliers, accounting for approximately 67% of all suppliers, have signed the Declaration on the Restriction or Prohibition of Hazardous Substances in Raw Materials and the Commitment to Non-use of Conflict Minerals.
Media	The media, representing the interests of the general public, provide feedback and recommendations to the Company, thereby motivating continuous improvement.	» Operating Performance » Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management) » Information Security » Occupational Safety and Health Management » Integrity Management and Regulatory Compliance		Institutional Investor Conference / Conducted twice per year. Designated Point of Contact /IR@basso.com.tw	Invited to attend the online institutional investor conferences hosted by Concord Securities on May 17, 2024 and November 21, 2024. Invited to attend the institutional investor conference hosted by President Securities.
Government	In compliance with government directives and regulatory requirements, the company is dedicated to the continuous enhancement of its overall operations.	» Occupational Safety and Health Management » Sustainable Development » Supplier Management » Talent Development		Responsible personnel in each department / As required.	The Environmental Protection Bureau conducted 11 inspections, and the Labor Inspection Bureau conducted 1 inspection. Participated in eight training sessions and courses on environmental protection and occupational safety and health management.
Society / Community	In addition to actively participating in social welfare initiatives and promoting community awareness of environmental ecology, BASSO also places significant emphasis on establishing cooperative relationships with social organizations to facilitate local economic development and overall social progress.	» Integrity Management and Regulatory Compliance » Waste Management » Sustainable Development » Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management) » Labor-Employer-Capital Relations		Community care activities / Conducted on an occasional basis. Regional public welfare activities / Irregular.	Organized two social welfare events in 2024.

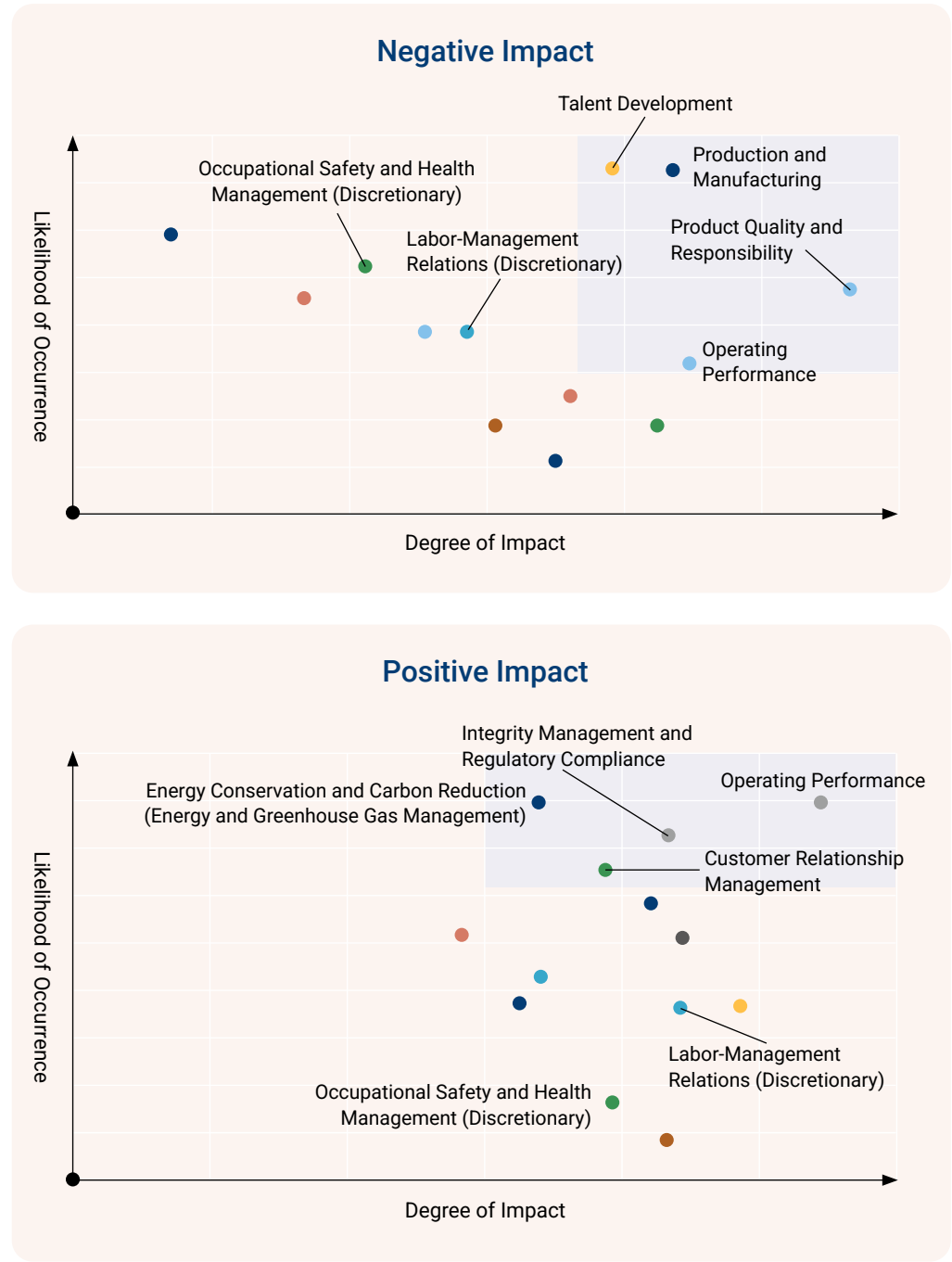
Materiality Matrix Analysis

GRI 3-31

Based on the results of internal and stakeholder questionnaire surveys conducted in 2024, the Company performed a materiality analysis. The analysis indicated that, with respect to negative impacts, operational performance, talent development, Manufacturing, product quality, and responsibility all met the materiality threshold. Regarding positive impacts, energy conservation and carbon reduction (energy and greenhouse gas management), operational performance, ethical business practices and regulatory compliance, and customer relationship management also met the materiality threshold. In addition, the Company voluntarily identified labor-management relations and occupational safety and health management as material topics^{Note}.

Accordingly, the explicit development of short-, medium-, and long-term sustainability plans is not only an urgent priority in addressing stakeholders' concerns, but also serves to strengthen corporate resilience and generate long-term sustainable value.

^{Note}. The threshold for material topics is defined as those topics for which the combined average score of likelihood and impact, whether negative or positive, is at or above the 75th percentile.



Material Topic Identification Results

GRI 3-2

BASSO Focus Areas					
Serial No.	Key Issue Title	Is this a material matter?	Serial No.	Key Issue Title	Is this a material matter?
1	Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management)	V	8	Integrity Management and Regulatory Compliance	V
2	Waste Management		9	Product Quality and Responsibility	V
3	Operating Performance	V	10	Sustainable Development	V
4	Talent Development	V	11	Information Security	
5	Labor-Employer-Capital Relations	V	12	Customer Relationship Management	V
6	Occupational Safety and Health Management	V	13	Supplier Management	
7	Production and Manufacturing	V			

▼ Analysis of Major Issue Changes

Key Issues in 2023	Key Issues for 2024	Reason for Change
Sustainable Development		The content originally classified under the "Sustainable Development" topic has been reassigned to other chapters according to its substantive nature for further elaboration.
Information Security		BASSO has incorporated these matters into routine management processes and discloses them annually in its sustainability report.
Waste Management		
Supplier Management		
	Product Quality and Responsibility (Addition)	The company is responsible for ensuring that its products do not cause adverse impacts on the environment or society throughout their production, use, and disposal. BASSO also places significant emphasis on consumer safety and user experience.
	Customer Relationship Management (Addition)	BASSO approaches each customer with sincerity and, through customer relationship management, gains an in-depth understanding of their needs to promote long-term cooperative relationships.
	Integrity Management and Regulatory Compliance (Addition)	Integrity management and regulatory compliance constitute the cornerstone of the Company's operations. Failure to effectively manage these areas would prevent the Company from maintaining its standing in society. Accordingly, these issues are identified as material topics for management.
Operating Performance	Operating Performance	-
Talent Development	Talent Development	-
Production and Manufacturing	Production and Manufacturing	-
Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management)	Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management)	-
Labor-Employer-Capital Relations	Labor-Employer-Capital Relations	-
Occupational Safety and Health Management	Occupational Safety and Health Management	-

Material Topics List

GRI 3-3

Subject	Stakeholders	Impacts on the Industry Value Chain				Type of Impact	Management policies and actions implemented in response to relevant impacts, and the processes for monitoring the effectiveness of such actions
		Upstream	the Company	Downstream	Community and Society		
Energy Conservation and Carbon Reduction	Government Media Society / Community		☆Negative, Positive		☆Negative	Negative: Failure to conduct greenhouse gas emissions inventories and calculations, or to formulate and implement energy-saving and carbon reduction strategies and measures, may subject the company to fines. Furthermore, even if greenhouse gas inventories and calculations have been completed, the absence of established energy-saving and carbon reduction targets or the lack of effective implementation of carbon reduction strategies may result in continued environmental degradation. Positive: Establish a comprehensive process for the inventory and calculation of greenhouse gas emissions and ensure its effective implementation to reduce the risk of penalties. Alternatively, by conducting greenhouse gas emission inventories and calculations, set and implement energy conservation and carbon reduction targets to minimize environmental impact to the greatest extent possible.	2.1 Energy Conservation and Carbon Reduction
Production and Manufacturing	Customer Shareholder Supplier	★Negative, Positive	★Negative, Positive	★Negative, Positive	★Negative, Positive	Negative: Failure to manufacture products that meet customer requirements—such as lack of innovation in products, processes, or other production procedures, or insufficient control over manufacturing costs—may result in the company's products becoming outdated, thereby adversely affecting the company's operations. The company manufactures products that meet customer needs and continuously innovates its products and production processes to ensure its offerings remain at the forefront of industry trends. In addition, the company maintains effective control over manufacturing costs, thereby enhancing operational performance.	1.5 Production and Manufacturing
Talent Development	Customer Government Shareholder		★Negative, Positive	★Negative, Positive	★Negative, Positive	Negative: Failure to provide training to Employee deprives them of opportunities to enhance their competencies, which may result inOperational efficiency has declined, costs have increased, and the company has fallen behind its industry peers. Positive Aspect: Providing training to Employees not only enhances their individual capabilities, but also improves the company's operational efficiency and overall performance.	3.3 Talent Cultivation
Labor Relations	Employee Government Society / Community		★Negative, Positive		☆Negative	Negative: The company failed to properly manage labor-management relations, resulting in a deteriorated relationship between the two parties and reduced operational efficiency. Positive: The company demonstrates effective management of labor and management relations by providing competitive Employee salaries and benefits, ensuring a safe and secure working environment, and promoting effective communication between both parties.	3.1 Labor Relations
Occupational Safety and Health Management (Discretionary)	Government Media		☆Negative		☆Negative	Negative: The lack of established occupational health and safety management policies, or the failure to effectively implement such policies, may result in the inability to prevent or mitigate Employee injuries. This not only reduces the retention of existing talent but may also expose the company to legal risks and liability for compensation. Positive Aspect: By formulating and actively implementing occupational health and safety management policies, Employee injuries are prevented or mitigated, retention of existing talent is improved, and legal risks and compensation liabilities are reduced.	3.2 Occupational Safety and Health Management
Operating Performance	Employee Government Shareholder Media		★Negative, Positive		★Negative, Positive	Negative: Insufficient emphasis on operational performance will directly affect the company's profitability, growth potential, and competitiveness, thereby reducing investors' willingness to invest in the company. The company is committed to optimizing operational performance and actively implementing enhancements to increase profitability, growth potential, and competitiveness, thereby strengthening investor confidence and willingness to invest in the company.	1.3 Operating Performance

Subject	Stakeholders	Impacts on the Industry Value Chain				Type of Impact	Management policies and actions implemented in response to relevant impacts, and the processes for monitoring the effectiveness of such actions
		Upstream	the Company	Downstream	Community and Society		
Product Quality and Responsibility	Customer Employee Shareholder Supplier	☆Negative	★Negative, Positive	★Negative, Positive	★Negative, Positive	Negative: Inadequate control over product quality and safety, coupled with the lack of a comprehensive recall mechanism, may result in the loss of customers or cause significant harm to customers, thereby adversely affecting the company's operations. The company exercises robust control over product quality and safety, and has implemented a comprehensive recall mechanism, thereby demonstrating its commitment to product responsibility and enhancing its corporate reputation.	1.6 Product Quality and Responsibility
Integrity Management and Regulatory Compliance	Employee Government Supplier Media Society / Community	☆Negative	★Negative, Positive		☆Negative	Negative: Failure to establish or effectively implement a code of ethics and integrity may result in regulatory violations and have an adverse impact on the company's operations and reputation. The company's ethics and integrity have a direct impact on its operations and reputation. Therefore, the company should establish and enforce a code of conduct to foster a culture and image of integrity and to ensure compliance with applicable regulations.	1.2 Corporate Governance
Customer Relationship Management	Customer Government Shareholder		★Negative, Positive	★Negative, Positive	☆Negative, Positive	Negative: Failure to respond promptly to customer needs may result in a loss of customer trust and the loss of clientele. Positive Aspect: Promptly addressing customer needs enhances customer goodwill toward the company and attracts new customers.	1.4 Customer Relationship Management

2024 Sustainability Performance Highlights

Net profit after tax amounted to

NT\$ 4.45 million



EPS

Earnings per share (EPS):

3.21

The proportion of female Directors **million by**

24 %



2024 Board of Directors Attendance Rate

88.89 %





Total expenditure on environmental management was

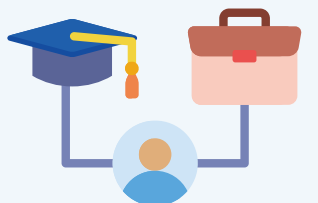
NT\$35,239,847

Industry-Academia Collaboration with Tunghai University

Hold one briefing session.

Number of interns:

9



Total employee compensation increased by

4.8 %

Internal Audit Compliance Rate

94.2 %

EcoVadis Evaluation

Bronze Medal



The total project cost for the completed installation of solar panels at Plant 2 and Plant 5 amounted to

NT\$16,500,000

Carbon Reduction White Paper—Corporate Temperature Assessment

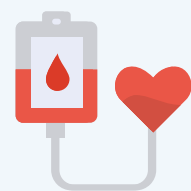
1.990°C



Number of Participants in Blood Donation Activity

68

Collected **95 bags**



Conducted **2** public welfare activities.

Toys Library / Beach Cleanup



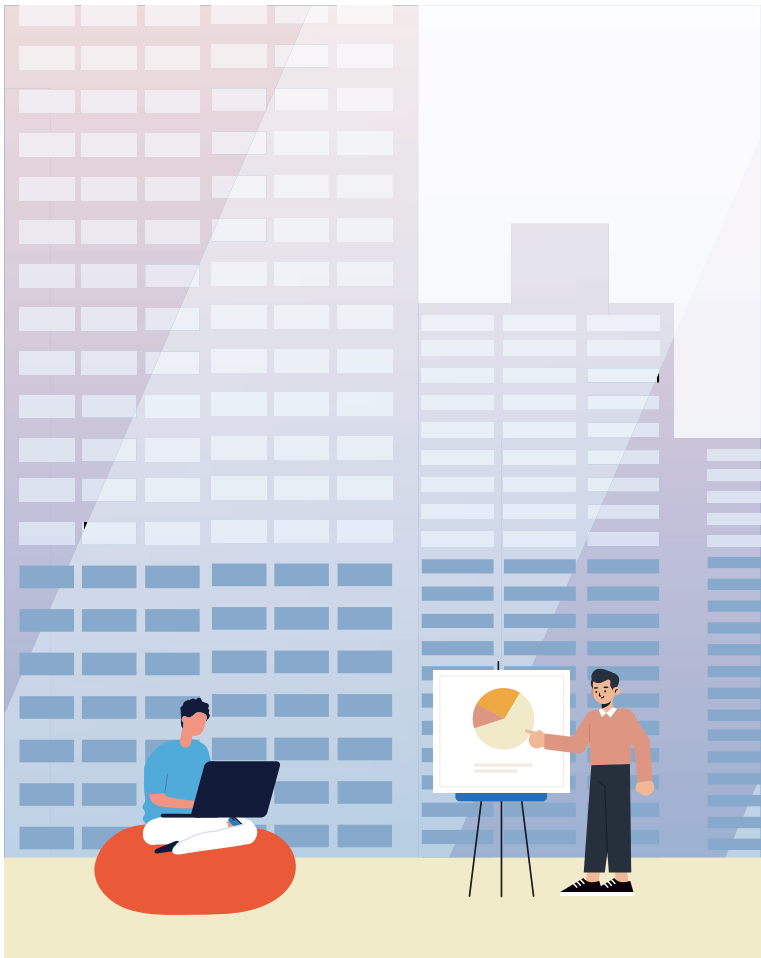
Supplier's Signature A total of

365 partner

companies have executed the Corporate Social Responsibility Compliance Declaration.



Chapter 01



Integrity in Governance

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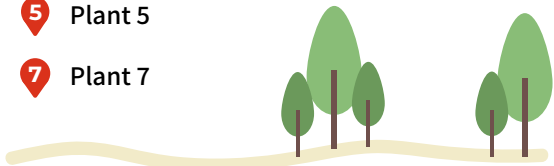
1.1 About BASSO

Company Name	BASSO INDUSTRY CORP.
Unified Business Number	20982120
Stock Code	1527
Address	No. 24, 36th Road, Industrial Zone, Xitun District, Taichung City 407, Taiwan
Share Capital (NTD)	1,385,706,400
Operating Sites	Taichung City, Taiwan
Industry Sector	Metal Machining Industry (Electromechanical Machinery Industry)
Principal Business Activities	1. Manufacturing, machining, assembly, and trading of pneumatic nailers and various types of pneumatic machinery. 2. Construction materials machining, assembly, and trading operations. 3. Import and export trade of parts/components, product parts, and hardware parts related to the aforementioned products.
Employee Headcount	688 employees (as of December 31, 2024)
Date of Establishment	July 2, 1983
Public Offering Date	May 12, 1997
Date of OTC Listing	January 12, 1999
Listing Date	June 21, 2000

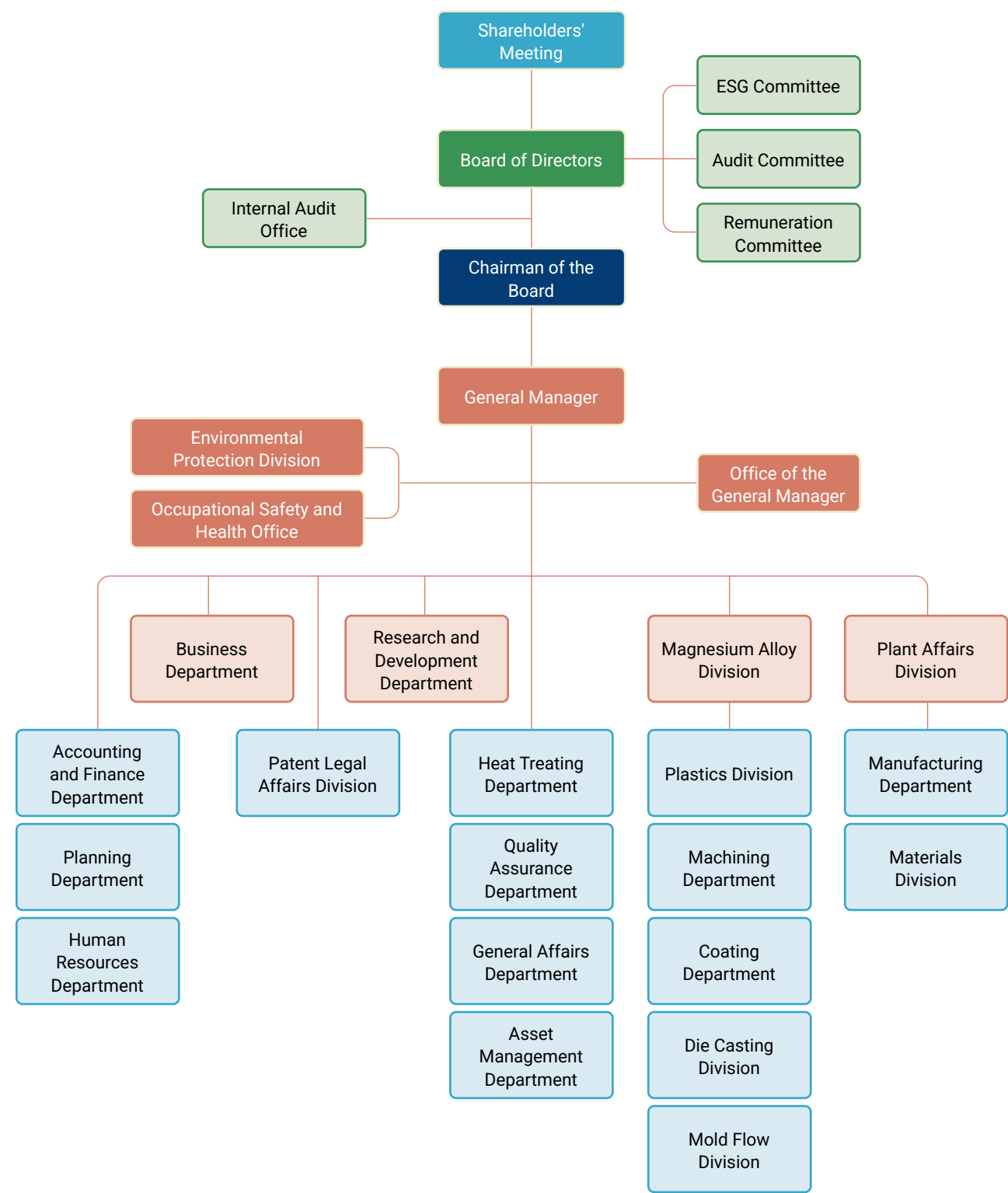
For basic information regarding BASSO INDUSTRY CORP, please refer to the following link: www.basso.com.tw ; Alternatively, enter the stock code **1527** for BASSO on the Taiwan Stock Exchange (TWSE).



- 1.8 Head Office and Plant 8
- 2 Plant 2
- 3.6 Plant 3 and Plant 6
- 5 Plant 5
- 7 Plant 7



Company Organization



Principal Businesses of Major Departments

▼ July 1983 BASSO Industrial Co., Ltd. was duly incorporated on Zhongxiao East Road, Taipei City, in accordance with the Company Act of the Republic of China.	▼ September 1991 » Renamed to BASSO INDUSTRY CORP. » Relocated to Dalong Road, Taichung City » Acquisition of Office Building
▼ October 1993 Acquisition of No. 17, 36th Road, Taichung Industrial Park for use as an assembly plant.	▼ March 1994 Acquisition of No. 24, 36th Road, Taichung Industrial Park, for use as an office building and parts machining center.
▼ March 1995 Certified ISO 9001 Quality Management System by the Bureau of Standards, Metrology and Inspection	▼ April 1995 » Certified under the ISO 9001:1994 quality management system in the United Kingdom. » Certified in accordance with the CNS12681 Quality Management System
▼ June 1995 Honored with the "Partners In Progress" award by SEARS, USA	▼ October 1996 Acquisition of land and factory at No. 21, 42nd Road, Taichung Industrial Park, for the manufacturing of plastic injection components.
▼ November 1996 Acquisition of land and factory premises at No. 22, 34th Road, Taichung Industrial Park, for use as an automated warehouse and Assembly plant..	▼ December 1996 Honored with the "Outstanding Business Partner" award by PORTER CABLE, USA
▼ December 1997 Honored with the "Outstanding Supplier Partner" award by PORTER CABLE, USA	▼ March 1998 The nation's first production line integrating an automated warehousing and manufacturing system has commenced operations.
▼ January 1999 » Official Listing of Shares on the OTC Market » Honored with the 1998 "Outstanding Supplier of the Year" award by PORTER CABLE Corporation, USA.	▼ June 1999 Acquisition of Lot 16, Section 35 for Use as Machining Center
▼ June 2000 Initial Public Listing of Shares	▼ August 2000 Conversion of Plant 17 on Route 36 into a Magnesium and Aluminum Alloy Die-Casting Facility
▼ August 2001 QS-9000 Quality Certification Obtained.	▼ September 2002 The Metal Heat Treating Plant at No. 20, 34th Road has officially commenced operations.
▼ April 2004 The new plastic injection facility at No. 33, Lane 37 has been officially commissioned.	▼ July 2005 Assembly Plant 22, Route 36, Officially Commissioned
▼ April 2017 Certified to ISO 14001 Environmental Management System	▼ December 2020 Certified under the IATF 16949:2016 Automotive Quality Management System
▼ January 2023 ISO 14064-1 Organizational Greenhouse Gas Inventory Certification	▼ April 2024 Certified in accordance with the ISO 45001:2008 Occupational Health and Safety Management System

Corporate Philosophy

Integrity, Accountability, Prudence, Innovation

"Where there is a will, there is a way." Through years of diligent management, BASSO has not only demonstrated boundless potential in its core business, but has also focused its efforts on expanding into new business sectors in response to market demand.

In recent years, in order to expand its product portfolio and reduce production costs, BASSO has integrated its production resources and invested in new products and services, including automotive Pneumatic tools, die casting, Machinery Machining, coating, Mold, Metal Heat Treating, and plastic injection. Leveraging continued growth in its core business, the company aims to create another economic milestone through the development of new business ventures.



Short-, Medium- and Long-Term Goals

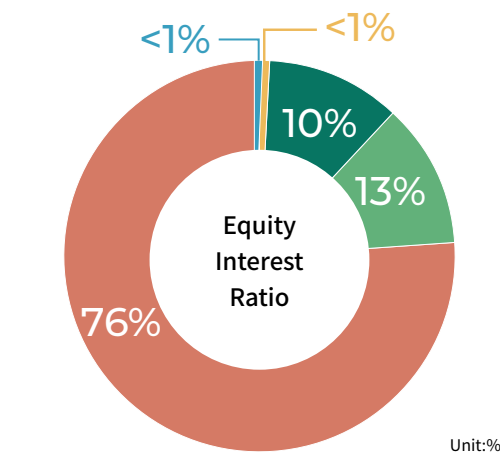
▼ Short-Term Plan

- » Research and development of a new generation of wireless rotary Electric tools for construction and automotive applications to expand into new markets and increase existing market share.
- » Strengthen personnel training to improve product yield and increase production efficiency, thereby reducing production costs and maintaining the competitiveness of products in the market.
- » Research and analysis of emerging markets, including Eastern Europe and the Middle East, market expansion, and enhancement of product market share.
- » Research and development of industrial-grade products, such as nail guns for the furniture industry, coil nailers for the pallet and Packaging industries, as well as the development of tools and components necessary for automated production, in order to expand the product line and increase product value.
- » To expand the development of a more diversified range of components in the consumer, sports, medical, and communication sectors by utilizing the plant's core manufacturing processes.

▼ Medium- and Long-Term Plans

- » To become a world-class professional manufacturer of wired and wireless building and automotive tools.
- » Maximize product value and continuously expand into new application areas for tools.

Legal Form of Ownership



■ Government Agencies ■ Other Legal Entities
■ Financial Institutions ■ Individuals
■ Foreign Entities and Foreign Individuals



Principal Business Activities

GRI 2-6

BASSO offers a comprehensive range of pneumatic nail gun products, primarily utilized in building construction, repair, and interior decoration. This product diversification enabled BASSO to initially establish a strong presence in the Americas, subsequently expanding into Europe, Asia, the Middle East, and other regions, thereby becoming a leading global enterprise in nail gun design, OEM, and Manufacturing. In the specialized field of pneumatic nail gun production, BASSO's quality and performance consistently meet international standards, and its extensive experience has established the company as an industry benchmark.



The primary products in the pneumatic automotive tool segment include tools for tire fastening, sheet metal grinding, and polishing, which are utilized in vehicle repair and exterior maintenance. Through the development of high-quality and diverse product offerings, the company has successfully penetrated the European and American markets. At the same time, it remains committed to continuous technological advancement with a humble approach, aiming to establish a sustainable business model.



Through vertical integration of our manufacturing processes, we have accumulated extensive know-how in the production of Pneumatic tools. Utilizing advanced equipment and technology, we provide customers with comprehensive OEM and ODM services, enabling true one-stop procurement. Our highly skilled engineers across all business units deliver complete solutions, encompassing CAD/CAM design, Mold development, die casting, Machining, Metal Heat Treating, coating, and plastic injection.



▼ Electric tools

Electric tools reduce carbon dioxide emissions during operation and contribute to the mitigation of global warming. Driven by a commitment to innovation, BASSO continuously and proactively invests in research and development to enhance the energy efficiency of its core products. The company has shifted from manufacturing products powered by compressed air to actively developing low-energy electric products. Regular product planning and new product meetings are convened to monitor progress toward these objectives, thereby enabling BASSO's products to support efforts to address global warming.

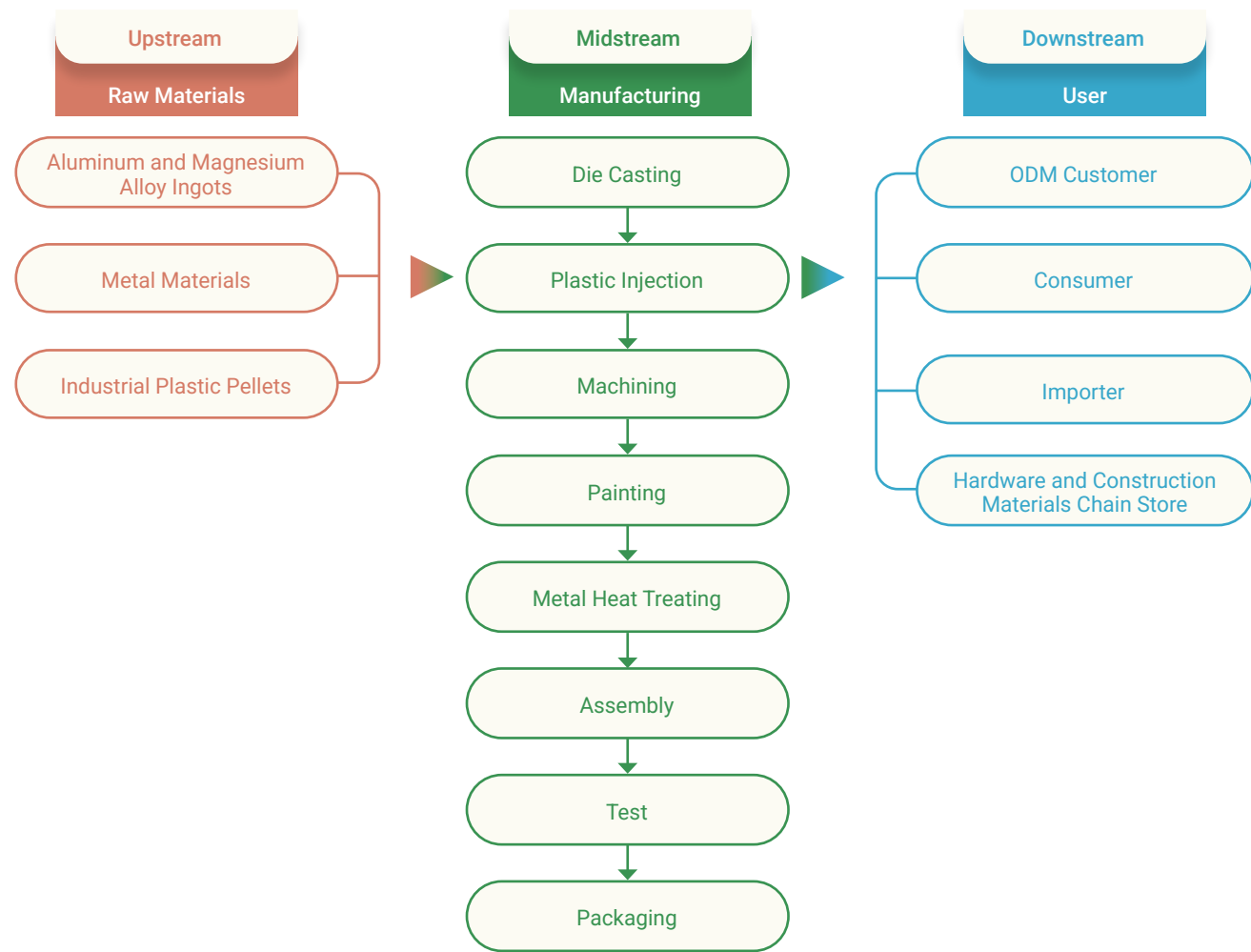


Industry Supply Chain

GRI 2-6

The Company is engaged in the production of pneumatic nailers and automotive pneumatic tools, utilizing aluminum alloy, magnesium alloy, and plastic composite materials. Accordingly, the upstream segment of the industry comprises raw materials such as aluminum ingots, magnesium ingots, and plastic pellets. The midstream and downstream sectors are sequentially categorized into manufacturing, machining, and end-user industries. Each stage of the process features a precise division of labor, with each manufacturer performing its designated function. The following diagram provides a detailed illustration:

▼ Pneumatic Nailer Upstream, Midstream, and Downstream Relationship Chart



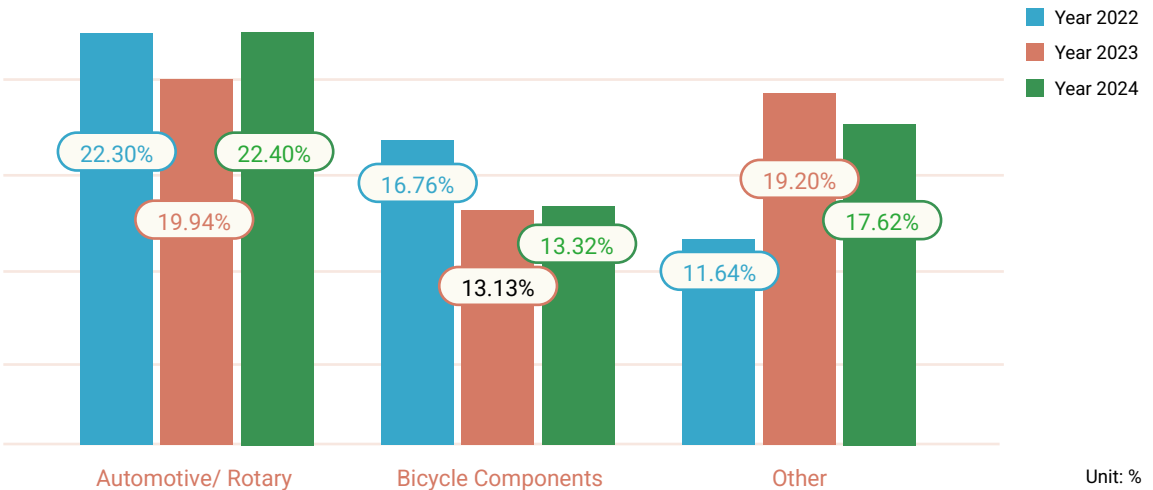
Recent Product Mix

GRI 2-6

The revenue composition of BASSO's products demonstrates a stable and balanced trend, with nail guns and automotive tools accounting for a significant proportion and maintaining stable market value. The performance of these two major contents not only highlights BASSO's strong competitiveness within the relevant industries, but also reflects the company's robust business strategy and outstanding product quality.

However, the revenue share of bicycle components has experienced a slight decline due to market fluctuations. Evolving market trends have presented new challenges and opportunities for the bicycle industry, resulting in increased volatility in the revenue proportion of bicycle components. The company will closely monitor market developments and adjust its strategies with agility to ensure prompt adaptation and maintain competitiveness in a dynamic environment.

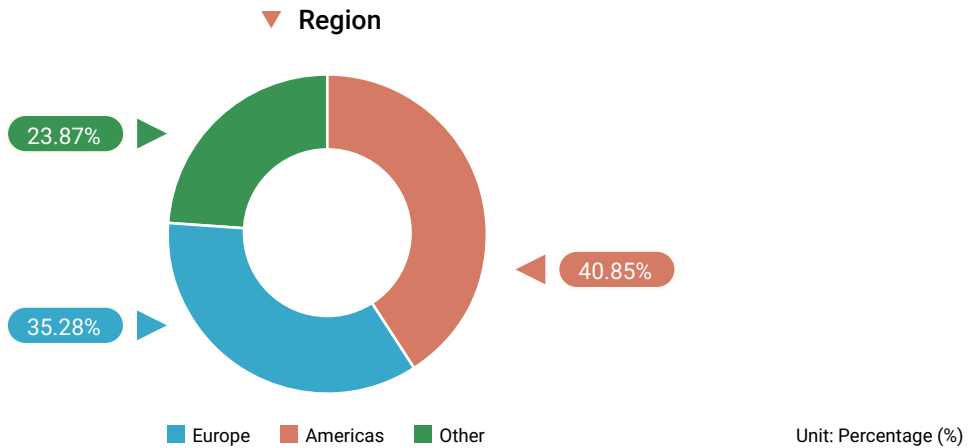
Overall, the company's revenue composition demonstrates its adaptability to diversified markets and effective risk management. BASSO will continue to pursue stable growth in nail guns and automotive tools, while further optimizing its bicycle components business and expanding into multiple market segments to address market fluctuations and achieve long-term, sustainable operations.



2024 Regional Sales Proportion

- » Revenue for the fiscal year: NT\$3,130,242 thousand
- » Fiscal year sales volume: 872,069 (pcs)

BASSO's product Sales are primarily concentrated in the European and American markets, accounting for approximately 75% of total Sales. In response to the increasing international emphasis on ESG issues in recent years, the company has actively fostered cross-departmental communication and multifaceted collaboration, demonstrating its commitment to sustainable operations and the fulfillment of corporate social responsibility.



Employee Composition

GRI 2-7, 2-8

As of the end of 2024, the Company had a total of 688 Employees, including 121 foreign Employees and 9 Employees with disabilities.

In recent years, as gender equality has received increasing attention, BASSO has safeguarded Employee rights in accordance with the provisions of its internally established Human Rights Policy. Furthermore, statistical data on the company's Employee composition indicate that the proportion of female Employees has remained largely unchanged from 2022 to 2024.

Unit: Number of People							
Statistics / Fiscal Year		Year 2022		Year 2023		Year 2024	
Total Number of Employees Note 1		711		634		688	
Labor and Employment Contracts Note 2		Irregular	Periodic	Irregular	Periodic	Irregular	Periodic
Gender	Male	513	0	455	0	491	0
	Female	198	0	179	0	197	0
Region	Taiwan	711	0	634	0	688	0
	Overseas	0	0	0	0	0	0
Employment Type		Full-time	Part-Time	Full-time	Part-Time	Full-time	Part-Time
Gender	Male	513	0	455	0	491	0
	Female	198	0	179	0	197	0
Region	Taiwan	711	0	634	0	688	0
	Overseas	0	0	0	0	0	0
Statistics / Fiscal Year		Year 2022		Year 2023		Year 2024	
Total Number of Employees Note 3		0		0		2	
Contract Type		Assignment of Technicians/ Operators	Other Types / Technical Consultant	Assignment of Technicians/ Operators	Other Types / Technical Consultant	Assignment of Technicians/ Operators	Other Types / Technical Consultant
Gender	Male	0	0	0	0	2	0
	Female	0	0	0	0	0	0
Region	Taiwan	0	0	0	0	2	0
	Overseas	0	0	0	0	0	0

Note 1. The total number of Employees represents the number of Employees employed as of December 31 of the fiscal year.

Note 2. Labor contracts are classified as either indefinite-term contract Employees (regular staff) or fixed-term contract Employees (temporary, short-term, seasonal, or of a specific nature).

Note 3. The total number of workers represents the average number of on-site employees in service during December of the fiscal year.

1.2 Corporate Governance

GRI 2-25, 3-3

Significance for the Company	Good corporate governance is one of the key factors in attracting investors and further safeguarding the interests of all parties, including Shareholders, customers, Employees, suppliers, media, government, and other stakeholders. Transparent decision-making processes and information disclosure mechanisms ensure that all parties have a clearer understanding of the company's status.		
Policies and Commitments	» Continuously enhancing the functions and performance of the Board of Directors, strengthening risk management, and improving the completeness and transparency of information disclosure. » Collaborate with the Human Resources Department to conduct various integrity management education and awareness initiatives, thereby strengthening the company's corporate governance framework.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» Improve Corporate Governance Evaluation Score » Improve EcoVadis Assessment Score » Implementation of the Integrity Management System	» Expanding Diversified Markets and Continuously Enhancing Performance	» The corporate governance evaluation score increased by 5.02 points. » Awarded the EcoVadis Bronze Medal. » No violations of ethical business conduct occurred in 2024. » At least two Director education and training sessions shall be organized each year.
Evaluation Mechanism	» The achievement of targets is assessed by the Board of Directors, through management review meetings, and by evaluating KPI attainment rates. » Taiwan Stock Exchange Corporate Governance Evaluation » EcoVadis Corporate Sustainability Assessment Platform Review » Whistleblower Case Report		
Responsible Department / Grievance Mechanism	Accounting Department / 04-23598877#1619		

To ensure the sound operation of the company and safeguard the Equity of all stakeholders, BASSO is committed to establishing a comprehensive corporate governance framework. In order to enhance the planning and execution efficiency of business strategies, the company has appointed Independent Directors to effectively oversee the operation of the Board of Directors, strengthen the Board's functions, and jointly review the company's accounting system and financial operating status.

Furthermore, to ensure the completeness of information disclosure, the Company has established the position of Chief Corporate Governance Officer, who serves as the highest authority responsible for corporate governance matters, assists in management decision-making, and oversees the administration of the Board of Directors. The Chief Corporate Governance Officer provides Directors and Independent Directors with the necessary information required for the performance of their duties. In 2024, a re-election of Directors was conducted, and all newly appointed Directors completed the statutory three-hour educational training. The Chief Corporate Governance Officer also completed the statutory twelve-hour professional training to further enhance the standard of corporate governance.

To establish a sound corporate governance system, BASSO, with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," adopted and approved the "Corporate Governance Best Practice Principles" by resolution of the Board of Directors in May 2017. This framework was established to protect Shareholder Equity, strengthen the functions of the Board of Directors, and respect the rights and interests of stakeholders, while also enhancing information transparency and reinforcing information disclosure.

In addition, BASSO closely monitors the development of domestic corporate governance frameworks and complies with amendments to laws and regulations promulgated by the competent authorities. The company continually reviews and enhances its established corporate governance system to remain aligned with evolving standards, with the objective of improving the effectiveness of corporate governance and achieving ongoing progress in corporate governance evaluations.

Board of Directors

GRI 2-9, 2-10

BASSO has a total of nine Director positions, consisting of six Directors and three Independent Directors, each serving a three-year term with eligibility for consecutive re-election. As the company's highest governance body, the Board of Directors selects its members based on their professional expertise and experience in economic, environmental, and social matters. Independent Directors are nominated in accordance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" to ensure both independence and diversity. This governance structure facilitates the company's stable operations and the realization of its sustainable development objectives.

» Board Operations and Performance

The Board of Directors convenes regular meetings to deliberate on matters pertaining to economic, environmental, and social aspects. In 2024, a total of five Board meetings have been held. The current term of the Board of Directors extends from June 28, 2024 to June 27, 2027. As of this date, three meetings have been conducted, with an average attendance rate of 88.89%, demonstrating a high level of Director participation in corporate governance.

» BASSO attaches great importance to the diversity of its Board of Directors. The current Directors possess professional backgrounds in finance, law, and industry expertise, thereby ensuring diversity and professionalism in decision-making and supporting the company's stable development. In addition, to align with domestic and international sustainability trends, Board members participate in annual continuing education programs covering topics such as innovation, digital technology, the ESG new economy, and corporate transformation. In 2024, the nine Directors collectively completed 54 hours of continuing education, of which 33 hours were dedicated to courses related to corporate sustainability, demonstrating the company's commitment to sustainable governance.

» Composition of the Board of Directors

The Board of Directors consists of members representing diverse age groups, industry backgrounds, professional expertise, and competencies, thereby enhancing the integrity and diversity of the decision-making process. For further details: [Director Diversity and Implementation](#)

Director Nomination Process

GRI 2-10

Directors shall be elected in accordance with the Director Election Procedures and the number of seats specified in the Articles of Incorporation. The election rights for Independent Directors and non-Independent Directors shall be calculated separately. Candidates who receive the highest number of votes representing the greatest election rights shall be elected as Directors and Independent Directors, respectively, in order. If two or more candidates receive the same number of votes and the number exceeds the specified quota, the successful candidates shall be determined by drawing lots among those with equal votes. For absent candidates, the Chairman shall draw lots on their behalf.

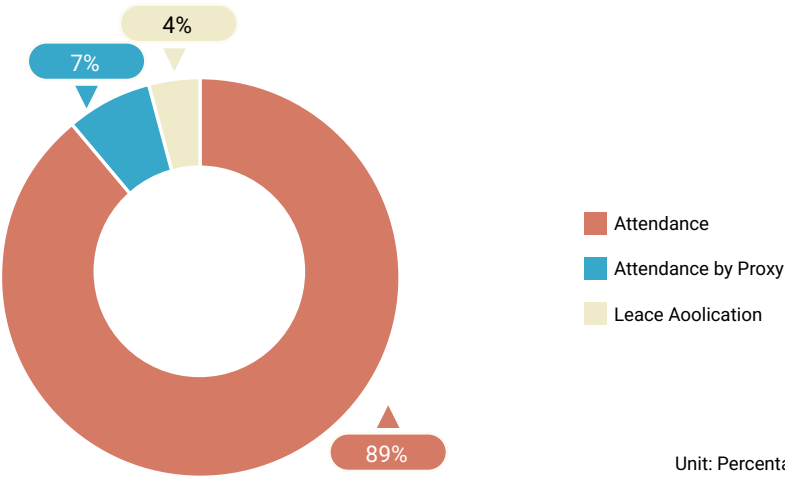
Candidates who are simultaneously elected as Directors pursuant to the preceding paragraph shall decide among themselves who will assume the position of Director. Any resulting vacancy shall be filled by the candidate who received the next highest number of votes in the original election.

▼ Director attendance rate: 88.89% (including participation via video conference)

The term of the current Board of Directors is from June 28, 2024 to June 27, 2027. As of this date, three meetings have been convened. The attendance record of Directors and Supervisors is as follows:

Unit: Number of people

Job Title	Name (or Representative)	Name of the Legal Entity Represented	Actual Number of Attendances (B)	Number of Proxy Attendances	Number of Meetings Required to Attend (A)	Actual Attendance Rate (%) (B/A)
Chairman of the Board	Po-Yen Lai		2	1	3	67
Director	Ming-Shing Lai		3	0	3	100
Director's Representative	Shu-Hsiang Liu	Ba Wei Investment Co., Ltd.	3	0	3	100
Director	Chung-Hsiung Hung		3	0	3	100
Director	Po-Feng Lai		1	1	3	33
Director	Jui-Wen Hung		3	0	3	100
Independent Director	Kai-Hsin Chang		3	0	3	100
Independent Director	Jen-Nan Sheen		3	0	3	100
Independent Director	Mei-Lin Huang		3	0	3	100



Unit: Percentage (%)

Board Diversity

▼ Specific Management Objectives of the Diversity Policy

The Company is committed to enhancing the diversity and independence of the Board of Directors to strengthen corporate governance. For fiscal year 2023, the Company established targets for Independent Directors to comprise one-third of the Board and for female Directors to represent 20%, with the aim of optimizing the Board structure. In fiscal year 2024, the Company successfully achieved an Independent Director ratio of one-third and further increased the proportion of female Directors to one-third. Going forward, the Company will continue to maintain and further optimize a diversified governance structure, and will actively promote the increase in the proportion of female Directors to foster diverse decision-making and sustainable corporate development.

- » The Company's Board of Directors is composed of nine Directors with diverse professional backgrounds, including three Independent Directors and six regular Directors.
- » All Directors of the Company possess expertise in business management, leadership, decision-making, and risk management. In addition, the three Independent Directors—Director Kai-Hsin Chang, Director Jen-Nan Sheen, and Director Mei-Lin Huang—respectively have professional backgrounds in law, industry, and financial management.

▼ Implementation Status for 2024:

- » Independent Directors: The Company has appointed three Independent Directors, increasing their proportion from 27% in the previous term to 33%, thereby meeting independence requirements and achieving the established target.
- » Female Directors: The Company's Board of Directors comprises three female Directors, increasing their representation from 9% in the previous term to 33%. This meets the established diversity target and promotes greater inclusiveness and diversity in decision-making.
- » Non-Employee Directors: The proportion of Board members without Employee status increased from 55% in the previous term to 78%, thereby enhancing the independence and oversight effectiveness of the Board.

Diversified Core Contents \ Name	Po-Yen Lai	Po-Feng Lai	Shu-Hsiang Liu	Ming-Shing Lai	Chung-Hsiung Hung	Jui-Wen Hung	Kai-Hsin Chang	Jen-Nan Sheen	Mei-Lin Huang
Gender	Male	Male	Female	Male	Male	Female	Male	Male	Female
Age	30 (inclusive) to under 50	30 (inclusive) to under 50	50 or more (inclusive)	50 or more (inclusive)	50 or more (inclusive)	50 or more (inclusive)	30 (inclusive) to under 50	50 or more (inclusive)	50 or more (inclusive)
Nationality	Republic of China								
Initial Appointment Date(Year, Month, Day)	920527	1040622	980619	1101006	920527	1130628	1100830	1060628	1130628
Tenure of Independent Directors							3 years	7 years	0 Year
Dual-Position Employee	✓	✓							
Business Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership Decisions	✓	✓	✓	✓	✓	✓	✓	✓	✓
Marketing Management	✓	✓		✓	✓		✓		✓
Industry Knowledge	✓	✓	✓	✓			✓	✓	✓
Financial Management	✓	✓	✓	✓	✓	✓			✓
Law	✓	✓					✓		
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓

Board Independence

GRI 2-15

BASSO is committed to maintaining the independence of the Board of Directors and ensuring fairness in decision-making by implementing comprehensive governance measures to prevent conflicts of interest and to establish a transparent and accountable corporate governance framework. To strengthen supervisory mechanisms, the company has adopted a structure in which the roles of Chairman of the Board and General Manager are held by separate individuals, thereby preserving a clear separation of powers and enhancing the objectivity of decision-making. In addition, BASSO does not have a situation in which more than half of the Directors have served more than three consecutive terms, thereby ensuring that the Board of Directors maintains appropriate independence and benefits from the diverse perspectives of newly appointed Directors, further enhancing governance effectiveness.

Pursuant to the Rules of Procedure for Board of Directors Meetings, where a Director or manager has a personal interest, or an interest on behalf of the legal entity they represent, in any matter on the agenda, such individual is required to disclose the relevant information at the meeting and must voluntarily abstain from both discussion and voting on the matter. Additionally, they are prohibited from acting as a proxy to exercise voting rights on behalf of other Directors. To enhance governance transparency, the company maintains detailed records of matters involving conflicts of interest pertaining to Directors or the legal entities they represent, including the Director's name, a description of the principal matters, and the circumstances of abstention. All such information is thoroughly recorded in the meeting minutes to ensure that the decision-making process adheres to the highest standards of corporate governance.For information regarding Director conflict of interest avoidance for fiscal year 2024, please refer to page 23 of the Company's 2024 Annual Report.

Responsibilities of the Board of Directors

Basso is committed to maintaining the independence of the Board of Directors and the fairness of decision-making. The Company has implemented a range of governance measures to prevent conflicts of interest and to ensure a transparent and accountable corporate governance structure. To strengthen its supervisory mechanism, the Company has adopted a system that separates the roles of Chairperson and President, maintaining a clear division of responsibilities and enhancing the objectivity of decisions. In addition, none of Basso's directors have served more than three consecutive terms for over half of the board, ensuring that the Board maintains an appropriate level of independence while incorporating diverse perspectives from newly appointed directors, thereby further improving governance effectiveness.



Chairman of the Highest Governance Body

GRI 2-11

Mr. Po-Yen Lai serves as the Chairman of the Board of the Company, appointed primarily for his outstanding professional expertise and leadership capabilities. Under his leadership, the Company has demonstrated stable operating performance in recent years, even in the face of economic downturns. To enhance the supervisory function of the Chairman of the Board and to avoid conflicts of interest, the Chairman of the Board does not concurrently hold any senior executive position within the Company.

In the operation of the Board of Directors, if a proposal involves the direct interests of a Director, the Company shall implement appropriate recusal measures in accordance with applicable regulations to ensure fairness in decision-making and transparency in corporate governance.

Role of the Board of Directors in Overseeing Impact Management

GRI 2-12

The Board of Directors directly oversees and manages the Company's performance and risk management with respect to economic, environmental, and social matters. Through the adoption of identification and prevention strategies, and in conjunction with supervision and investigation conducted by dedicated internal organizations, deficiencies in contents are addressed to mitigate potential subsequent operational risks to the Company.

At the same time, BASSO has established a Stakeholder Identification and Communication section on its official website to facilitate engagement with relevant stakeholders.Extensive communication among related parties has been carried out, resulting in an interim consensus. [Stakeholder Communication](#)

In the next phase, relevant departments will collaborate to address the impacts resulting from adverse effects. Stakeholder engagement information will be further gathered by designated personnel and compiled for submission to management, who will formulate appropriate response strategies. Through regular reporting, the management team will gain a more comprehensive understanding of the status of grievance cases and the effectiveness of remedial measures.

Director Continuing Education Hours

GRI 2-17

To enhance the exchange and interaction of corporate governance experience, keep pace with international trends, and respond to the ongoing development of corporate governance and sustainability issues both domestically and internationally, all Directors of BASSO actively participate in corporate governance and ESG-related training courses and seminars organized by various professional institutions, in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies." Through continuous learning and engagement, Directors are able to stay informed of the latest governance topics, strengthen their decision-making capabilities, and ensure that the company's governance framework remains current and effective.

During their terms of office, Directors continuously participated in training programs related to corporate governance and sustainability. In 2024, the total training hours completed by all Directors amounted to 54 hours, with each newly appointed Director completing no less than 3 hours of training. The training programs conducted during the year covered key topics addressed in this report, including "Integrity Management and Regulatory Compliance" and "Energy Conservation and Carbon Reduction (Energy and Greenhouse Gas Management)," underscoring the company's strong commitment to enhancing governance and promoting sustainable development.

Board Performance Evaluation

GRI 2-18

The Company has not yet instituted regular board performance evaluations conducted by external independent organizations. To enhance corporate governance and improve the operational efficiency of the Board of Directors, the Company strengthens its governance framework through the establishment of clear performance objectives. In accordance with the "Board Performance Evaluation Procedures," the Company conducts periodic self-assessments of the Board of Directors, individual Directors, and functional committees to ensure the ongoing optimization of its governance mechanisms. The scope of evaluation encompasses key indicators, including board operations, members' contributions, and engagement in ESG matters. Evaluation subjects comprise the Board of Directors as a whole, individual Directors, the Audit Committee, and the Remuneration Committee, thereby facilitating a comprehensive review of governance effectiveness and ensuring the robustness and transparency of decision-making processes.

The evaluation results are presented at the first Board of Directors meeting of the following year to ensure the continuous enhancement of the board governance mechanism. In 2024, the average self-assessment score for the Director performance evaluation exceeded 4.70 out of a maximum of 5 points, indicating that the company's board operational system is sound and comprehensive, and meets high standards of governance.

Scope	The Board of Directors	Individual Director	Audit Committee	Remunerati on Committee
Fiscal Year 2024	4.70 (Maximum Score: 5)	4.64 (Maximum Score: 5)	4.61 (Maximum Score: 5)	4.88 (Maximum Score: 5)

▼ Directors' Liability Insurance: USD 1,000,000

▼ Chief Corporate Governance Officer: The appointment of the Chief Corporate Governance Officer was approved by the Board of Directors on May 8, 2023, and is administered by the Board of Directors. The team has appointed Mr. Po-Feng Lai, the current General Manager of the Company, to concurrently serve as the Chief Corporate Governance Officer.

▼ Safeguarding Shareholders' Equity

- » Convening of Shareholders' Meeting: Pursuant to the internally established Rules of Procedure for Shareholders' Meetings, the Company engages a professional and independent shareholder services agency to administer all matters pertaining to shareholders' meetings, thereby ensuring that such meetings are convened lawfully, effectively, and securely. Shareholders may also exercise their rights through electronic voting when voting on proposals at shareholders' meetings.
- » Information Disclosure: Establish a spokesperson system under which the designated spokesperson is solely responsible for all external communications, thereby ensuring that information potentially affecting stakeholders is disclosed promptly and appropriately. A dedicated stakeholder section is provided on the company's website, where comprehensive financial and business information is accessible. In addition, BASSO is continuously enhancing the completeness and timeliness of its information disclosures, including:
 1. Major information and significant resolutions shall be publicly announced on the same day as the conclusion of the Board of Directors or Shareholders' Meeting.
 2. Expand the disclosure of various types of information in English, including the Shareholders' Meeting Agenda Handbook, Shareholders' Meeting Notice, Shareholders' Meeting Annual Report, annual financial statements, ESG report, and other relevant documents.
 3. Exceeding the regulatory requirement for listed companies to hold at least one investor conference per fiscal year, two investor conferences were convened in fiscal year 2024, thereby enhancing the frequency of communication with stakeholders.
 4. Disclose relevant Shareholders' meeting information in advance of the statutory deadline to allow stakeholders to promptly access the company's operational status.
 5. Since the third quarter of 2021, all financial reports have been submitted to the Board of Directors for discussion and resolution upon approval by the Audit Committee, thereby enhancing the Audit Committee's supervisory role over financial oversight.

Remuneration Committee

In accordance with the Compensation Committee Charter established internally by the Company, the Compensation Committee was formed on December 30, 2011.

The Committee is responsible for evaluating the compensation policies and systems for the company's Directors and managers in a professional and objective manner, and for providing recommendations to the Board of Directors for its decision-making reference.

Committee Members / Attendance Record

Job Title	Name	Actual Number of Attendances (B)	Number of Proxy Attendances	Number of Meetings Required to Attend (A)	Actual Attendance Rate (%) (B/A)
Chairperson	Kai-Hsin Chang	3	0	3	100
Committee Member	Jen-Nan Sheen	3	0	3	100
Committee Member	Mei-Lin Huang	3	0	3	100

Remuneration Policy

GRI 2-19, 2-20

▼ Employee Remuneration, Director Remuneration

The Company has established an independent Remuneration Committee composed of Independent Directors, which is specifically responsible for overseeing the remuneration determination process to ensure objectivity and fairness. The Company has not yet engaged any third-party independent institution as a remuneration Consultant. However, upon completion of the remuneration policy formulation, the policy will be submitted to the Shareholders' Meeting for review by the Shareholders and will be implemented only after approval by a Shareholders' vote, thereby ensuring that the remuneration policy is consistent with market trends and the Company's development strategy.

If the company generates a profit in a fiscal year, not less than 0.5% shall be allocated as Employee remuneration, and not more than 3% shall be allocated as Director remuneration.

However, if the company has accumulated losses, an amount sufficient to offset such losses shall be reserved in advance. The recipients of Employee remuneration in the form of shares or cash, as specified in the preceding paragraph, include employees of subsidiaries who meet certain qualifications.

Contents	Board of Directors	Manager
Fixed Compensation and Variable Compensation	» Director remuneration is adjusted in accordance with the Regulations for Performance Evaluation and Remuneration Management of Directors and Managers, based on the performance of Directors. » Fixed remuneration for Independent Directors.	» Managers' remuneration is adjusted in accordance with the "Regulations for Performance Evaluation and Compensation Management of Directors and Managers," based on the extent to which fiscal year targets are achieved.
Signing Bonus or Recruitment Incentive	» None.	» None.
Deferred Shares or Vested Shares	» None.	» None.
Clawback Mechanism	» None.	» None.
Retirement Benefits	» None.	» Accrual of pension funds in accordance with the Labor Standards Act
How are the objectives and performance of Directors and managers in economic, environmental, and social matters linked to the remuneration policy?	» The company established an ESG Committee in 2022. The Board of Directors and management will continue to closely monitor this matter, and future evaluations will be linked to the compensation policy.	

Annual Total Remuneration Ratio

GRI 2-21

Top Individual in Total Remuneration within the Company (A)	9,918 (Unit: NT\$ Thousand)
Countries of Principal Operations	Taiwan
Median Total Compensation of Other Employees at Each Principal Location (B)	568 (Unit: NT\$ Thousand)
Ratio (A/B)	17.46
Year-over-year percentage increase in total compensation for the highest-compensated individual (C)	14.99 %
Median Rate of Increase in Total Compensation for Other Employees at Major Locations Compared to the Previous Year (D)	20.59 %
Ratio (C/D)	0.73

Audit Committee

The Audit Committee is established in accordance with Article 14-4 of the Securities and Exchange Act and is composed exclusively of all Independent Directors. Its primary purpose is to assist the Board of Directors in fulfilling its oversight responsibilities and to supervise the quality and integrity of the company's accounting, auditing, financial reporting processes, and financial controls.

In addition to adhering to the provisions of the organizational regulations, the primary responsibilities of the Audit Committee are to exercise its authority in accordance with Article 14-5 of the Securities and Exchange Act, and to assist the Board of Directors in enhancing the quality of the company's accounting, financial reporting, and internal control procedures.

Committee Members / Attendance Record

In accordance with Article 14-4 of the Securities and Exchange Act, the Audit Committee is established and is composed entirely of Independent Directors. For fiscal year 2024, the Audit Committee completed its re-election on June 28, 2024. During 2024, the first term convened two meetings, and the second term convened three meetings. The attendance of Directors is as follows:

▼ First Session Audit Committee

Job Title	Name	Actual Number of Attendances (B)	Number of Proxy Attendances	Number of Meetings Required to Attend (A)	Actual Attendance Rate (%) (B/A)
Chairperson	Chun-Chung Lien	2	None.	2	100.00
Committee Member	Jen-Nan Sheen	2	None.	2	100.00
Committee Member	Kai-Hsin Chang	2	None.	2	100.00

▼ Second Session Audit Committee

Job Title	Name	Actual Number of Attendances (B)	Number of Proxy Attendances	Number of Meetings Required to Attend (A)	Actual Attendance Rate (%) (B/A)
Chairperson	Kai-Hsin Chang	3	None.	3	100.00
Committee Member	Jen-Nan Sheen	3	None.	3	100.00
Committee Member	Mei-Lin Huang	3	None.	3	100.00

Annual Key Focus Areas of the Audit Committee

- ✓

Review of the Company's Business Report and Financial Statements for the Fiscal Year.
- ✓

Review of the Company's Internal Control Statement.
- ✓

Review of the appointment, compensation, and independence of the Company's certified public accountants.
- ✓

Review of the Company's Profit Distribution Plan.
- ✓

Review of the Company's Financial Statements
- ✓

Review of the Company's application for operational bank credit facilities.
- ✓

Review of the Company's Major Assets Acquisition Proposal.
- ✓

Appointment of the Meeting Convener.
- ✓

Review of the Company's Annual Audit Plan and Audit Personnel List.
- ✓

The Board of Directors is authorized to invest in or dispose of marketable securities and other financial instruments within the limits of the Approval Authority.
- ✓

Formulating and Reviewing the Risk Management Policies and Procedures.
- ✓

Formulation and Review of Succession Plans for Directors and Key Management Personnel.
- ✓

Incorporate sustainable information management into the Internal control system and establish corresponding standard operating procedures.

Audit Committee Meeting Date	Proposal Content	Independent Directors' Dissenting Opinions, Reservations, or Major Recommendations	Audit Committee Resolution	Response to Audit Committee Opinions
2024/03/11 The 13th Meeting of the 1st Session	» Review of the Company's 2023 Business Report and Financial Statements. » Review of the Company's Internal Control Statement for the fiscal year 2023. » Review of the Appointment and Remuneration of the Company's Auditors. » Review of the Company's Earnings Distribution Proposal for Fiscal Year 2023	None.	The proposal was approved as submitted by all committee members present.	Submitted to the Board of Directors in accordance with the resolution of the Audit Committee.
2024/05/06 The 14th Meeting of the 1st Session	» Review of the Company's Financial Statements for the First Quarter of 2024. » Review of the Company's application to Cathay United Bank for an accounts receivable purchase facility necessary for the Company's operations. » Review of the Company's Proposed Acquisition of Land in Taichung Industrial Park.	None.	The proposal was approved as submitted by all committee members present.	Submitted to the Board of Directors in accordance with the resolution of the Audit Committee.
2024/08/12 The 1st Meeting of the 2nd Session	» Election of the Meeting Convener. » Review of the Company's Financial Statements for the Second Quarter of 2024.	None.	The proposal was approved as submitted by all committee members present.	Submitted to the Board of Directors in accordance with the resolution of the Audit Committee.
2024/11/11 The 2nd Meeting of the 2nd Session	» Review of the Company's Financial Statements for the Third Quarter of 2024. » Review of the Company's Audit Plan Submission for Fiscal Year 2025. » Review of the List of Auditors for the Company for Fiscal Year 2025. » The Board of Directors is authorized, within the limits of the Approval Authority, to invest in or dispose of marketable securities and other financial instruments.	None.	The proposal was approved as submitted by all committee members present.	Submitted to the Board of Directors in accordance with the resolution of the Audit Committee.
2024/12/30 The 3rd Meeting of the 2nd Session	» Review of the independence of the Company's certified public accountants for discussion. » Draft Risk Management Policy and Procedures for Discussion. » Draft Succession Plan for Directors and Key Management Personnel for Discussion » To integrate the management of sustainability information into the Internal control system, it is proposed to revise the relevant operating procedure manuals of the Company for discussion.	None.	The proposal was approved as submitted by all committee members present.	Submitted to the Board of Directors in accordance with the resolution of the Audit Committee.

Communication Between Independent Directors, Chief Internal Auditor, and Auditors

- ▼ The Chief Internal Auditor attends meetings of the Audit Committee and regular meetings of the Board of Directors, and reports on the implementation status of internal audits to the Independent Directors.
- ▼ Independent Directors hold meetings with the head of internal audit as needed to discuss the operation of internal control and related improvements.

Date	Attendees	Matters for Communication	Communication Outcomes
2024.12.30	» Chief Audit Executive » Independent Directors: Kai-Hsin Chang, Jen-Nan Sheen (via video conference), Mei-Lin Huang	» Internal Control Production Cycle – CC-110 Quality Management Process Audit, CC-112 » Occupational Safety, Health and Environmental Management Audit. » Internal Control of the Property, Plant and Equipment Cycle – CF-101 Construction Project Audit. » Information Processing Cycle – CC-105 Audit of Controls over Computerized Document Preparation, CC-109 Audit of Controls over System Recovery Plan Procedures and Testing	Communication was satisfactory, and the independent directors had no comments regarding this meeting.

- ▼ The signing CPA attended the pre-audit committee meeting on December 30, 2024, presented explanations regarding the results of the audit or review of the Financial Statements and the effects of recent regulatory amendments on the company, and engaged in communication with the committee members.

Date	Attendees	Matters for Communication	Communication Outcomes
2024.12.30	» KPMG: Tzu-Hsin Chang, Certified Public Accountant » Chief Audit Executive » Independent Directors: Kai-Hsin Chang, Jen-Nan Sheen (via video conference), Mei-Lin Huang	» Annual Audit Plan » Summary of Recent Updates to Auditing Standards » Key Impacts of the Proposed Amendments to Auditing Standard No. 600 "Special Considerations—Audits of Group Financial Statements" » IFRS Sustainability Disclosure Standards Adoption Plan » Updates to Key Accounting Standards, Interpretations, Securities Regulations, and Tax Legislation » Internal Control System for the Management of Sustainability Information	Communication was effective, and both the independent directors and internal auditors expressed no objections regarding this meeting.

Practical Communication Among Independent Directors, Chief Internal Auditor, and Accountants During the Fiscal Year

In 2022, the independent directors conducted one communication with the chief internal auditor and one communication with the certified public accountants. Communication between the independent directors, the chief internal auditor, and the external auditors is effective.

In 2023, the independent directors conducted one communication with the chief internal auditor and one communication with the certified public accountants. Communication between the independent directors, the chief internal auditor, and the external auditors is effective.

In 2024, the independent directors conducted one communication with the chief internal auditor and one communication with the certified public accountants. Communication between the independent directors, the chief internal auditor, and the external auditors is effective.

Note. The number of communications between independent directors and the chief internal auditor for the years 2022 to 2023 was misstated in the 2023 annual report and has been corrected in the 2024 annual report.

Disclosure of Significant Events

GRI 2-16

During the reporting period, the Company communicated key material events to the Board of Directors through regular board meetings and special reports, with each ESG Committee group leader providing updates. In the fiscal year, one key material event was reported to the Board of Directors, encompassing information on corporate governance, environmental management, labor equity, and social participation.

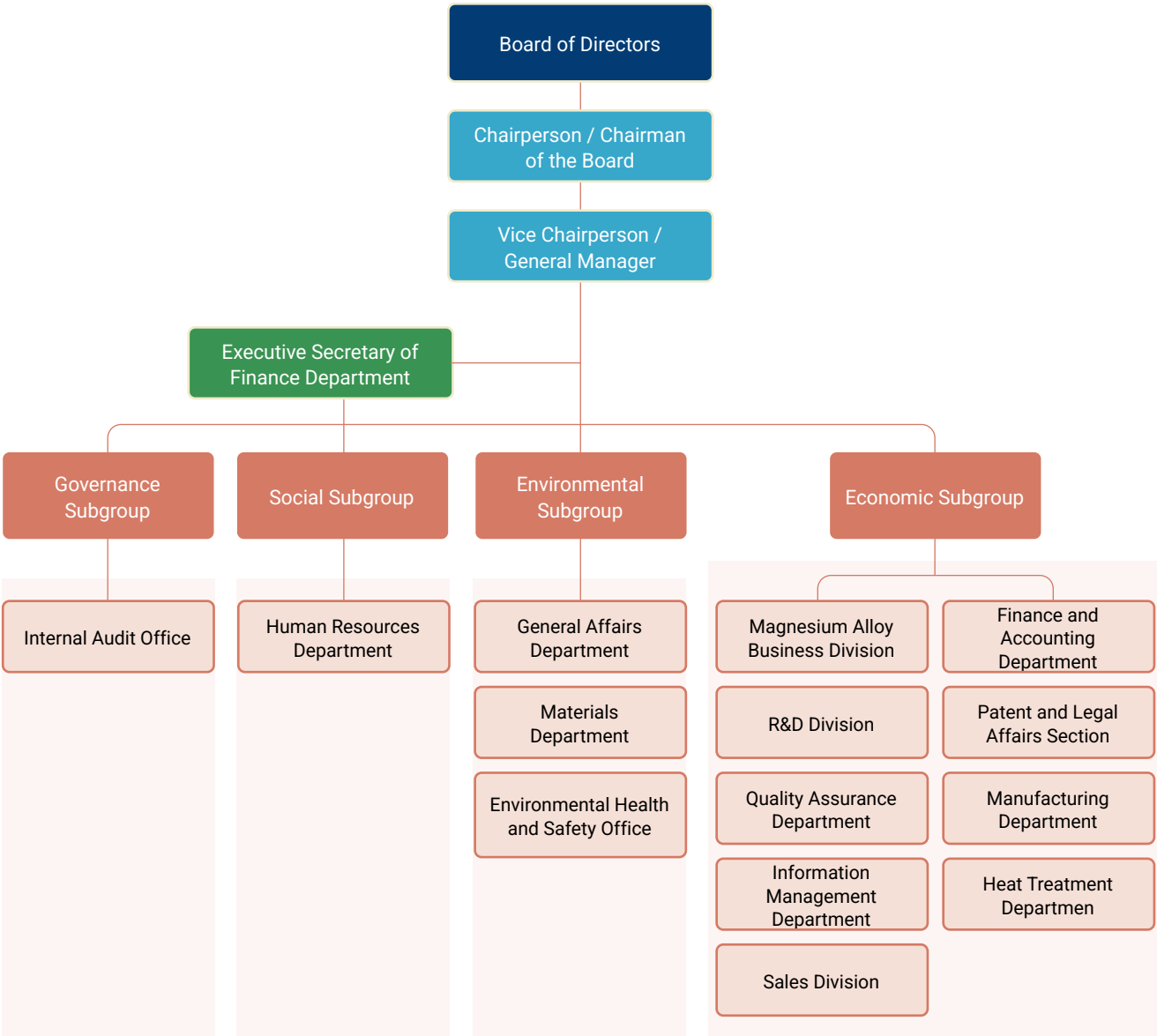
ESG Committee

GRI 2-13

BASSO established the ESG Committee on August 24, 2022, with Chairman of the Board Po-Yen Lai personally presiding over the inaugural meeting. Department heads from designated departments serve as group liaisons and are responsible for coordinating the collection and management of information pertaining to governance, social, environmental, and economic matters.

In 2023, the ESG Committee was placed directly under the Board of Directors. Designated personnel report to the Board of Directors on a regular basis each fiscal year, and the Board of Directors oversees the organization's annual operations and the formulation of its strategies. Concurrently, the Sustainable Development Best Practice Principles were established to provide guidance for the organization's implementation and operations.

The Procedures for the Preparation and Verification of the Sustainability Report and the Procedures for Sustainability Information Management were established in 2024 and approved by the Board of Directors. These procedures are designed to ensure the transparency and accuracy of sustainability information, thereby enhancing the efficiency of the company's environmental, social, and governance information management and improving the quality of its reporting.



Note. 2024 fiscal year report date: The annual implementation status and strategic objectives were presented to the Board of Directors on December 30, 2024.

ESG Strategy and Policy Commitment

GRI 2-23

ESG Compliance Principles: Integrity, Environmental Protection, and Social Responsibility

BASSO conducts training in accordance with the company's annual training plan, covering four key areas: official intergovernmental documents, the execution of due diligence, the application of the precautionary principle, and compliance with human rights regulations.

- » Intergovernmental Official Documents: Responsible Units (Respective Competent Authorities)
- » Due Diligence Execution: Responsible Unit (Internal Audit Office)
- » Application of Early Warning Principle: Responsible Unit (Internal Audit Office)
- » Human Rights Compliance Regulations: Responsible Unit (Human Resources Department)

▼ Human Rights Policy

In order to fulfill its corporate social responsibility and protect the fundamental human rights of all employees, customers, and stakeholders, BASSO fully respects and adheres to internationally recognized human rights standards and principles, including the Universal Declaration of Human Rights, the United Nations Global Compact, the core labor standards of the International Labour Organization, and all applicable local laws and regulations. The "Human Rights Policy" was established and implemented following approval by the Board of Directors on December 26, 2022, to eliminate any acts of infringement or violation of human rights and to ensure that all internal and external members of the company are treated reasonably, equally, and with dignity.

The relevant policy information is simultaneously announced on the company's official website. [Corporate Policies and Procedures](#)

▼ Diversity, Inclusion, and Equal Opportunities

Any language, attitude, or behavior that discriminates on the basis of gender, race, class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, facial features, or physical or mental disability is strictly prohibited. All individuals shall work together to create a work environment that is dignified, safe, equitable, and free from discrimination and harassment.

▼ Prohibition of Forced and Compulsory Labour

Respect Employee consent and prohibit forced labor.

▼ Prohibition of Child Labour

Employment standards comply with the local statutory minimum age requirements.

▼ Reasonable Remuneration and Working Conditions

Provide Employee with reasonable compensation and related benefits in compliance with applicable laws and regulations.

▼ Workplace Health and Safety

Establish a safe and healthy work environment, jointly reduce occupational safety and health risks, promote Employee physical and mental well-being, and achieve work-life balance.

▼ Harmonious Labor-Management Relations

Provide diverse and open channels of communication, hold regular labor-management meetings, promote harmonious labor-management relations, cultivate a positive working environment, and effectively mediate differences in opinions.

▼ Privacy Protection

To protect the privacy rights of customers and all stakeholders, the Company shall ensure that the collection and use of personal data comply with applicable legal and regulatory requirements, and shall implement control standards and protective measures.

▼ Promotion of Human Rights Policy

In addition to supporting and upholding the protection of human rights, the Company also encourages its partners, including suppliers, to jointly address human rights issues and to place emphasis on the management of related risks.

Fiscal Year Statistics	Human Rights Number of Trainees	Total Training Hours (Hours)	Total Employees	Employee Percentage of Personnel Trained (%)
Year 2022	622	1,175.5	711	87.48%
Year 2023	681	1,927.5	634	100%
Year 2024	693	1,965	688	100%

Note. As the total number of Employees reflects the number of Employees employed as of year-end, the number of training participants may exceed the total number of Employees.

Strict Regulatory Compliance (GRI 2-27)

GRI 2-27

The Company has established provisions regarding legal compliance within its "Ethical Corporate Management Best Practice Principles," requiring all internal personnel to comply with applicable laws and regulations related to fair competition, products, and services.

In response to amendments to laws and regulations, the Company promptly conducts internal reviews of relevant contracts and provisions, and organizes training sessions or awareness programs on significant legal matters. These initiatives are designed to enhance Employees' understanding of compliance with industry-related regulations. When major legal directives are issued by competent authorities, the responsible unit revises the relevant Company regulations and submits them to the Board of Directors for approval.

Key Laws and Regulations Governing Public Companies

- » Including the Company Act, Securities and Exchange Act, Regulations Governing Board of Directors' Meetings of Public Companies, Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and other laws and regulations related to corporate governance, such as those pertaining to ethical business conduct and information disclosure.
- » BASSO did not commit any material violations of the aforementioned significant laws in 2024.

Key Laws and Regulations Pertaining to Economic and Social Aspects

- » Including the Income Tax Act, the Labor Standards Act, and the Fire Services Act.
- » Diamond Universal did not commit any material violations of the aforementioned significant laws in 2024.

Major Laws and Regulations Pertaining to Environmental Matters

- » Including the Building Act, Environmental Impact Assessment Act, Soil and Water Conservation Act, Water Pollution Control Act, Air Pollution Control Act, Noise Control Act, and Waste Disposal Act.
- » BASSO did not incur any material violations of the aforementioned significant laws in 2024.

Cumulative Major Violations in the Past Three Fiscal Years

Grounds for Violation of Law	Violation of Legal Provisions	Fines (New Taiwan Dollars)	Sanctions Other Than Fines	Improvement Measures
Year 2022	None.	None.	None.	None.
On September 13, 2023, an audit determined that a newly installed powder coating facility was not operating in compliance with permit requirements, and the rupture of inspection duct P302 resulted in the failure to effectively collect process waste.	Air Pollution Control Act, Article 23, Paragraph 1 and Article 24, Paragraph 2 Article 23, Paragraph 1: Public and private premises shall effectively collect all types of air pollutants and maintain the normal operation of their air pollution control or monitoring facilities. The maximum operating capacity of stationary pollution sources shall not exceed the maximum treatment capacity of the air pollution control facilities.	NT200,000	None.	A re-inspection was conducted regarding the rupture of the P302 pipeline. After engineering improvements and replacement of the ruptured section, the exhaust duct for the newly installed powder coating equipment was connected to the P302 pipeline through engineering modifications. The operation permit was subsequently amended, and approval was granted by the Taichung Environmental Protection Bureau. Process the license modification and issue the certificate.
	Article 24, Paragraph 2: Installation of the Fixed Pollution Sources Mentioned AboveFollowing any modification or change, supporting documents in compliance with the relevant provisions of this Act shall be submitted to the municipal or county (city) competent authority, or to an agency authorized by the central competent authority, for the application and acquisition of an operation permit. Operations shall be conducted in accordance with the terms and conditions specified in the issued permit.			
Year 2024	None.	None.	None.	None.

Note 1. Beginning in 2024, incidents subject to fines will be disclosed if the penalty amount reaches NT\$300,000 or more. For non-monetary sanctions, disclosure is required if the incident results in reputational damage to the company or leads to suspension of operations. If the violation has a broad impact or involves a significant penalty amount, disclosure should be further emphasized.

Note 2. The 2024 report provides a more detailed explanation of the corrective actions taken in response to the violations identified in 2023.

In 2024, the Company recorded one non-significant violation, resulting in a fine of NT\$160,000. This incident occurred during the 2024 reporting period, and no fines were paid for regulatory violations occurring in previous reporting periods.



Industry Associations

GRI 2-28

Responsible Department	Names of Industry Associations with Material Participation	Principal Activities	Position Held
Heat Treating Department	Taiwan Metal Heat Treating Society	Metal Heat Treating Academic Conference / Annual Meeting / Educational Training / Lecture	Corporate Member Consultant: Chang-Yi Lin– Supervisor of the Association

Responsible Department	Names of Other Associations and Organizations	Principal Activities	Position Held
General Affairs Department	Industrial Park Manufacturers' Association	Information Exchange and Promotion Among Industrial Park Enterprises	Member
Mold Flow Division	DITSA Die Casting Technology Industry-Academia Service Alliance	Education and Training Programs Outstanding Factory Observation and Internship Program Mold Technology Seminar	Member
Mold Flow Division	Taiwan Mold & Die Industry Association	Education and Training Programs Outstanding Factory Observation and Internship Program Mold Technology Seminar	Member
Business Department	Taiwan Transportation Vehicle Manufacturers Association (Registration No. 10211)	Participation in domestic and international exhibitions organized by the Machining Association	Member

The Taiwan Society for Metal Heat Treatment



台灣金屬熱處理學會
The Taiwan Society for Metal Heat Treatment

Diecasting Industry Technology Service Alliance



Taichung Industrial Park Manufacturers' Mutual Advancement Association



Taiwan Mold & Die Industry Association



TAIWAN TRANSPORTATION VEHICLE MANUFACTURERS ASSOCIATION



Collective Agreement

GRI 2-30

As of 2024, although the Company has not yet entered into a collective agreement, it continues to engage in ongoing communication with Employees through multiple channels to foster mutual understanding and enhance Employee performance. In accordance with the Company's internally established Human Rights Policy, regular labor-management meetings are held annually to promote harmonious labor relations, cultivate a positive working environment, and effectively resolve differences of opinion.

In 2024, labor-management meetings are held quarterly, with representatives from both labor and management jointly participating.

1.3 Operating Performance

GRI 2-25, 3-3

Significance for the Company	Adhering to the philosophy of "Quality, Innovation, and Service," the company conducts its operations in compliance with legal requirements, pursues growth, and is committed to achieving operational excellence. The company continuously enhances product quality and technological capabilities, consistently introducing innovative designs and differentiated products to create greater added value for customers and to meet the evolving needs of both customers and the market. Through long-term partnerships among quality assurance, Manufacturing, research and development, and customers, the company generates increased economic value through outstanding operational performance and returns value to stakeholders, thereby advancing the long-term goal of sustainable corporate development.	
Policies and Commitments	» Broaden the revenue portfolio and diversify product offerings to strengthen market competitiveness. » Actively developing new clients and markets to expand the business footprint and enhance the company's growth momentum.	
Objective	Short-term	» Research and development of a new generation of wireless rotary Electric tools for construction and automotive applications to expand into new markets and increase existing market share. » Strengthen personnel training to improve product yield and increase production efficiency, thereby reducing manufacturing costs. » Research and analysis of emerging markets, including Eastern Europe and the Middle East, as well as the expansion of product market share. » Research and development of industrial-grade products, such as nailing guns for the furniture industry and coil nailers for pallet and Packaging applications, as well as the development of tools and components required for automated production, are undertaken to expand the product line and increase product value. » Expand the development of a more diversified portfolio of industry-related components through core in-house manufacturing processes, encompassing consumer, sports, medical, and communication applications.
	Medium- to Long-Term	» To become a world-class manufacturer of wired and wireless construction and automotive tools. » Maximize product value and continuously develop new application areas for tools.
	Resources Invested / Tangible Outcomes	▼ Invested Resources: » Expansion of New Product Research and Development Capabilities: The increase in research and development personnel, combined with the acquisition of new software and testing equipment, enhances the capacity for new product design and development. » Increase the procurement of automated equipment and strengthen personnel training to enhance product yield and improve production efficiency. ▼ Specific Results » Revenue increased by 12.43% compared to the previous year. » In 2024, 45 new product models were added. » In 2024, seven new product meetings were convened, and the development of seven new Electric tools products was completed.
Evaluation Mechanism	» Regular production and sales meetings are held. » Monthly sales or business meetings are held regularly.	
Responsible Department / Grievance Mechanism	Business Department / Tel: 04-23598877 ext. 1322	

▼ Direct Economic Value Generated and Distributed by the Organization

GRI 2-4, 201-1

Unit: Thousands of New Taiwan Dollars (NT\$)

Composition	Description	Year 2022	Year 2023	Year 2024
Direct Economic Value Generation				
Operating Revenues	Net Revenue	3,918,677	2,784,110	3,130,242
Non-operating income and expenses	Interest income	34,263	98,850	78,417
	Other gains and losses	163,254	16,794	78,982
Other comprehensive income	Remeasurements of defined benefit plans; unrealized gains and losses on investments in equity instruments measured at fair value through other comprehensive income	21,677	(7,426)	4,552
Allocation of Direct Economic Value				
Operating Costs	Costs of Operating Activities	2,819,216	2,103,375	2,292,366
Operating expenses		365,603	320,990	439,650
Government Receivables and Payables	Income Tax	180,049	123,451	105,336
Payments to Providers of Capital	Dividend Distribution	332,570	277,141	304,855
Employee	Salary, Bonus, Incentives, Employee Benefits (Pensions, Insurance)	168,402	140,909	165,929
Society	Social Welfare	19	128	328
Retained Economic Value		272,012	(73,666)	(16,271)

Note 1. Amounts in parentheses and in red indicate foreign exchange loss differences.

Note 2. Due to changes in the statistical methods for the "Income Tax," "Salaries, Bonuses, Employee Benefits (Retirement Pension, Insurance)," and "Social Welfare" Contents in 2024, the information for fiscal years 2022 and 2023 has been restated accordingly. The retained economic value decreased by 64% and 120%, respectively.



Unit: EPS (NTD per share), Gross Profit Margin (%)

Financial Risks and Opportunities Arising from Climate Change

In recent years, extreme climate events have become increasingly prevalent worldwide, resulting in a higher probability of large-scale disasters. In response to these environmental trends, BASSO has assessed the associated risks, opportunities, and financial impacts.

By closely monitoring relevant laws, regulations, guidelines, and literature to enhance the integrity of risk identification, potential material risks can be identified and understood. This approach strengthens the processes of risk identification and impact assessment, thereby providing a reference for the company's operational decision-making.

	Risk	Opportunity
Business Operations	1. Order demand declined due to climate disasters adversely affecting customers' financial conditions. 2. Extreme weather conditions may cause disruptions in suppliers' production and delays in logistics.	1. Changes in the supply and demand structure alter product and service mechanisms, generating potential business opportunities. 2. Low-carbon product suppliers are more competitive and can proactively establish green supply chains to gain a first-mover advantage.
Strategy	1. The operating strategy is facing challenges, requiring a balance between operational performance and environmental protection. 2. The majority of customers are concentrated in Europe and the United States. Due to the European Union's stringent environmental protection regulations and elevated environmental awareness, the Company faces increased compliance risks.	1. Planning to formulate additional Sales strategies for green products in the future. 2. Participate in government subsidy programs to obtain policy support and funding.
Financial Position	1. Operating costs have increased, including higher raw material costs attributable to initiatives aimed at reducing carbon emissions. 2. Companies are required to pay carbon emission fees or purchase carbon credits, which affects operating expenses. 3. Extreme weather conditions may cause damage to factories, equipment, and warehouses, resulting in increased costs of property, plant, and equipment.	1. Demand for housing construction may increase due to climate change, thereby contributing to revenue. 2. A low-carbon transition is more likely to attract long-term investors, thereby increasing share price and market capitalization.

Based on the identification of climate-related risks and opportunities, risks are further categorized into transition risks and physical risks. Appropriate strategies are formulated for the key risks and opportunities identified.

In fiscal year 2024, the Company compiled a list of climate-related risks and opportunities in accordance with both domestic and international trends. Through cross-departmental discussions within the ESG Committee, specific climate issues with significant short-, medium-, and long-term financial impacts on the Company were identified. The outcomes of these discussions were subject to internal voting by committee members, and the selected issues were subsequently submitted to the ESG Committee Chair for final approval. Following evaluation, four physical risks were identified: (1) customer finances affected by climate-related disasters, (2) market demand shifting toward low-carbon products, (3) product compliance, and (4) carbon fee imposition. These factors pose potential risks to the Company's operations, as detailed below:

Transition Risk

Risk Factors	Risk	Management Approach
Market	Client's Financial Position Impacted by Climate-Related Disasters	Expand into multiple markets to diversify market risks and reduce dependence on any single market.
	Market demand is shifting towards low-carbon products.	Utilizing low-carbon materials and manufacturing processes to reduce the carbon footprint of products.
Policies and Regulations	Product Compliance	Closely monitor policy developments, including the EU CBAM, and adjust strategies proactively.
	Carbon Fee Collection	Improve energy efficiency by implementing measures such as solar energy utilization and green electricity procurement to reduce carbon emission expenses.

Physical Risk

Risk Factors	Risk	Risk Disclosure	Management Approach
Immediate Recognition	Floods and typhoons	» Supplier Production Interruptions and Logistics Delays » Impairment of factories, equipment, and warehouses	» Strengthen supply chain resilience and inventory management. » Develop and implement drainage measures for the factory, and conduct regular cleaning of gutters and related equipment; monitor news updates and disseminate relevant precautionary information.
Long-term	Water Shortage and High Temperatures	» Production Suspension at All Facilities	» Assess the installation of water storage facilities and the implementation of green building practices to address risks associated with extreme climate events. » In response to abnormal climate conditions, each unit shall ensure that the responsible department undertakes the necessary operational preparations, implements appropriate response measures, and conducts inspections and verifications.

Additionally, assess the impact of climate-related opportunities on BASSO. ESG committee has internally resolved to identify "adopting more efficient production and distribution processes," "utilizing low-carbon energy," and "implementing new technologies" as potential opportunities for the Company's operations, as detailed below:

Climate Opportunities

Opportunity	Opportunity Description	Management Approach
Implement more efficient production and distribution processes	» By implementing energy-efficient automated equipment and optimizing production processes and logistics systems, energy consumption and transportation-related carbon emissions are reduced.	» Implement smart Manufacturing systems to enhance production efficiency and energy management capabilities. » Optimize distribution routes.
Utilize low-carbon energy	» The adoption of green electricity and the installation of solar power systems can effectively reduce carbon emissions and enable compliance with the carbon emission requirements imposed by international brands on their supply chains.	» Increase the proportion of renewable energy utilization. » Assessment and Planning of Green Electricity Procurement
Application of New Technology	» Introduce emerging low-carbon manufacturing technologies to enhance energy efficiency and increase product added value.	» The research and development team collaborates with the Manufacturing unit to assess the feasibility of low-carbon Manufacturing. » Monitor research institutions to stay abreast of cutting-edge low-carbon Manufacturing technologies.



1.4 Customer Relationship Management

GRI 2-25, 3-3

Significance for the Company	Customer relationship management facilitates the enhancement of customer satisfaction and loyalty, the optimization of Sales and service processes, and the strengthening of the company's competitiveness and long-term profitability.	
Policies and Commitments	» Prompt Response: Respond to customer inquiries and needs in the shortest possible time and provide effective solutions. » Continuous Improvement: Continuously optimizing services and products based on customer feedback. » Data Protection: Personal data and privacy of clients are strictly safeguarded.	
Objective	Short-term	» By participating in the Cologne Hardware Fair and the Frankfurt Automechanika, clients are invited to present their requirements and promote new products. » Each fiscal year, various business units and new product teams are organized to visit clients in different regions and countries to understand customer needs and market trends.
	Medium- to Long-Term	» Cross-disciplinary contract manufacturing may be undertaken through relevant product categories and internal processes. » Expand business opportunities for tools and OEM parts by attracting both industry and cross-sector customers through online Sales channels. » Through participation in domestic and international exhibitions and client visits, we have further identified opportunities for collaboration both within the industry and across various sectors, including medical, sporting goods, and 3C (computer, communication, and consumer electronics).
	Resources Invested / Tangible Outcomes	▼ Invested Resources » Expansion into New Markets and Customer Acquisition: Allocate and execute the fiscal year business travel budget, encompassing domestic and international business trips, client visits, participation in exhibitions, and market research, in order to effectively identify customer needs and monitor market product trends. ▼ Specific Achievements » New Customer Acquisition: Successfully added 31 new customers. » Overseas Business Visits In fiscal year 2024, a total of 112 business trips were arranged for sales personnel to visit clients. » Customer Complaint Handling Efficiency: All customer complaints received during the fiscal year were fully resolved, ensuring prompt responses. » Information Security Management: No customer information leakage incidents occurred in 2024. » Repurchase Rate and Customer Loyalty: 80%
Evaluation Mechanism	» Customer satisfaction score, complaint handling and resolution efficiency, repurchase rate, and customer loyalty.	
Responsible Department / Grievance Mechanism	Business Office / Tel: 04-23598877 ext. 1322	



Market Research and Exhibition Details

The company has a professional business team that conducts regular market research to stay informed of the latest industry trends and consumer preferences, thereby providing a basis for the development of new products and the formulation of marketing strategies.

Simultaneously, through participation in a diverse range of large-scale domestic and international exhibitions, the company has developed a comprehensive understanding of the cost-effectiveness and technological features of various models in light of emerging technologies, thereby strengthening its overall international outlook and soft capabilities. This process also facilitates technical exchanges with different manufacturers, promotes the sharing of expertise across multiple fields, and fosters new opportunities for collaboration.

▼ Koelnmesse GmbH Booth



▼ Frankfurt Exhibition Company Booth



▼ Shanghai Hardware Exhibition (Visitor) ▼ Build24, Orlando, USA (Visitor)



▼ Finland IKH and KESCO Market Survey



▼ Indonesia Hardware Street Market Survey



Customer Satisfaction

BASSO is dedicated to consistently delivering high-quality customer service and responding promptly to customer needs, with a focus on enhancing customer satisfaction and upholding a quality-first philosophy. Through the reinforcement of existing customer relationships and the optimization of its product portfolio, the company provides products and services that effectively meet customer requirements.

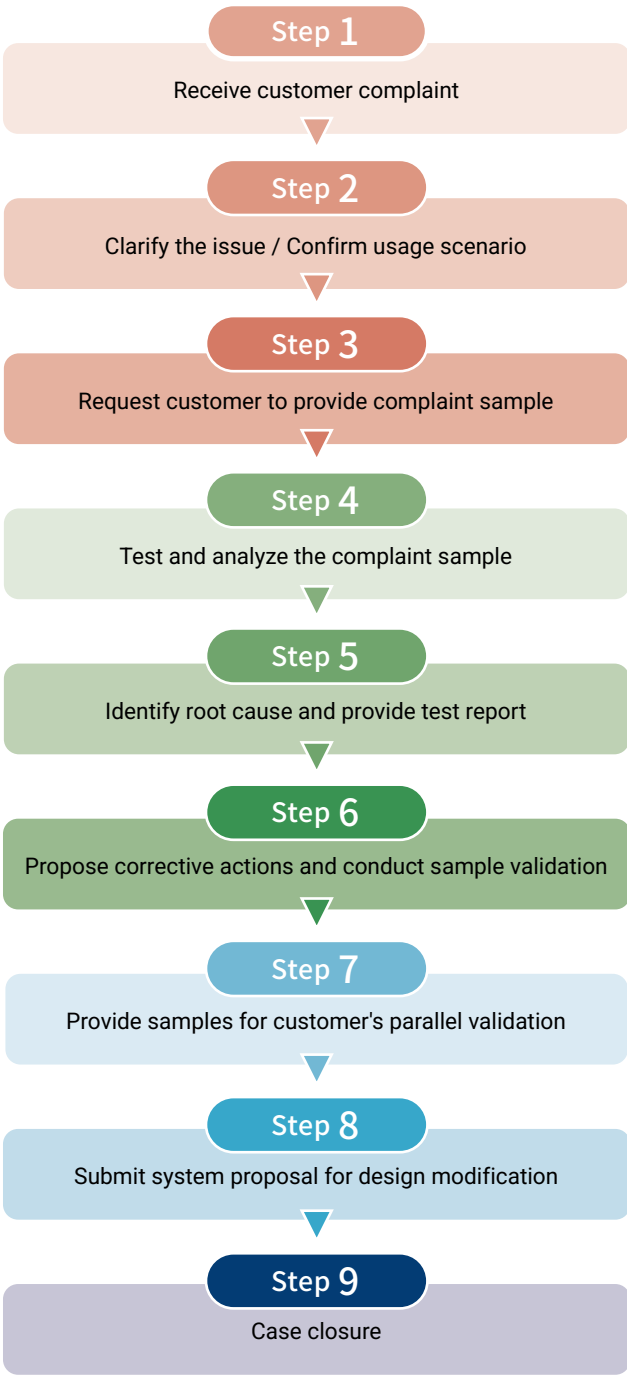
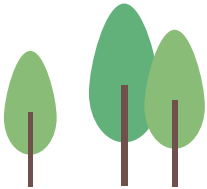
We strive to exceed customer expectations, are committed to becoming a trusted partner to our clients, and embody our values in all our actions.

To enhance customer satisfaction, we conduct an annual customer satisfaction survey (QBR) to continuously gather customer feedback on quality, cost, delivery, service, and technology is actively incorporated to generate greater value and provide higher quality services.

Customer Complaints and Returns/ Exchanges Policy

The establishment of an effective customer complaint handling procedure is essential to BASSO's continuous improvement and the enhancement of customer satisfaction, enabling prompt responses to customer needs and the provision of the highest quality service.

BASSO has implemented a comprehensive standard operating procedure for customer complaint management, which includes conducting project reviews to analyze root causes, implement corrective actions, formulate preventive measures, and verify their effectiveness. Issues are addressed promptly, and feedback is provided to customers to ensure the highest level of customer satisfaction.



Privacy Protection

GRI 418-1

To ensure that confidential customer information acquired through business transactions is properly safeguarded, BASSO, in addition to establishing regulations governing Employee conduct, the guidelines expressly require that all company-related confidential information be maintained in strict confidence. In addition, the plant's code of ethics mandates the implementation of confidentiality mechanisms, and the plant ensures the confidentiality and security of all information pertaining to relevant stakeholders.

Compliance with all applicable laws and regulations relating to privacy and information security is required when collecting, storing, processing, transmitting, and sharing personal information.

The Company did not receive any complaints regarding customer privacy infringement, or the leakage, theft, or loss of customer data in 2024.

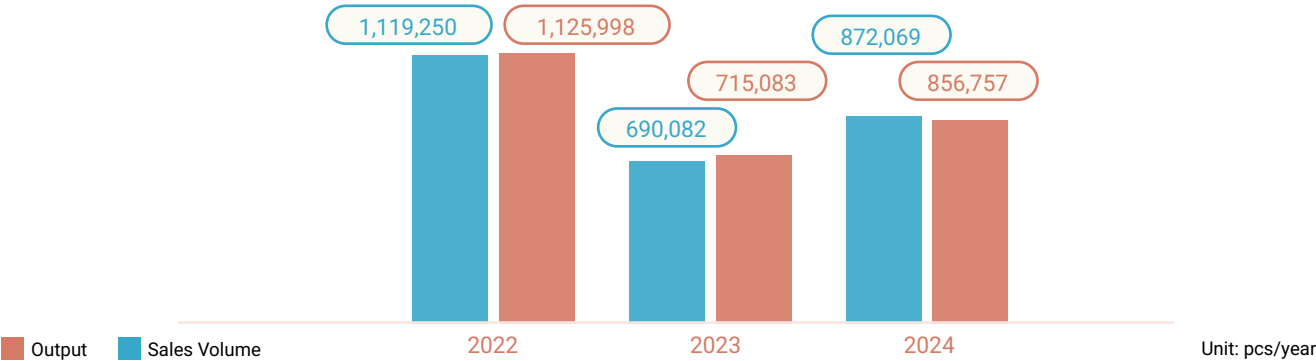


1.5 Production and Manufacturing

GRI 2-25, 3-3

Significance for the Company	1. Product manufacturing complies with company order specifications, meets customer requirements, and achieves customer satisfaction. 2. Implementing diversified processes (vertical integration) to master key Parts/components / Product parts production technologies in order to meet customer requirements.	
Policies and Commitments	» Establish a power monitoring system for major and high-energy-consuming equipment to track peak and off-peak electricity consumption as well as overall equipment power usage. » Implement smart manufacturing automation to ensure timely delivery. » Introduce precision machinery machining equipment and precision inspection equipment to meet customer quality requirements.	
Objective	Short-term	» Analyze the current manufacturing processes to identify bottlenecks, inefficiencies, and waste. » Production efficiency achievement rate of at least 75%; finished product defect rate of less than 0.4%. » SF6 usage reduction is ongoing. » Ongoing evaluation of equipment replacement and automation implementation. » Pilot Operation Data of Solar Power Generation System and Electricity Monitoring Analysis
	Medium- to Long-Term	» Cultivate a culture of innovation and experimentation to promote continuous improvement initiatives. » Optimize production lines and upgrade equipment, introduce AI-powered intelligent manufacturing tools, and enhance labor efficiency. » Develop new product lines and expand business opportunities through the utilization of market research and existing Manufacturing capabilities. » Testing alternative protective gases to SF6 in order to reduce carbon emissions from production processes. » Implementing smart manufacturing to enhance cost control, quality management, production efficiency, and equipment utilization.
	Resources Invested / Tangible Outcomes	▼ Invested Resources » U-Shaped Production Line Equipment » Replacement and Maintenance of Jigs and Equipment » Government Energy Conservation Subsidy Program ▼ Specific Achievements » Production Efficiency Magnesium Alloy: 79.59% Manufacturing: 89.7% » Defective rate of finished goods: 0%
Evaluation Mechanism	Product defect rates and production efficiency achievement rates are assessed during regular meetings, such as quality meetings and production and sales meetings.	
Responsible Department / Grievance Mechanism	Manufacturing Department / Tel: 04-23598877 Ext. 3610	

▼ Table of Production and Sales Volumes and Values



Die Casting

Through solid professional expertise and advanced equipment, BASSO has successfully developed proprietary know-how in the manufacturing of magnesium alloy and aluminum alloy die-casting components.

Magnesium alloy is among the most widely used lightweight metals and is particularly well-suited for applications in 3C products (computers, communications, and consumer electronics), the automotive and motorcycle industries, bicycles, electric tools, sports equipment, industrial applications, construction materials, hardware, marine structures, office automation equipment, optoelectronic products, and various other products.

All equipment utilized comprises internationally recognized automated systems or die-casting automatic extractors, enabling a high degree of automation in the die-casting process.

Die-cast components manufactured by BASSO are utilized not only in pneumatic nail guns and automotive pneumatic tools, but are also supplied for 3C products and mountain bike front forks. OEM and ODM services are provided in accordance with customer requirements.

▼ Equipment Renewal and Replacement

Equipment Name	Units	Purpose of Replacement	Progress
TOYO BD-1000V7EX Die Casting Machine	1	Replacement of outdated equipment and upgrade to high-tonnage machinery	The project is anticipated to be substantially completed in 2024.
TOYO BD-650V7EX Die Casting Machine	1	Replacement of outdated equipment and upgrade to high-tonnage machinery	Completed and commissioned in 2024.

Metal Heat Treating

Metal Heat Treating is conducted to ensure the quality and service life of metal products by enhancing properties such as hardness, toughness, strength, and other mechanical characteristics to meet specific customer requirements. BASSO possesses advanced vacuum Metal Heat Treating processes and equipment, including 10-bar pressure vacuum quenching, vacuum carburizing/oil quenching, vacuum low-pressure nitriding, cryogenic treatment, shot peening, among others. These capabilities not only fulfill the demands of BASSO's own products but also enable the provision of professional Metal Heat Treating services tailored to the distinct needs of various customers.

Globally, we have entered an era focused on energy conservation and carbon reduction. Compared to conventional Metal Heat Treating equipment, such as box furnaces and salt bath furnaces, vacuum Metal Heat Treating equipment is better aligned with ESG principles of energy efficiency, carbon reduction, and sustainable environmental management. BASSO demonstrated foresight in sustainable development by adopting vacuum furnace equipment decades ago, thereby maintaining a leading position among domestic peers for many years. Vacuum Metal Heat Treating processes are unequivocally the future trend in the development of Metal Heat Treating.

In addition to its dedication to meeting customer and product specification requirements, BASSO leverages its professional expertise and rigorous quality control standards to fulfill customer expectations. To ensure that customers' products remain highly competitive, the company continuously develops new technologies and manufacturing processes to address diverse product demands. In recent years, BASSO has also focused on advancing ESG sustainable development initiatives, aspiring to become a benchmark within the industry.



Machining

To ensure comprehensive control over product quality and cost, the Machining Department is equipped with a series of MAZAK CNC automated machining production lines from renowned Japanese brands, enabling stringent machining processes, high precision, and diversified component manufacturing.



Mold Flow / Mold Manufacturing

Mold is a critical factor in determining the quality and yield of products and components. To reduce development and production lead times, improve efficiency, and ensure rigorous quality control in Mold development, BASSO has established comprehensive expertise in Mold design, Mold flow analysis, and Mold Manufacturing.

BASSO is equipped with internationally recognized mold flow analysis software and employs advanced CAE (Computer Aided Engineering) technology. Through professional analysis, the company plans and designs Mold solutions to reduce the risk of failure and shorten part development timelines, while providing optimized solutions.

Coating

Coating is a key process within Metal Surface Treating and serves as an important means of enhancing product added value. In metal coating, the pretreatment chemical conversion film is of paramount importance. Accordingly, BASSO has made significant investments in a gantry-type automated non-chromium chemical conversion film production line, which provides stable and high-quality film treatments for Magnesium alloy, aluminum alloy, zinc alloy, and ferrous metals. The coating process utilizes organic solvents, which impose a certain environmental burden. To mitigate this impact, some coatings have adopted environmentally friendly alternatives such as water-based paints to reduce the use of organic solvents, while also optimizing production processes to lower energy consumption and carbon emissions. In response to the diverse product requirements of its customers, BASSO has established automated suspended electrostatic powder and liquid coating production lines, as well as flat-type ABB Robot coating production lines, all of which employ clean production planning to ensure consistently high-quality coated products.



Plastic Injection Molding

With many years of experience and a fully automated injection molding facility utilizing injection molding machines from TOYO, a subsidiary of Japan's HITACHI Group, BASSO has established itself as one of the most professional suppliers of plastic injection molding products in Taiwan.

Through the use of these high-performance injection molding machines, a new series of high-efficiency polymer tools is being developed, and these tools are 20% to 50% lighter than metal tools. To prevent product design defects, advanced simulation software is utilized to analyze the stress distribution of products prior to Mold fabrication. Furthermore, all aspects of the production process are managed through computer systems to ensure adherence to quality standards.

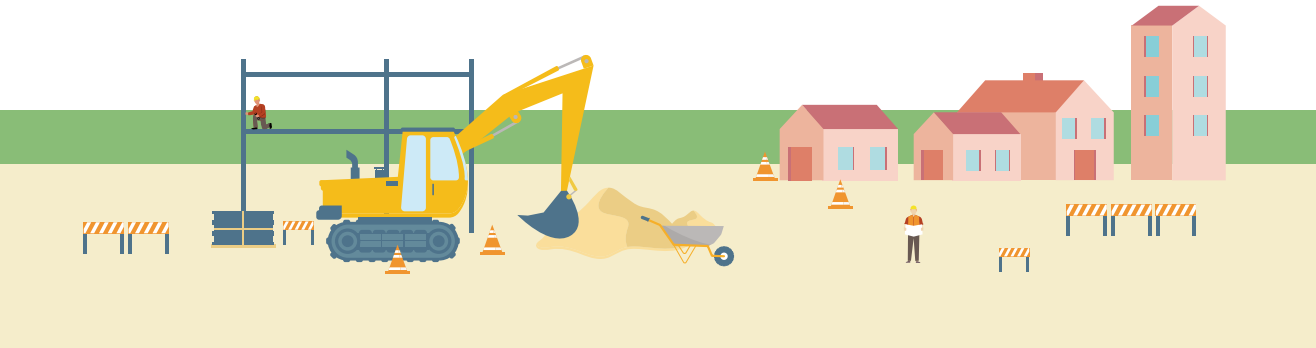


Equipment Renewal and Replacement

Equipment Name	Units	Purpose of Replacement	Progress
Polymer 3D Printer	1	Advanced Process Technology Implementation	Completed on April 1, 2024.
Collaborative Machinery Arm	1	Implementation of Intelligent Manufacturing	Completed on April 1, 2024.

Promote innovation in process technology by implementing SLS polymer 3D printing equipment, thereby reducing development and verification lead times and enabling flexible production to meet clients' requirements for small-batch and diverse manufacturing. This approach accelerates the diversification of process products.

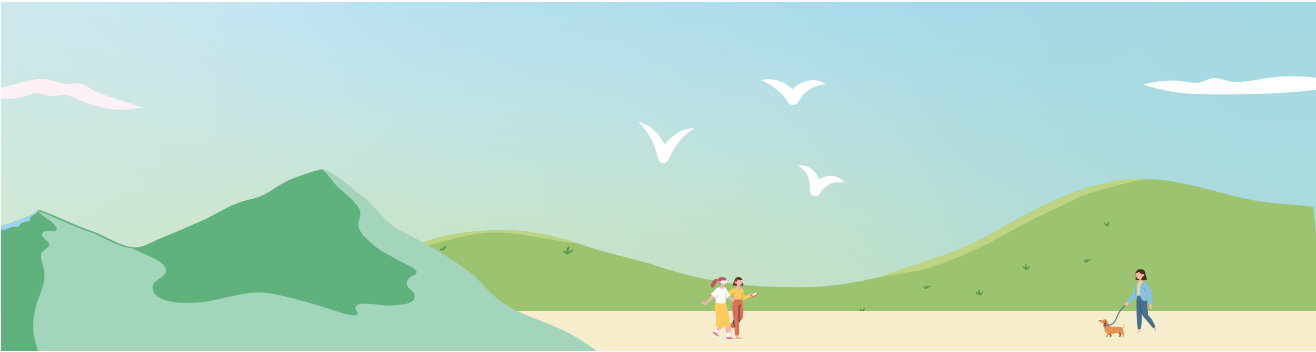
The implementation of intelligent production incorporates collaborative Machinery arms and visual systems for automated inspection, effectively eliminating defective products and reducing labor requirements.



1.6 Product Quality and Responsibility

GRI 2-25, 3-3

Significance for the Company	» Exceed Goals, Challenge Limits. » Committed to providing products of exceptional quality.	
Policies and Commitments	The Company is committed to meeting customer requirements for product quality, corporate social responsibility, and sustainable environmental protection. This commitment and objective are governed by the ISO 9001 and IATF 16949 quality management systems, which serve as the highest guiding principles and the operational foundation for all departments. Through the participation of all employees, the Company ensures that the quality policy is fully understood and effectively implemented throughout the organization.	
Objective	Short-term	» Ensure that all products and services comply with local and international health and safety regulations and have obtained the relevant product quality certifications. » Establish and enhance customer feedback mechanisms to ensure the timely collection and resolution of customer health and safety issues.
	Medium- to Long-Term	» Continuous improvements to product design and production processes are made based on customer feedback and market research to enhance product safety, obtain relevant health and safety certifications, and strengthen the company's reputation and competitiveness in the market. The objective is to maintain a 0% accident rate for the products.
	Resources Invested / Tangible Outcomes	▼ Invested Resources » Safety Regulatory Testing and Environmental Regulatory Compliance / Third-Party Certification Body Inspection » ISO 9001 and IATF 16949 Quality Management Systems ▼ Specific Results » A total of 10 newly developed products were submitted to independent authorities for hazardous substance testing, and all passed the inspection without exception. » ISO 9001 and IATF 16949 Quality Management System Certificates
Evaluation Mechanism	The stability of product quality is evaluated through regular meetings, including quality meetings, management review meetings, and meetings conducted at each stage of new product development.	
Responsible Department / Grievance Mechanism	Quality Assurance Department / Tel: 04-23598877 Ext. 3721	



▼ Product Responsibility / Legal Compliance

GRI 416-2

The Company did not experience any incidents of non-compliance with health and safety regulations or voluntary standards pertaining to its products and services in 2024.

The company places the utmost importance on ensuring that its products and services remain fully compliant with health and safety regulations throughout their entire life cycle. The company is dedicated to protecting the health and safety of customers and end users, as well as upholding its corporate social responsibilities, including environmental protection. All product materials and components conform to applicable health and safety standards, such as the EU RoHS.

In terms of product characteristics, rigorous and prudent controls are exercised throughout the processes of product design and Manufacturing to ensure product safety and compliance with applicable health and safety regulations.

The company establishes and implements controls to prevent violations of health and safety regulations throughout the life cycle of its products and services. Establish an internal control system in accordance with applicable regulations and continuously implement enhancements to internal control points or operational procedures throughout the execution process.

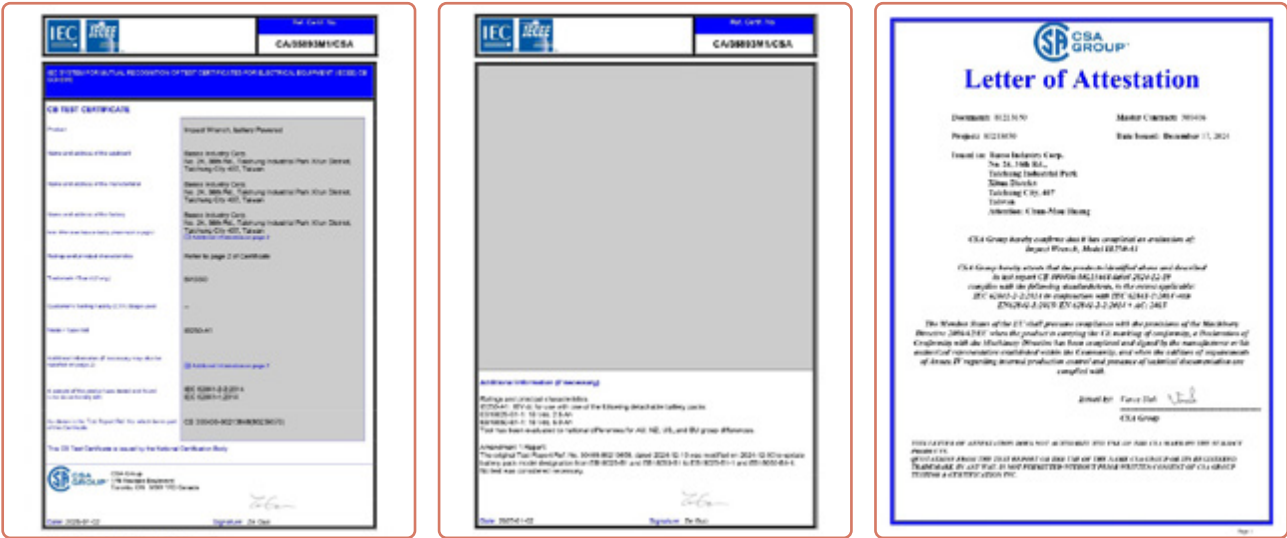
To ensure that consumers can use products with confidence, product safety is inspected, labeled, and managed in accordance with applicable international laws and regulations. In addition, internal management procedures are established as supplementary guidelines to enhance the rigor of product management and to ensure high product quality.

The electric products manufactured by the Company comply with the RoHS Directive concerning the restriction of hazardous substances in electrical and electronic equipment, as well as the requirements of the REACH environmental regulations. Relevant information is provided to stakeholders for reference, clearly demonstrating that the Company's products conform to all applicable regulations regarding the restriction of hazardous substances.

All components utilized in the product manufacturing process undergo relevant source inspections, and no conflict minerals are used. Information regarding hazardous substances in products is regularly tested and updated, and such information is provided to customers in a timely manner. Products comply with regulations governing the control of hazardous substances, are submitted for inspection, and hazardous substance testing must achieve full regulatory compliance.

▼ Product Quality Certification

CE Certification



Use of Materials

GRI 301-1, 301-2, 301-3

The primary materials used by BASSO INDUSTRY CORP. are water, magnesium ingots, aluminum ingots, natural gas, wood, oil, and sandblasting materials. Of these, water and wood are classified as renewable materials, with total consumption amounting to 22,359 metric tons in fiscal year 2024. Magnesium ingots, aluminum ingots, natural gas, oil, and sandblasting materials are non-renewable materials, with total consumption of 1,815.6 metric tons in fiscal year 2024. The company maintains strong cooperative relationships with individual suppliers and enters into annual supply agreements to ensure a stable supply. If the contracted quantities are insufficient, any shortfall may be procured from the spot market at prevailing spot prices.

▼ Material Usage for the Past Three Fiscal Years

Unit: metric ton

設備名稱	Materials	Year 2022	Year 2023	Year 2024
Non-Renewable Materials	Natural gas	207.5	184.0	209.0
	Oil	16.5	17.9	19.5
	Magnesium Ingot	1,389.5	911.6	1,164.0
	Aluminum Ingots	325.4	283.9	416.8
	Abrasive Blasting Material	7.7	4.3	6.3
Renewable Materials	Timber	19.2	15.5	55.0
	Water	24,406.0	16,981.0	22,304.0
Total		26,371.6	18,398.0	24,174.6

▼ Utilization of Recycled Materials

Unit: metric ton

設備名稱	Material Name	Usage Weight (Metric Tonnes)
Recyclable Materials	Aluminum Ingots	416.8
	Abrasive Blasting Material	1.3
Total Recyclable Materials Weight		418.1
Total Weight of Materials Used		24,174.6
Percentage of Recycled and Reused Materials		1.73%



1.7 Information Security Safeguards

In response to government initiatives for industrial upgrading, BASSO is committed to promoting industrial digital transformation, sustainable operations, the protection of Employee personal data and trade secrets, and the provision of reliable information and communication services. By establishing a secure and trustworthy computerized operating environment, the company ensures the security of corporate data, systems, equipment, and networks, thereby safeguarding corporate interests and ensuring the sustainable operation of information systems across all departments.

Information Security Policy

▼ Objectives of Information Security

» Establish a secure and reliable computerized operating environment to ensure the protection of company data, systems, equipment, and network security, thereby safeguarding corporate interests and supporting the continuous and sustainable operation of information systems throughout all departments.

▼ Scope of Information Security

- » Personnel Management and Information Security Education and Training
- » Computer System Security Management
- » Cybersecurity Management
- » System Access Control
- » System Development and Maintenance Security Management
- » Information Assets Security Management
- » Physical and Environmental Security Management
- » Information System Sustainability Operations Plan Management

Information Security Strategy and Review

Continuously enhance information security policies through the implementation of the PDCA cycle.

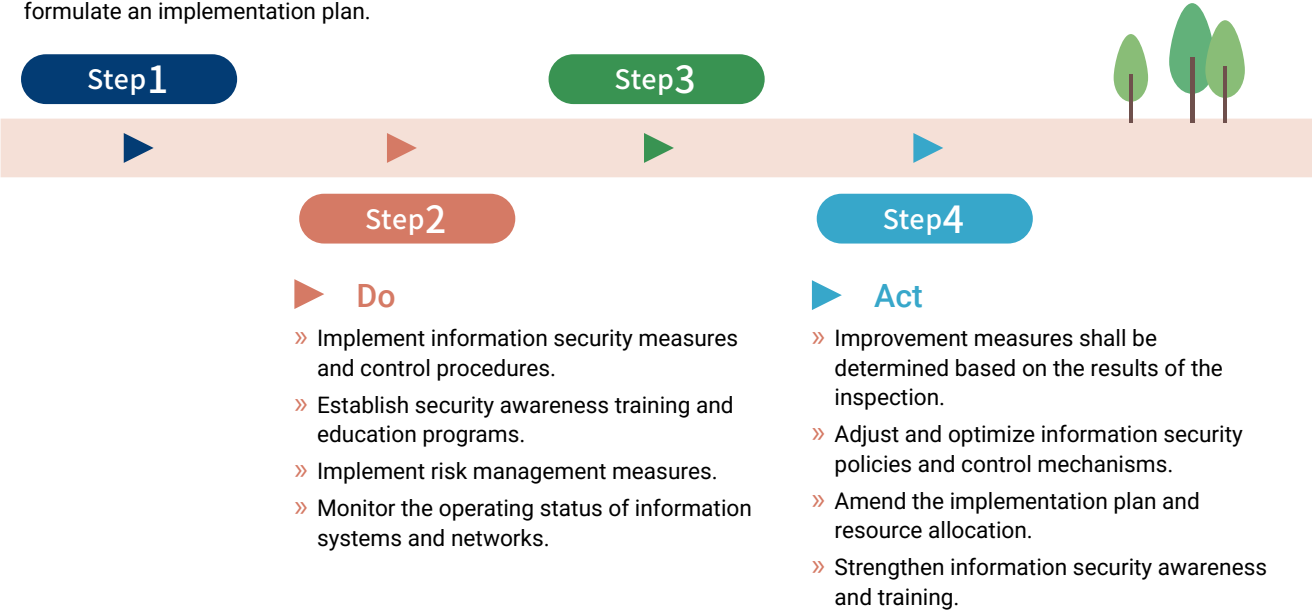


► Plan

- » Establish information security objectives and policies.
- » Conduct risk assessments and formulate risk management plans.
- » Establish information security measures and control procedures.
- » Allocate resources and responsibilities and formulate an implementation plan.

► Check

- » Monitor and evaluate the effectiveness of information security measures.
- » Performing internal audits and testing.
- » Collecting and analyzing information security incidents and vulnerabilities.
- » Evaluate the attained level of information security.



Information Security Measures

- ▼ Information Security Incident Response Plan
- » Network drive disaster recovery was conducted regularly, with four disaster recovery exercises carried out in 2024 to strengthen response capabilities.

» Daily verification that the antivirus software is updated at intervals of no more than one day, together with the intrusion verification checklist.
- ▼ Hardware Inventory Inspection
- » Establish a data backup mechanism, allocate backup schedules based on the criticality of each host, and implement off-site redundancy.

» Entering into maintenance contracts with key equipment suppliers to facilitate prompt remediation of equipment malfunctions.

» The computer room operates in collaboration with security and is equipped with fire suppression systems. An access control system is implemented to regulate entry and exit, permitting access only to authorized Employees. All entry and exit records are retained.
- ▼ Information Education and Training
- » Information security education and training are provided to new personnel, and information security bulletins are regularly distributed.

» Personnel of the dedicated information unit shall receive at least 12 hours of professional information security training each year.
- ▼ System Access Control
- » User account passwords shall be set using a combination of uppercase and lowercase letters as well as special characters to enhance security.

» When an employee resigns or takes a leave of absence, the Information Management Department must be notified to carry out the deletion of data from all systems.

» Employees' use of each application system is managed through an internal system access application procedure. Following approval by the responsible supervisor, the Information Management Department establishes system access rights. Administrators grant access strictly in accordance with the functional permissions requested, and access is permitted only after such authorization has been completed.



1.8 Risk Management

The enterprise risk management process encompasses risk identification, risk assessment, risk response, and risk monitoring. Through a systematic approach, potential internal and external risks are identified to ascertain events and circumstances that may impact the enterprise. These risks are then assessed in terms of the likelihood of their occurrence and the degree of their impact on the company's strategic objectives.

Based on the assessment results, corresponding risk response strategies are formulated, including measures such as risk transfer, risk mitigation, risk acceptance, and risk control. Continuous monitoring of the risk environment is carried out, and response strategies are promptly adjusted to ensure the effectiveness and adaptability of risk management.

Risk Category	Risk Disclosure	Risk Management Strategy
Sustainable Environment	Increase in Greenhouse Gas Emissions	» The lighting equipment throughout the plant has been progressively replaced with more energy-efficient LED fixtures, and the replacement has been nearly completed across the entire facility. » All emergency lighting, fire escape indicator lights, and related fixtures have been replaced with LED lighting systems. Additionally, sensor-activated LED fixtures have been installed in non-primary corridors. These enhancements have increased lighting efficiency and enabled more accurate control of electricity consumption. » Production equipment is continuously being upgraded to high-efficiency machinery to provide higher quality products and reduce electricity consumption. » The company utilizes exclusively variable frequency air compressors, which effectively reduce electricity consumption during periods of unloading. » The company is progressively reducing high-carbon emission processes through energy conservation and process improvements. » Official vehicles will be progressively replaced with hybrid vehicles to reduce the consumption of gasoline and diesel. » Energy management systems have been implemented to monitor electricity consumption hotspots, and the resulting energy-saving benefits have been quantified. » The installation of renewable energy systems at Plant 2 and Plant 5 is scheduled for completion in October and November 2024. » SF6 High Carbon Emission Gas Conversion Test.
	Unable to achieve effective energy efficiency.	
	Wastewater discharge volume is continuously increasing.	» All domestic water supply equipment utilizes products bearing water-saving labels and is equipped with sensor-activated faucets to reduce water consumption. » Perform regular inspections of aging pipelines within the plant to prevent leaks and wastage.
	Increase in Waste Treatment Volume / Decrease in Recycling Rate	» BASSO places great importance on resource recycling and regularly allocates funds to support such initiatives, significantly reducing waste generation and disposal expenses. » The General Affairs Department centralizes and categorizes waste from each facility for processing, thereby increasing the resource recovery rate.
	Water Shortage	» The General Affairs Department closely monitors water resource information released by the government and implements water conservation measures in compliance therewith. » Maintain the proper functioning of water storage facilities to prevent water shortages.
	Typhoons, Floods	» Upon the issuance of a maritime typhoon warning by the Central Weather Administration, the General Affairs Department shall issue typhoon notifications and remind all responsible units to implement typhoon preparedness measures. Typhoon updates shall be promptly announced and revised in accordance with the schedules released by the Central Weather Administration. » The factory roof drainage system is inspected each year prior to the onset of the typhoon season, and all components are examined for looseness or corrosion.
	Violation of Environmental Protection Laws	» BASSO is committed to strict compliance with environmental protection regulations and continuously monitors the latest regulatory developments through the Environmental Safety Cloud System. » Hold quarterly environmental protection meetings to report on environmental concerns and the implementation of legal requirements, in order to prevent violations of environmental regulations. » In the event of an environmental incident, designated personnel shall clarify the on-site situation and implement necessary improvements.

Risk Category	Risk Disclosure	Risk Management Strategy
Employee	Occurrence of Occupational Accidents (Including New Cases)Impact of the COVID-19 Pandemic	» Hold regular meetings of the Occupational Safety and Health Committee each quarter to review the company's existing occupational safety and protection measures.Circumstances. » BASSO is dedicated to achieving zero occupational safety incidents, with all departments proactively identifying deficiencies and implementing corrective actions. » The number of false alarm incidents and related information shall be announced monthly. » Notify all Employees of all cases involving internal and external work-related injuries and property damage. » ISO 45001 certification was obtained in April 2024, with occupational safety and health management ensured through the implementation of the PDCA (Plan-Do-Check-Act) mechanism.
	Overwork (Extended Working Hours)	» Scheduling and Employee overtime hours are reviewed on a weekly and monthly basis. In cases where regular or prolonged working hours are identified, the Human Resources Department promptly notifies the relevant supervisors to review and adjust work assignments. When necessary, regular or ad hoc manpower supplementation or support is arranged to distribute and reduce Employee working hours, thereby preventing overwork. » Quarterly labor-management meetings are held to discuss and coordinate matters such as working hours and work assignments.
	High Employee Turnover Rate (Labor Shortage)	» Since 2023, the Company has conducted individual exit interviews with departing Employees. To ensure that Employees can express their reasons for leaving candidly and without pressure, these interviews are carried out by supervisors two levels above the Employee. For managerial and special position Employees, in addition to interviews by two levels of direct supervisors, the Human Resources Department also conducts interviews. The reasons for departure are subsequently analyzed, and corresponding improvements are implemented with the objective of fostering a more supportive and exemplary workplace environment, thereby reducing the turnover rate. » In the event of labor shortages caused by a high turnover rate, department supervisors shall first conduct a review and reallocation of job responsibilities. When necessary, regular or ad hoc supplementation or support of manpower will be arranged to prevent overwork among current Employees.



Risk Category	Risk Disclosure	Risk Management Strategy
	Ethical Integrity Risk	The Company has established a Code of Ethical Conduct, which is disclosed on the Company's website and in the annual report. To ensure the effective implementation of the Code of Ethical Conduct and proactively prevent unethical behavior, the Company discloses on its website the status of ethical business practices, as well as any deviations from the Code of Ethical Conduct and the reasons for such deviations. This approach is intended to establish sound corporate governance and risk management mechanisms, thereby fostering a sustainable operating environment. Integrity Management
	Insufficient Information Disclosure Transparency	The Company has established a Code of Ethical Conduct, an Anti-Corruption Policy, and Insider Trading Prevention Procedures. Through the implementation of signature requirements and educational training, overall Employee awareness of ethics and integrity is enhanced. » Hold at least two investor conferences each year to provide investors with information regarding the company's current operating performance and future outlook. » In the event of any incident that has a material impact on financial operations, significant information shall be promptly disclosed to the public. » If you have any concerns regarding the company's information disclosure, please contact the spokesperson or the acting spokesperson for clarification. » The company's website discloses information regarding operational performance and corporate governance, and features a dedicated section for stakeholders to further facilitate communication. » The disclosure of information on the company's official website, annual report, and sustainability report is continuously being enhanced to improve corporate governance and ensure sustainable operations.
	Decrease in market competitiveness	» Regularly review the consolidated amounts of customer product orders, periodically evaluate and appropriately adjust Sales strategies. » Collect the latest industry trends and product information, and integrate internal resources to develop products that align with customer and market requirements. » Diversify operations and develop cross-sector OEM opportunities to expand the customer base. » Enhance customer retention and satisfaction through the introduction of new concepts and systems in service delivery and customer relationship management.
	Occurrence of Information Security Incident	» Regularly update antivirus software and Microsoft operating systems. » Regularly inspect the system to ensure it has not been compromised. » Important data is backed up daily, and disaster recovery tests are conducted four times per year.Test. » Information security personnel are periodically assigned to attend information security training courses to enhance their professional competencies.
Operating Performance	Product Liability (Subject to Recall or Withdrawal)	» Products are submitted to an independent third-party institution for hazardous substance inspection. » Update the status of environmental regulatory requirements annually and notify suppliers to ensure their compliance. » If customers have specific environmental technical standard requirements, the company shall comply with and satisfy such requirements. » In the event that any abnormality in hazardous substances is identified, immediately report the matter to management and execute the instructions provided by management regarding the report.
	Supply Chain Disruption	» Effectively control delivery schedules, promptly review inventory status, and implement proactive measures to address potential material shortages. » Diversify sources of material supply to reduce dependence on any single supplier. » Diversify the development of alternative raw materials to prevent supply disruptions caused by shortages of primary materials.

Whistleblowing Channel

GRI 2-26

Identify the aforementioned risks and formulate corresponding strategies. Additionally, establish a dedicated section on the company's official website to provide all stakeholders with a channel for submitting their feedback.

- ▼ Year 2024 IR@basso.com.tw Number of investor opinions received: 2
- ▼ Investor: China's termination of ECFA encompasses hand tools. Will this affect the company's revenue?

▼ Company Response (Summary):

» Currently, it appears that the tariff codes for sanctioned products do not include the company's hand tool machinery.

» Our company primarily exports to Europe and the United States, with shipments from China accounting for less than 0.5%.
- ▼ Investor: What are the company's plans for expanding and improving business performance?

▼ Company Response (Summary):

» We are focusing on the development of our core business by leveraging our existing Pneumatic tools to develop Electric tools products and expanding into the European and American markets. In addition, we are establishing a presence in previously untapped channels, including domestic, Southeast Asian, and telemarketing channels, to further increase our market share.

▼ Number of reports received by pfsh@basso.com.tw in 2024: 0.

Channels for Submitting Complaints (Reports) and Providing Feedback	Year 2024 Number of Cases Accepted	Processed.	Case Closed.
Whistleblower Reportin Mailbox: pfsh@basso.com.tw Whistleblower Hotline: 04-23501903	0	0	0
Stakeholder Communication: IR@basso.com.tw	2	2	2

Note. In 2024, the number of telephone inquiries from investors regarding the company's operations and financial performance: countless.



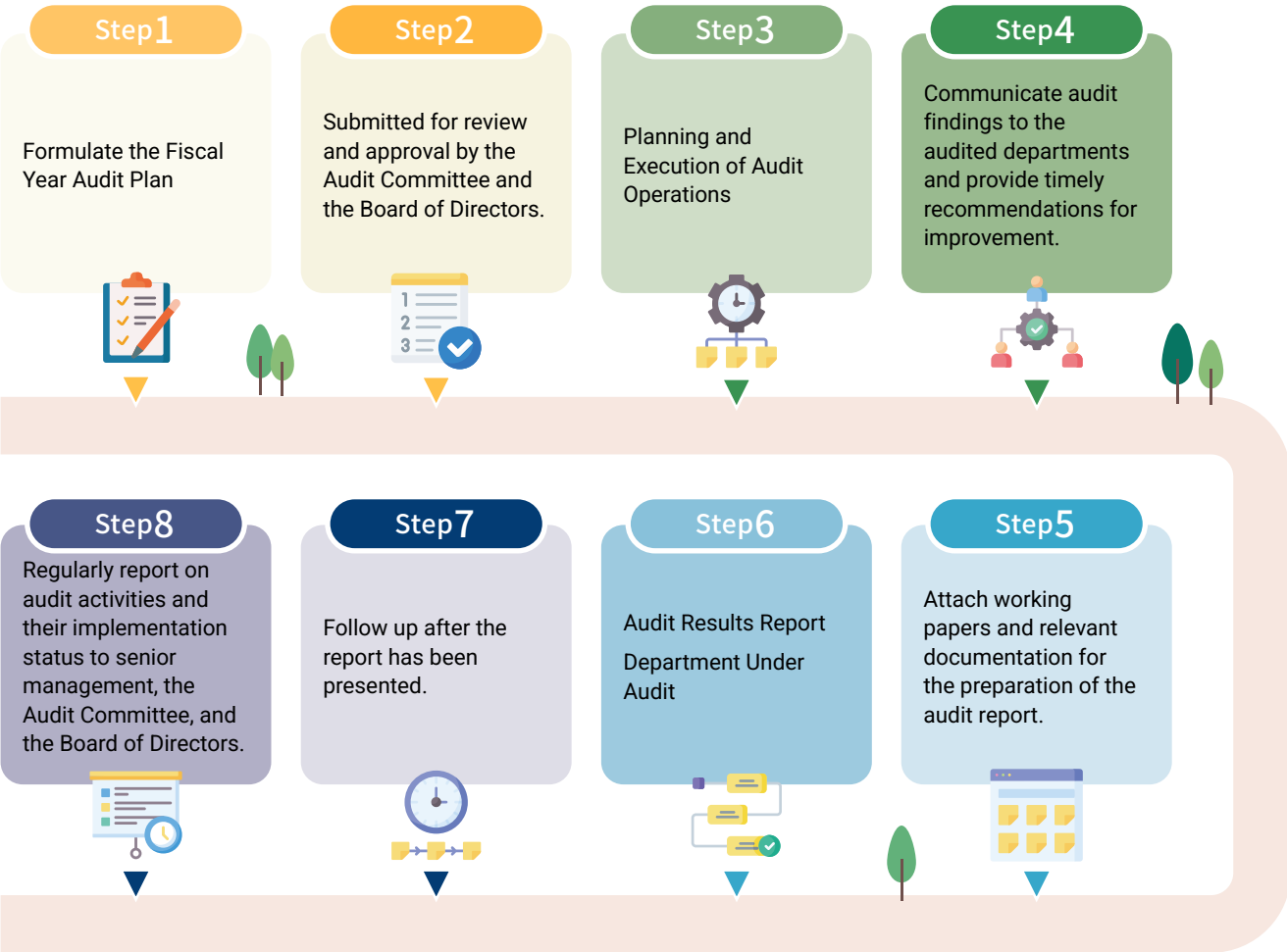
1.9 Internal Audit

The internal audit mechanism is a key measure to ensure that the organization complies with laws, regulations, and internal policies. Through an independent and objective assessment process, it is intended to evaluate the effectiveness of the organization's risk management, control, and governance processes.

The internal audit mechanism of BASSO is managed by the Internal Audit Office, which operates independently from the organization's operational departments. This office reports directly to the Board of Directors and senior management, providing audit findings and recommendations to management to facilitate the improvement of internal controls and the mitigation of potential risks.

The key responsibilities of the internal audit mechanism include evaluating the effectiveness of the Internal control system, assessing compliance, identifying risks and providing recommendations, as well as facilitating improvements and risk management. Auditors obtain evidence and evaluate the effectiveness of controls through methods such as on-site inspections, document reviews, and Employee interviews.

Internal Audit	
Internal Control Procedures	» As shown in the internal audit flowchart below
Total Number of Audit Contents for the Fiscal Year	» Internal Control: Nine Major Cycles and Management Cycle (103 Items)
Audit Compliance Ratio (%)	» 94.2%
All non-compliant contents were rectified within the specified timeframe.	» V



Chapter 02



Sustainable Environment

2.1 Energy Conservation and Carbon Reduction 064

2.2 Waste Management 077

2.3 Supplier Management 082

2.1 Energy Conservation and Carbon Reduction

GRI 2-25, 3-3

Significance for the Company	Climate change poses a serious challenge to the planet. With the continued rise in greenhouse gas emissions and global temperatures, the frequency of extreme weather events—such as typhoons, floods, and droughts—continues to increase. These events have significant impacts on human society, ecosystems, and the economy.		
Policies and Commitments	To address climate change, BASSO is continuously striving to reduce greenhouse gas emissions, while evaluating the adoption of renewable energy and advancing the development of low-carbon products. Furthermore, the company is actively enhancing its adaptive capacity, strengthening climate change risk management, and improving disaster prevention measures, with the objective of achieving sustainable operations.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» Adjust the internal electricity usage schedule of the plant. » Replace obsolete and energy-consuming equipment. » Operational efficiency of the air compressor is improved through regular maintenance. » Reduce carbon emissions from waste by increasing the annual volume of powder recycling year by year. » Official vehicles are being progressively replaced by electric vehicles. » The target is to reduce Scpoe 1 and Scpoe 2 carbon emission equivalents by 30% and 10%, respectively, in 2024 compared to 2021 (the base year). » Solar Renewable Energy Deployment Planning	» Implement an Energy Management System. » Acquire alternative materials to SF6. » The target is to reduce Scpoe 1 and Scpoe 2 carbon emission equivalents by 35% and 15%, respectively, by 2030 compared to the 2021 base year. » The objective is to achieve carbon neutrality by 2050. » Plan to purchase green electricity certificates annually for each fiscal year. » Increase in Recycled Nylon Content Rate. » Plan the timeline for product ISO 14067 certification. » Implement the annual carbon budget mechanism. » Alignment with the TCFD framework has been completed.	▼ Invested Resources » The air conditioning equipment was replaced with inverter models. » LED lighting fixture replacement. » Process Improvement. » Installation of solar panels. » Installation of smart meters. ▼ Concrete Results » In 2024, a total of 132,877 kWh of electricity was conserved. » Regular maintenance of the air compressor enhanced operational efficiency, resulting in electricity savings of 75,393 kWh for the year 2024. » Machining equipment enhanced operational efficiency through regular maintenance, resulting in electricity savings of 66,900 kWh in 2024. » In 2024, Scpoe 1 carbon emissions equivalent decreased by 49.58% compared to 2021, while Scpoe 2 carbon emissions equivalent decreased by 19.48% compared to 2021. » The installation of solar renewable energy was completed in October and November 2024. » The installation of smart meters for high energy-consuming equipment was completed in the year 2024.
Evaluation Mechanism	Quarterly environmental management meetings are convened to review the implementation status at each stage.		
Responsible Department / Grievance Mechanism	Environmental Safety Office / Tel: 04-23598877 Ext. 1213, 1215		

Significance of Energy Conservation and Carbon Reduction

- » Mitigating Climate Change: Energy conservation and carbon reduction contribute to slowing the pace of global warming, reducing greenhouse gas emissions, and preserving the stability of the Earth's ecosystem.
- » Enhance Energy Efficiency: Optimize energy utilization through conservation and carbon reduction measures, thereby decreasing the demand for finite energy and resources and contributing to the protection of global energy security.
- » Reducing Dependence on Fossil Fuels: Energy conservation and carbon reduction help decrease reliance on fossil fuels, drive the development of renewable energy, promote the application of green energy, and facilitate the transformation of the energy structure.
- » Environmental Protection: Reducing energy consumption and greenhouse gas emissions mitigates the environmental impact of energy extraction and promotes ecological balance.
- » Creating Employment Opportunities: Promoting the development of energy-efficient technologies and green industries to create additional job opportunities and facilitate economic advancement.
- » Achieving Sustainable Development Goals: Energy conservation and carbon reduction are essential means of attaining sustainable development goals, integrating environmental, social, and economic benefits to promote overall societal advancement.

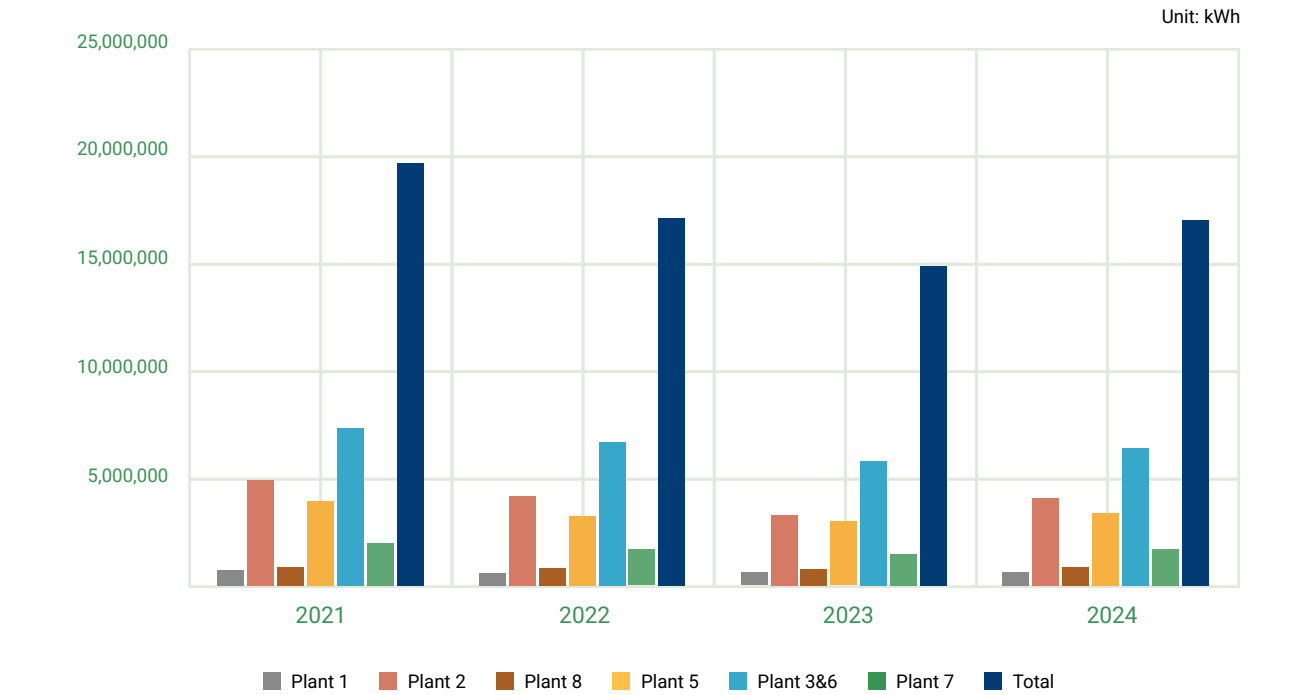
Internal Energy Consumption

GRI 302-1

According to statistical analysis, Plant 2 and Plant 36 are the company's primary electricity-consuming sites. Therefore, the implementation of the energy management system will be prioritized at these facilities in 2024, and energy conservation measures will be promoted to enhance energy efficiency.

Although electricity consumption at each plant increased slightly in 2024 compared to the previous year as a result of revenue growth, total annual electricity consumption decreased by 2,681,671 kWh compared to the base year (2021), indicating that the company's energy-saving strategies have continued to be effective.

Unit: kWh	Plant 1	Plant 2	Plant 8	Plant 5	Plant 3&6	Plant 7	Total
2021	717,860	4,946,900	854,416	3,949,500	7,364,944	1,983,468	19,817,213
2022	598,721	4,207,600	802,272	3,243,900	6,712,552	1,685,872	17,250,917
2023	605,682	3,307,000	778,684	2,997,900	5,818,796	1,457,676	14,965,738
2024	636,727	4,082,700	855,944	3,408,000	6,441,624	1,710,548	17,135,543



▼ The Company's internal energy consumption for the past three fiscal years is shown in the table below.

Organizational Structure	Type	Unit	Year 2022	Year 2023	Year 2024
Non-Renewable Energy	Electricity	GJ	62,117.4476	53,888.9270	61,702.0053
	Gasoline	GJ	310.8772	266.8815	283.9482
	Diesel	GJ	1,016.5033	1,378.7077	1,505.3489
	Liquefied Petroleum Gas	GJ	52.3656	28.5659	33.7199
	Natural gas	GJ	18,440.2616	14,860.3896	17,727.4900
Renewable Energy	Solar Power Generation	GJ	-	-	247.5924
Total Energy Consumption		GJ	81,938.5808	70,423.4717	81,500.7479

Note 1. The calorific value conversion factors for various types of energy are referenced from the EPA Greenhouse Gas Emission Factor Management Table, Version 6.0.4: electricity, 1 kWh = 860 kcal; gasoline, 1 L = 7,800 kcal; diesel, 1 L = 8,400 kcal; liquefied petroleum gas, 1 L = 6,635 kcal; natural gas, 1 m³ = 8,000 kcal; 1 kcal = 4.187 × 10⁴ GJ.

Note 2. The scope of data statistics encompasses the principal operating sites of BASSO as a standalone entity.

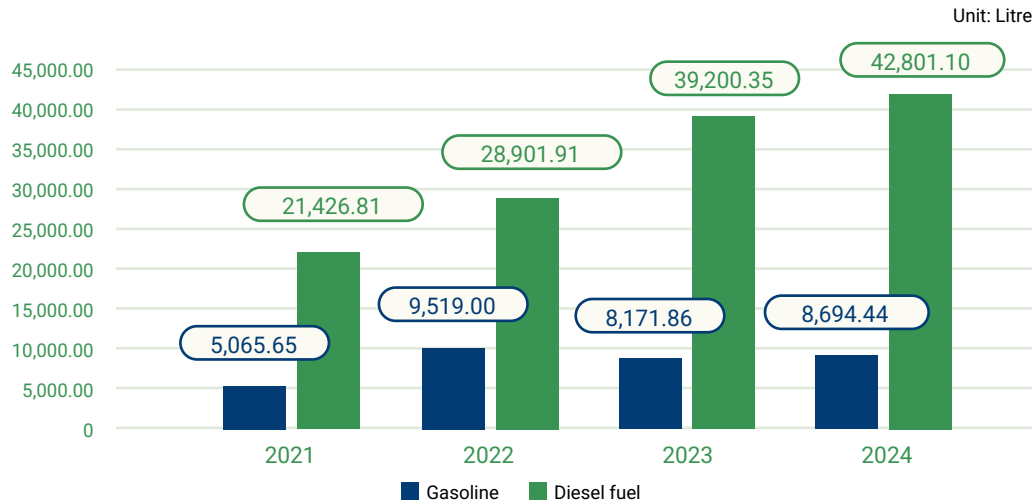
Implementation of Energy Management System

- » In 2024, all plants of the Diamond Division completed the installation of smart meters and formally initiated data collection and analysis to enhance energy use efficiency.
- » The remaining facilities are scheduled to implement smart meters in 2026 to further enhance energy monitoring and management across all sites.
- » In 2026, the Company plans to apply for ISO 50001 Energy Management System certification. Through the adoption of internationally standardized management practices, the Company will continue to promote energy optimization and carbon reduction initiatives.

External Energy Consumption of the Company

Over the past three years, as the impact of the pandemic has gradually diminished, the frequency of business trips by the Company's Employees has steadily increased, resulting in external energy consumption remaining at a relatively high level, particularly with no significant decrease in the use of gasoline and diesel. Despite the growth in business demand, the Company remains committed to actively seeking measures to reduce external energy consumption in order to achieve its environmental sustainability objectives.

To enhance energy efficiency and reduce carbon emissions, the Company introduced its first hybrid vehicle in 2023 as part of its business fleet, with the objective of decreasing fuel consumption and minimizing carbon emissions. In addition, the Company plans to further expand the use of green transportation by 2025, with the intention to acquire three additional hybrid vehicles to further reduce reliance on conventional fuel-powered vehicles.



Implementation of Hybrid Official Vehicles

In 2023, the introduction of the Toyota RAV4 hybrid vehicle resulted in a substantial improvement in fuel efficiency, with mileage per liter of gasoline increasing by approximately 6 km/L, thereby reducing both carbon emissions and fuel expenses.

The budget for fiscal year 2024 has been allocated, with plans to replace three traditional gasoline-powered official vehicles in 2025 to further promote the green energy transition of the official vehicle fleet.

Contents	Odometer Reading	Kilometers per Liter
RAV4 Hybrid Vehicle	23,829 km	16.95 km/L
Official Gasoline Vehicle No. 1	16,830 km	11.05 km/L
Official Gasoline Vehicle No. 2	19,076 km	11.39 km/L
Official Gasoline Vehicle No. 3	15,630 km	11.02 km/L
Official Gasoline Vehicle No. 4	12,605 km	11.15 km/L

Energy Intensity

GRI 302-3

Due to the specific characteristics of the manufacturing process, certain facilities must maintain constant machine temperatures, resulting in a low correlation between energy consumption and production output. After internal meetings and discussions, it was decided to use revenue as the basis for calculating intensity. While this approach may still be affected by exchange rate fluctuations, it more accurately reflects actual conditions than calculations based on production output.

Over the past three years, energy intensity has increased each year. In the future, we will continue to closely monitor the trends in energy consumption and revenue, and remain committed to improving energy efficiency through technological advancements and management optimization.

Year	Electricity Consumption (Unit: kWh)	Revenue (Unit: NT\$ Thousands)	Intensity (Degree per NT\$1,000)
2021	19,817,213	4,484,738	4.42
2022	17,250,917	3,918,677	4.40
2023	14,965,738	2,784,110	5.38
2024	17,135,543	3,130,242	5.47

	Unit	Year 2022	Year 2023	Year 2024
Total Energy Consumption	GJ	81,938.5808	70,423.4717	81,500.7479
Individual Revenue	NT\$ Thousands	3,918,677	2,784,110	3,130,242
Energy Intensity (Total Energy Consumption / Entity Revenue)	GJ/NT\$ thousand	0.021	0.025	0.026

Note 1. The scope of data statistics encompasses the principal operating sites of BASSO as an individual entity.

Note 2. Energy intensity = total energy consumption / entity's revenue.

Reduction of Energy Consumption

GRI 302-4, 305-5

▼ 2024 Carbon Reduction Implementation Status by Plant

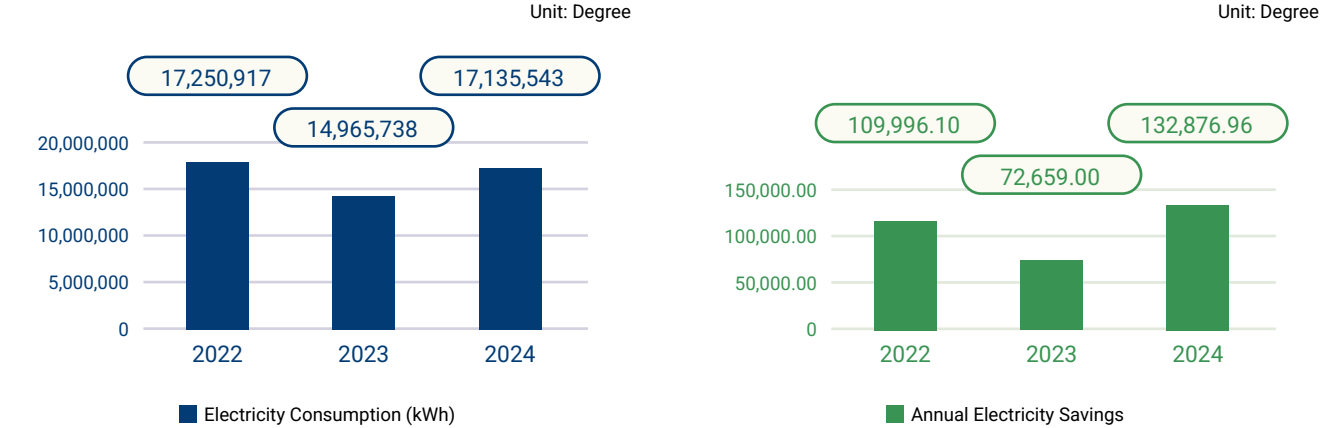
Department	Energy Conservation Overview	Description
Plant 1	» Replacement of air compressor with a variable frequency model	The budget for 2024 has been allocated. In 2025, the 50HP fixed-speed air compressor in the Mold Department will be replaced with a variable-frequency unit.
Plant 2	» SF6 Alternative Energy Testing » Installation of Power Monitoring Equipment » Equipment Maintenance » Solar Panel Installation	▼ SF6 Alternative Energy Testing » Efforts are being undertaken based on the three principles of Check, Cut, and Change, and a substantial reduction has already been achieved compared to the base year at the current stage. » The hourly consumption of SF6 decreased by 41.2% from the 2021 baseline year to 2024. » The proportion of SF6 carbon emissions in the company's total Scpoe 1 and Scpoe 2 carbon emissions decreased by 8.56% from the 2021 base year to 2024. ▼ Renewable Energy Utilization: » In November 2024, green electricity generation amounted to 17,874 kWh, accounting for 6% of the total electricity generated. » In December 2024, green electricity generation totaled 16,069 kWh, accounting for 6% of total electricity output. ▼ Installation of power monitoring devices for major equipment, including die casting machines and air compressors » Installation of one host data transmission unit » Installation of 14 monitoring point distribution box detectors ▼ Total electricity savings after air compressor maintenance in 2024: 26,047 kWh/year; 93.791 GJ; 12.346 tCO ₂ e ^{Note} ▼ The budget for the year 2024 has been allocated, and in 2025, the standard dryer at the die-casting plant will be replaced with a variable frequency model. ▼ Natural gas is one of the Company's primary energy consumption contents. Since 2021, the Company has continuously implemented process optimization and equipment upgrades. As of 2024, natural gas consumption has been reduced by 24.74% compared to the base year of 2021.
III. Plant 6	» Installation of Power Monitoring Equipment » Equipment Maintenance » Assessment of Replacement of Energy-Consuming Equipment	» Installation of power monitoring devices for metal heat treating equipment, air compressors, and chillers 1 unit of host data transmission device Installation of 17 sets of monitoring point distribution box detectors » Observations from the power monitoring system indicate that the chiller and the four primary production equipment units are consistently the main sources of energy consumption. » Following evaluation, applications for three government subsidies were submitted in 2024, all of which were approved. * Heating Chamber Energy Conservation Improvement Subsidy Program * Energy Efficiency Improvement Project for Equipment Chilled Water System * Metal Heat Treating Process Improvement Energy Efficiency Subsidy Program » Total electricity savings following air compressor maintenance: 19,167 kWh per year; 69.017 GJ; 9.085 tCO ₂ e ^{Note}

Plant 5	» Replacement and Maintenance of Equipment » Installation of Power Monitoring Equipment » Solar Panel Installation » Huacheng Line Once-Through Boiler Replacement	▼ Installation of power monitoring devices for CNC machining machines, air compressors, baking equipment, and related equipment. » 1 unit of host data transmission device » 14 sets of monitoring point detectors for distribution boxes ▼ Renewable Energy Utilization: » Green electricity generated in November 2024: 10,523 kWh, accounting for 4.32% of total energy consumption. » In December 2024, green electricity generation totaled 18,670 kWh, representing 7.59% of total energy savings. ▼ Total electricity savings following machining equipment maintenance: 66,900 kWh; 240.895 GJ; 31.710 tCO₂e^{Note} ▼ Total electricity savings following air compressor maintenance: 30,179 kWh; 108.669 GJ; 14.304 tCO₂e^{Note} ▼ As of 2024, natural gas consumption had decreased by 23.63% compared to the base year (2021).
Plant 7	» Equipment Renewal and Replacement » Enhance the Efficiency of Equipment Cooling Water Circulation Systems	» The new electric forklift operates for 5 to 7 days on a single charge, with battery efficiency reaching 1,000% to 1,400% of that of the original forklift. » The previous rolling shutter motor was highly inefficient and frequently operated in idle mode, resulting in electricity wastage of 90% to 100%. This issue was rectified by replacing it with a new electric rolling shutter. » Integrated and modified the electrical control system of the equipment cooling water circulation system to improve operational efficiency.
Plant 8	» Replacement of Inductive Start-Stop Device	» The lighting circuits on both sides of the corridor have been modified to incorporate sensor-controlled start-stop devices. » Installation of eight sets of DC circulation fans
Other Energy Conservation Measures	» Air Conditioning Temperature Control » Utilization of Natural Light » Lighting Equipment Optimized to LED Fixtures » Equipment Renewal and Replacement » Promote and implement the off-duty power-off policy. » Gradual Implementation of Electronic Processes	» The air conditioning is set to 27°C and is scheduled to be turned off during nighttime hours and on holidays to avoid unnecessary energy consumption. » Natural lighting is utilized to the greatest extent possible throughout the entire plant and office areas to enhance lighting quality with soft and sufficient illumination, thereby achieving energy conservation. » Lighting equipment was upgraded to energy-efficient LED fixtures, with a replacement rate exceeding 85%. » The plant is equipped with a total of 15 passenger and freight elevators, of which 85% have had their main engines replaced and systems upgraded. Each elevator delivers energy savings exceeding 20%. » The company actively promotes and enforces a policy requiring all devices to be powered off after working hours, with particular emphasis on shutting down computers and their peripherals (including monitors and speakers), as well as printers, copiers, and other equipment when not in use for extended periods, in order to minimize standby power consumption. » The company has substantially reduced paper consumption by implementing electronic document approval, procurement procedures, other operational workflows, digital bulletin boards, and electronic production process dashboards in place of paper-based processes.

Note 1. Electricity carbon emission factor for 2024: 0.474 kg CO₂e/kWh

Note 2. The electricity calorific value conversion factor is based on the EPA Greenhouse Gas Emission Factor Management Table, Version 6.0.4: 1 kWh of electricity = 860 kcal; 1 kcal = 4.184 × 10⁻⁶ GJ.

Note 3. All greenhouse gas emission reductions pertain to carbon dioxide, and all emission scopes are classified as Scope 2.



Note 1. The annual electricity savings are the figures reported each fiscal year to the Energy Administration, Ministry of Economic Affairs.

▼ Variable Speed Air Compressor



▼ Chilled Water Variable Frequency Unit



▼ Air Conditioning Temperature Control



▼ Natural Lighting

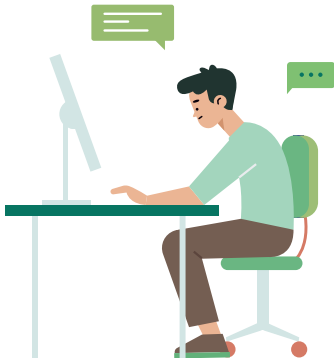
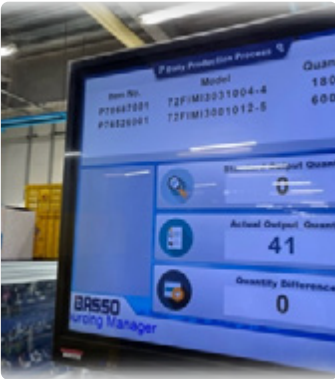


▼ LED luminaires

- » Sensor-activated LED lighting has been installed in corridors, warehouses, pantries, and similar areas, resulting in energy savings and eliminating the risk of lights being left on inadvertently by personnel.
- » The fire indicator lights have also been replaced with LED indicator lights, instead of traditional bulbs.



▼ Digitalization of Bulletin Boards and Use of Electronic Panels



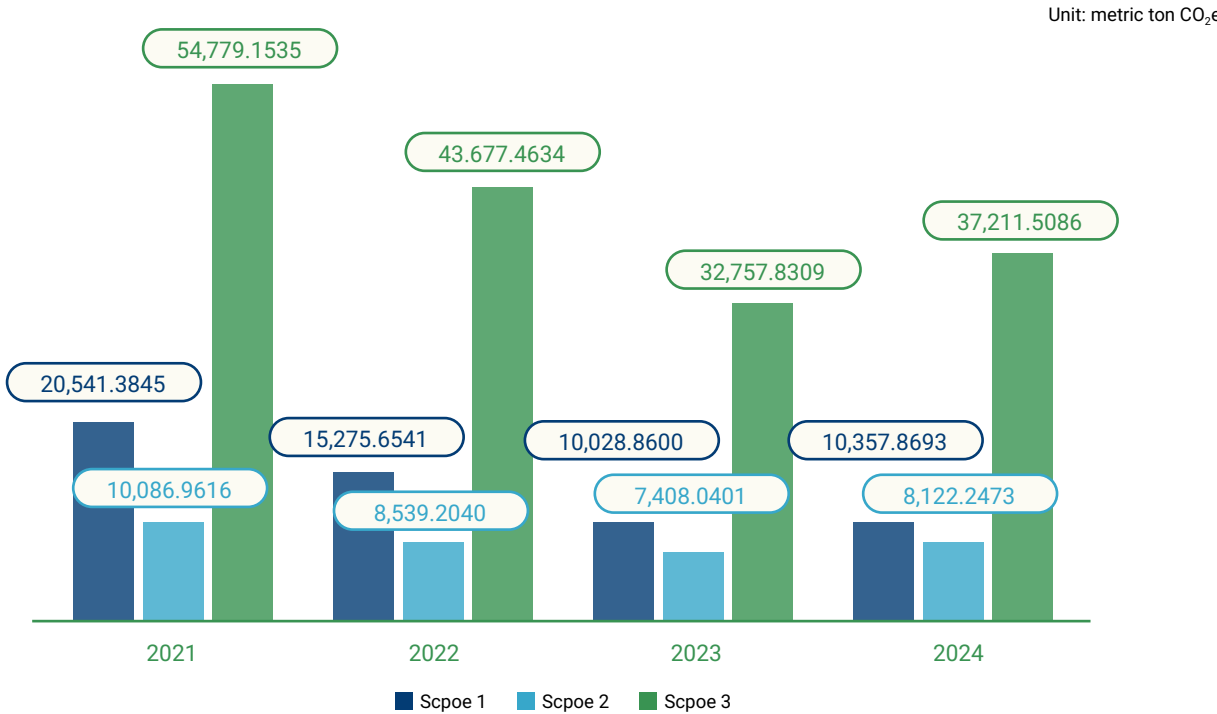
Greenhouse Gas Emissions

GRI 305-1, 305-2, 305-3

BASSO designated 2021 as its carbon inventory base year. According to inventory data, Scpoe 1 carbon dioxide equivalent emissions for 2024 amounted to 10,357.8693 metric tons, representing a reduction of approximately 49.58% compared to the base year. Within Scpoe 1, emissions from SF6 gas accounted for the largest proportion. Moving forward, we will continue to assess the feasibility of alternative gases to further protect the environment while ensuring industrial safety.

In 2024, Scope 2 carbon dioxide equivalent emissions totaled 8,122.2473 metric tons, representing a reduction of approximately 19.47% compared to the base year. Moving forward, we will continue to implement energy-saving measures throughout the entire facility and assess the feasibility of procuring green electricity to further reduce carbon emissions.

▼ Carbon Emission Data



- Note 1.** The greenhouse gases inventoried for fiscal year 2024 include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).
- Note 2.** The inventory scope covers the principal operating sites of Drilltech Co., Ltd. as a single entity for the period from January 1, 2024 to December 31, 2024.
- Note 3.** The standard applied is ISO 14064-1:2018 for greenhouse gas inventory, and the operational control approach has been adopted.
- Note 4.** Scope 3 emissions are disclosed only for relevant activities determined through a materiality assessment, in accordance with the principles specified in ISO 14064-1:2018.
- Note 5.** The emission factor is based on the Greenhouse Gas Emission Factor Management Table 6.0.4 issued by the Ministry of Environment.
- Note 6.** The 2024 inventory data has been verified by MIRDC.

Greenhouse Gas Emission Intensity

GRI 305-4

	Revenue (Unit: Thousands of New Taiwan Dollars)	Total Emissions (Unit: metric tons CO ₂ e)	Concentration (Unit: tons CO ₂ e per thousand NTD)
2021	4,484,738	85,407.50	0.019
2022	3,918,677	67,492.32	0.017
2023	2,784,110	50,194.73	0.018
2024	3,130,242	55,691.63	0.018

- Note 1.** Greenhouse gases include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).
- Note 2.** Greenhouse gas intensity is calculated as total greenhouse gas emissions (Scpoe 1 + Scpoe 2 + Scpoe 3) divided by individual revenue (in thousands of NTD).

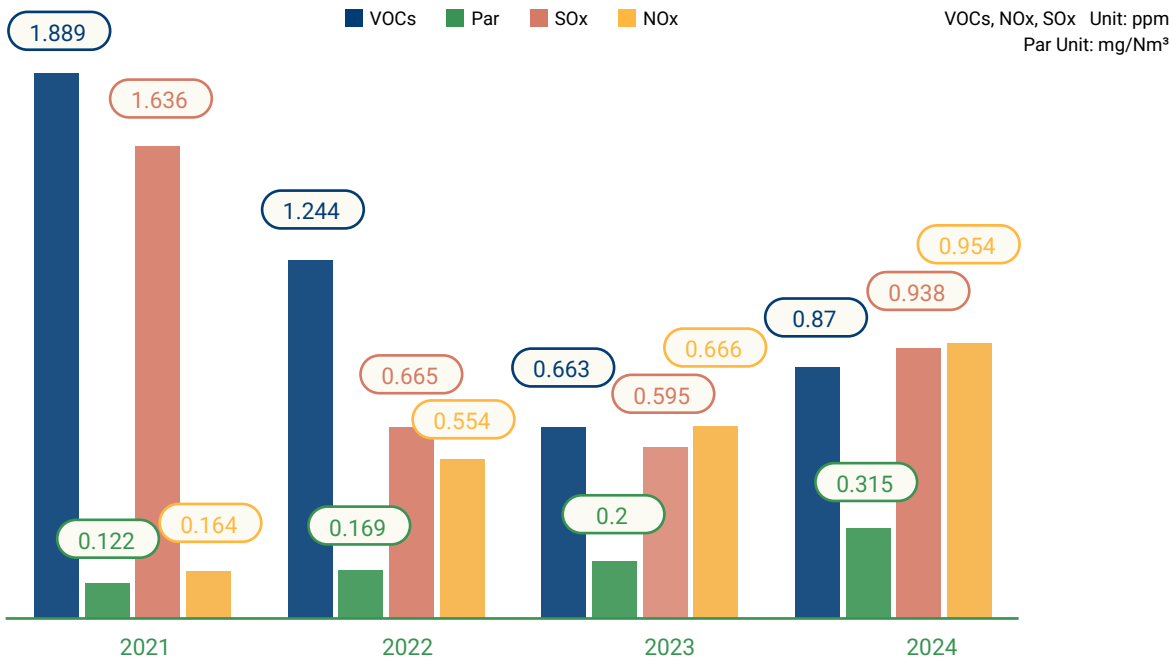
Greenhouse Gas Emission Reduction

- » Actively seeking alternative substances to high global warming potential gases, such as sulfur hexafluoride (SF6).
- » Annually reduce Scope 1 carbon emissions from stationary and mobile combustion sources, including those resulting from the use of natural gas and liquefied petroleum gas.
- » Gradually substitute Magnesium raw materials with low-carbon alternatives.

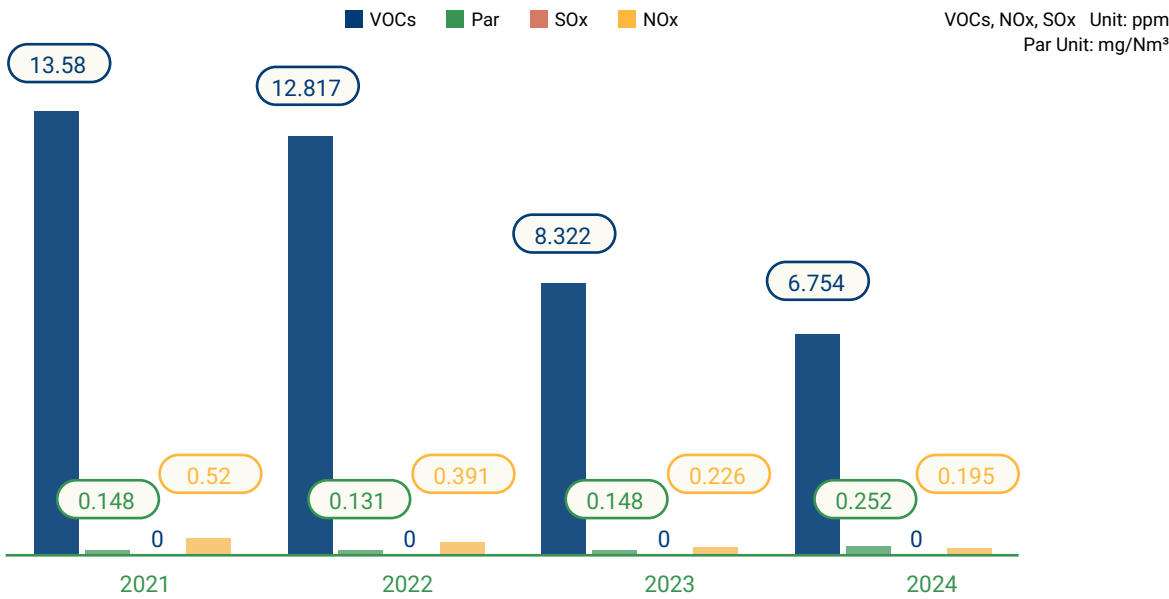
Significant Gas Emissions

No toxic substances are produced in any of BASSO's manufacturing processes, nor are there any emissions of ozone-depleting substances (ODS). Emissions of nitrogen oxides (NOx) and sulfur oxides (SOx) are significantly below regulatory limits.

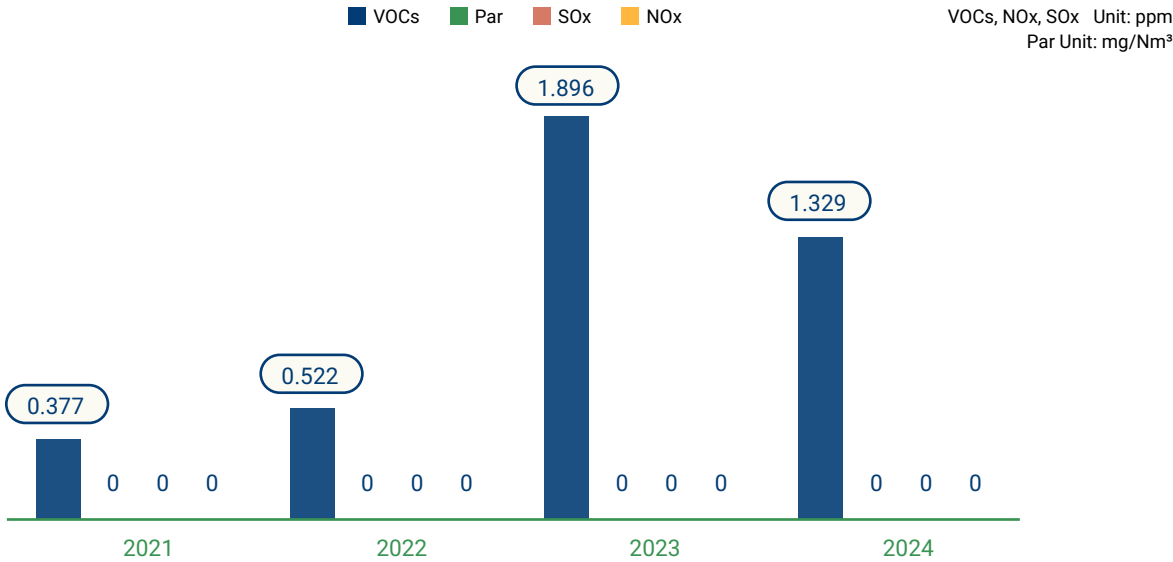
▼ Air Pollutant Emissions from Plant 2



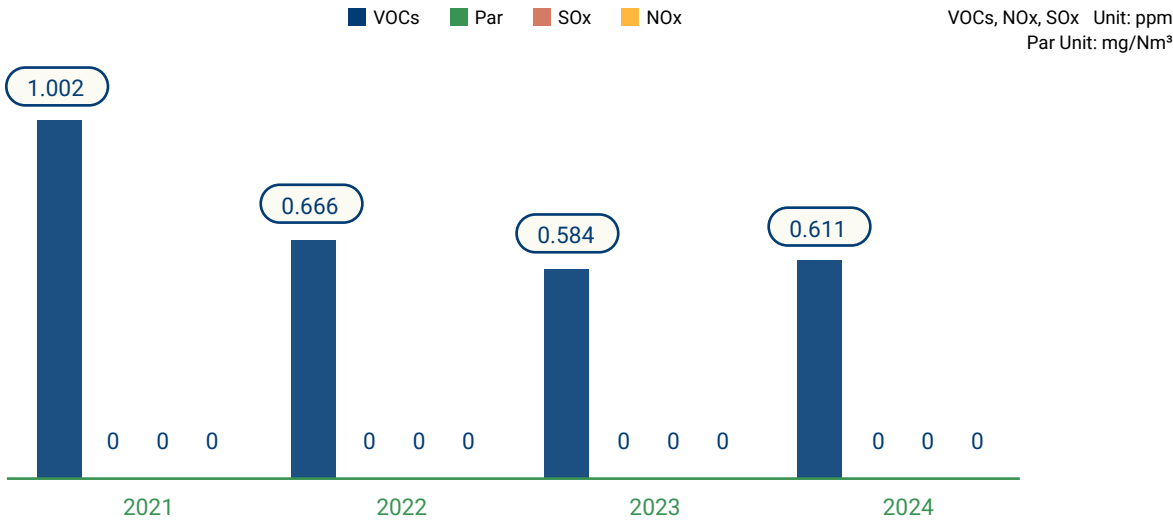
▼ VPlant Air Pollutant Emissions



▼ 6Plant Air Pollutant Emissions



▼ 7Plant Air Pollutant Emissions



Note 1. There are no VOCs, Par, NOx, or SOx emissions from Plants 1, 3, and 8.

- » All exhaust gases generated during the manufacturing process are collected in accordance with legal requirements and treated through pollution control equipment to minimize fugitive emissions.



Environmental Protection Expenditures

In fiscal year 2024, investments in the environmental protection sector totaled NT\$34,879,847. As the Company initiated solar panel installation projects during the year, environmental expenditures increased substantially by 129% compared to the previous fiscal year.

Internal Environmental Protection Expenditures and Depreciation					
Categories of Environmental Protection Activities	Capital Expenditures		Internal Operating Expenditures (Excluding Outsourcing Fees)		Depreciation Expense for Environmental Protection Equipment and Plant ^{Note 4} (NTD)
	Investment Amount in Land Newly Acquired for Environmental Protection Equipment (NTD)	Amount of Newly Acquired Environmental Protection Equipment and Facilities ^{Note 1} (NTD)	Personnel Expenses ^{Note 2} (NTD)	Other Internal Recurring Expenses ^{Note 3} (NTD)	
1. Air Quality Protection	-	392,381	600,000	268,190	-
2. Greenhouse Gas Emissions Reduction	-	15,675,000	360,000	-	-
3. Water Quality Protection	-	5,521,429	240,000	1,220,126	-
4. Waste Management	-	-	360,000	-	-
5. Soil and Groundwater Remediation	-	-	60,000	95,238	-
6. Noise and Vibration Prevention	-	-	-	-	-
7. Biodiversity and Landscape Protection	-	-	-	-	-
8. Radiation Protection	-	-	-	-	-
9. Environmental Research and Development	-	-	-	-	-
10. Other Matters	-	-	100,000	591,605	-
11. Total	-	21,588,810	1,720,000	2,175,159	-

^{Note 1.} Amounts for Newly Acquired Environmental Protection Equipment and Plant: Refers to the purchase amounts of environmental protection equipment and plant-related Assets newly added during the fiscal year, including right-of-use (leased) Assets. Environmental protection equipment and plant comprise buildings, Machinery, equipment, and similar items used for end-of-pipe collection or treatment following the generation of pollutants (such as exhaust gas, wastewater, waste, etc.), as well as Machinery, equipment, and technologies utilized to reduce or eliminate pollution at the source or to improve production processes.

^{Note 2.} Refers to the remuneration of personnel directly engaged in environmental protection activities, including salaries, bonuses, overtime pay, allowances, subsidies, health (labor) insurance premiums, pension contributions, and similar items. If direct data are unavailable, the amount may be estimated based on the time Employee spend on environmental protection work. For part-time personnel, the amount should be estimated according to the proportion of their actual participation in environmental protection activities (such as operation and maintenance, inspection, Employee training, monitoring, etc.).

^{Note 3.} Other internal recurring expenditures: This category includes expenses for materials, utilities, fuel, and chemicals necessary for internally conducted environmental protection activities (including source reduction, process control, and end-of-pipe treatment to prevent or reduce emissions of exhaust gases, wastewater, and waste). It also encompasses expenditures related to the establishment of environmental management systems, monitoring, information collection, rental of environmental protection equipment (including land), ISO 14000 series audits and certifications, and environmental education and training. This does not include outsourced treatment or joint treatment fees, pollution fees paid to the government, insurance premiums, or similar expenses.

^{Note 4.} Depreciation expense for environmental protection equipment and plant: Depreciation expense recognized in the fiscal year for all environmental protection equipment and plant, regardless of the year of acquisition.

^{Note 5.} The total cost of the solar renewable energy installation project was NT\$16,500,000, divided into six phases of payments. Five phases, totaling NT\$15,675,000, were paid in 2024, and the remaining payment of NT\$825,000 will be made in 2025.

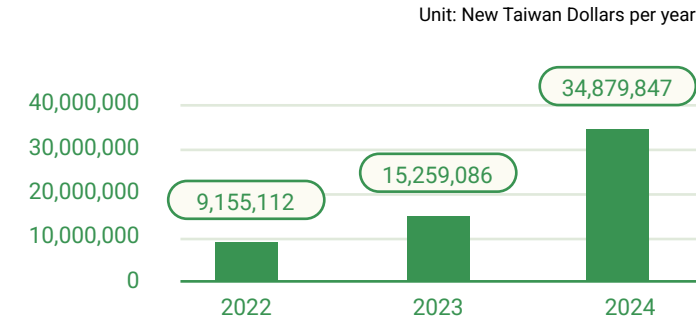
External Environmental Protection Expenses			
Categories of Environmental Protection Activities	Outsourcing and Joint Processing Costs		Environmental Donation Expenditures ^{Note 3}
	Private sector ^{Note 1}	Government Departments ^{Note 2}	
1. Air Quality Protection	1,101,805	-	-
2. Greenhouse Gas Emissions Reduction	-	-	-
3. Water Quality Protection	774,808	-	-
4. Waste Management	6,341,527	-	-
5. Soil and Groundwater Remediation	-	-	-
6. Noise and Vibration Prevention	-	-	-
7. Biodiversity and Landscape Protection	-	-	-
8. Radiation Protection	-	-	-
9. Environmental Research and Development	-	-	-
10. Other Matters	1,177,738	-	-
11. Total	9,395,878	-	-

^{Note 1.} Commissioned Private Sector: Includes payments to waste removal and treatment organizations for waste collection and transportation fees, payments to other private companies for air or wastewater treatment services, and inspection fees paid to private environmental inspection agencies. Excludes payments to environmental monitoring agencies for occupational safety or engineering purposes.

^{Note 2.} Commissioned Government Agencies: This includes joint treatment arrangements and inspection fees paid to government environmental inspection agencies. Joint treatment refers to the establishment of treatment plants or facilities, jointly funded by various business entities within industrial parks or science parks, for the treatment of industrial wastewater, waste, and other pollutants, with certain operations carried out by park administrations established by government agencies. This does not include pollution taxes and fees, value-added tax, or permit application fees paid to the government.

^{Note 3.} Environmental Protection Donation Expenditures: Expenditures incurred for sponsoring or donating to domestic non-governmental organizations conducting environmental protection activities.

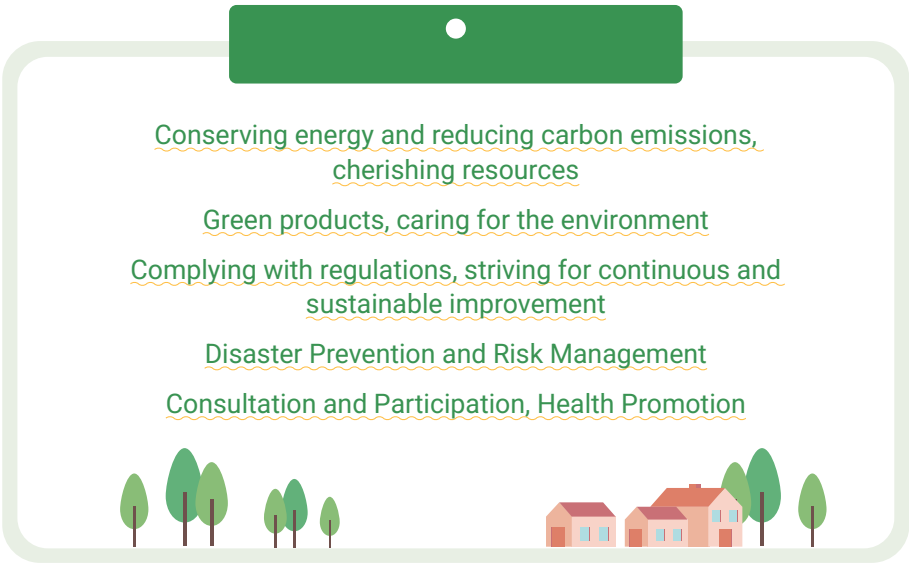
▼ Environmental Protection Expenditure



2.2 Waste Management

GRI 2-25, 3-3

Significance for the Company	Effective waste management has a positive impact on the environment. By reducing waste generation, promoting recycling and reuse, and ensuring proper disposal, environmental impacts can be minimized. These measures also enhance the company's environmental reputation and effectively reduce harm to the ecosystem.		
Policies and Commitments	BASSO commenced the implementation of the ISO 14001 Environmental Management System in 2014, marking a significant milestone. The system covers seven plants and has successfully obtained certification annually, underscoring the company's commitment and responsibility to environmental protection. This certification was attained through a rigorous audit and evaluation process, demonstrating that the company's business operations comply with international environmental management standards.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» Each facility is continuously implementing resource recycling, waste segregation, and waste reduction initiatives. » Vendors, suppliers, and contractors are required to utilize green products and consumables to facilitate resource recycling and reuse. » The volume of waste resources recycled and reused reached 20%.	» Promote the recycling and reuse of waste resources and actively collaborate with processing institutions to develop recyclable and reusable treatment methods. » The volume of waste resources recycled and reused reached 35%.	▼ Invested Resources » Manually Sorted Waste Abrasive Sand » Coating Process Improvement » Waste Rubber Recycling ▼ Concrete Results » Filtered waste sandblasting material was reintroduced into the production process, achieving a recycling rate of 26% in 2024. » After the coating equipment was upgraded, operational efficiency was significantly enhanced, resulting in a reduction in powder and paint material waste. » Waste rubber that was previously incinerated is now transported to legally authorized treatment facilities for cogeneration and cyclical reuse
Evaluation Mechanism	Quarterly environmental management meetings are convened to review the implementation status at each stage.		
Responsible Department / Grievance Mechanism	Environmental Safety Office / Tel: 04-23598877 Ext. 1213, 1215		



Waste Generation and Impacts

GRI 2-4, 306-3

All waste generated at each BASSO facility is classified as non-hazardous general industrial waste and contains no hazardous waste.

General industrial waste primarily consists of waste oil mixtures, metal furnace slag, paint sludge, sandblasting waste, and inorganic sludge. Disposal is legally applied for by certified environmental professionals and carried out by licensed waste management contractors.

As the volume of industrial waste generated is relatively low, the majority is temporarily stored on-site and is removed in bulk once the accumulated amount reaches the required threshold for disposal.

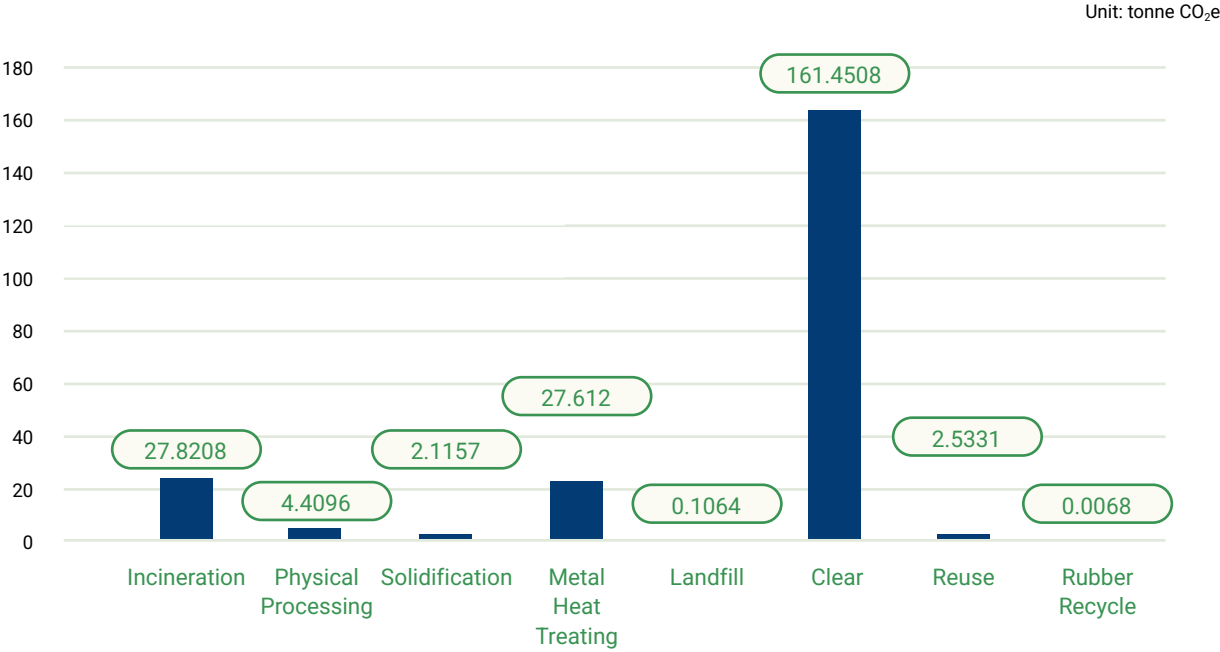
Unit: Metric Tons

Types of Waste	Processing Method	Year 2022	Year 2023	Year 2024
General household waste	Incineration	77.2800	77.2800	77.2800
Inorganic Sludge	Physics	0.0000	10.3500	11.4600
	Curing	8.8800	0.0000	3.2600
Metal Slag	Landfill	10.9100	3.4000	15.0500
	Physics	0.0000	0.0000	7.1700
Paint Residue	Metal Heat Treating	6.2000	2.5600	2.4700
	Incineration	0.0000	0.0000	0.0000
Waste Lubricant Oil	Physics	0.0000	0.0000	3.8000
Waste Oil Mixture	Metal Heat Treating	0.0000	16.7900	2.9100
	Physics	10.4000	0.0000	13.4200
Abrasive Blasting Waste	Metal Heat Treating	0.0000	2.6100	3.4700
	Landfill	4.2400	0.0000	0.0000
Aluminum scrap	Reuse	2.0000	14.3800	19.7900
Scrap Rubber	Reuse	30.5650	32.1950	53.6410
Other Wastes	Clear	112.3000	154.4100	229.9900
Total Weight		262.7750	313.9750	443.7110

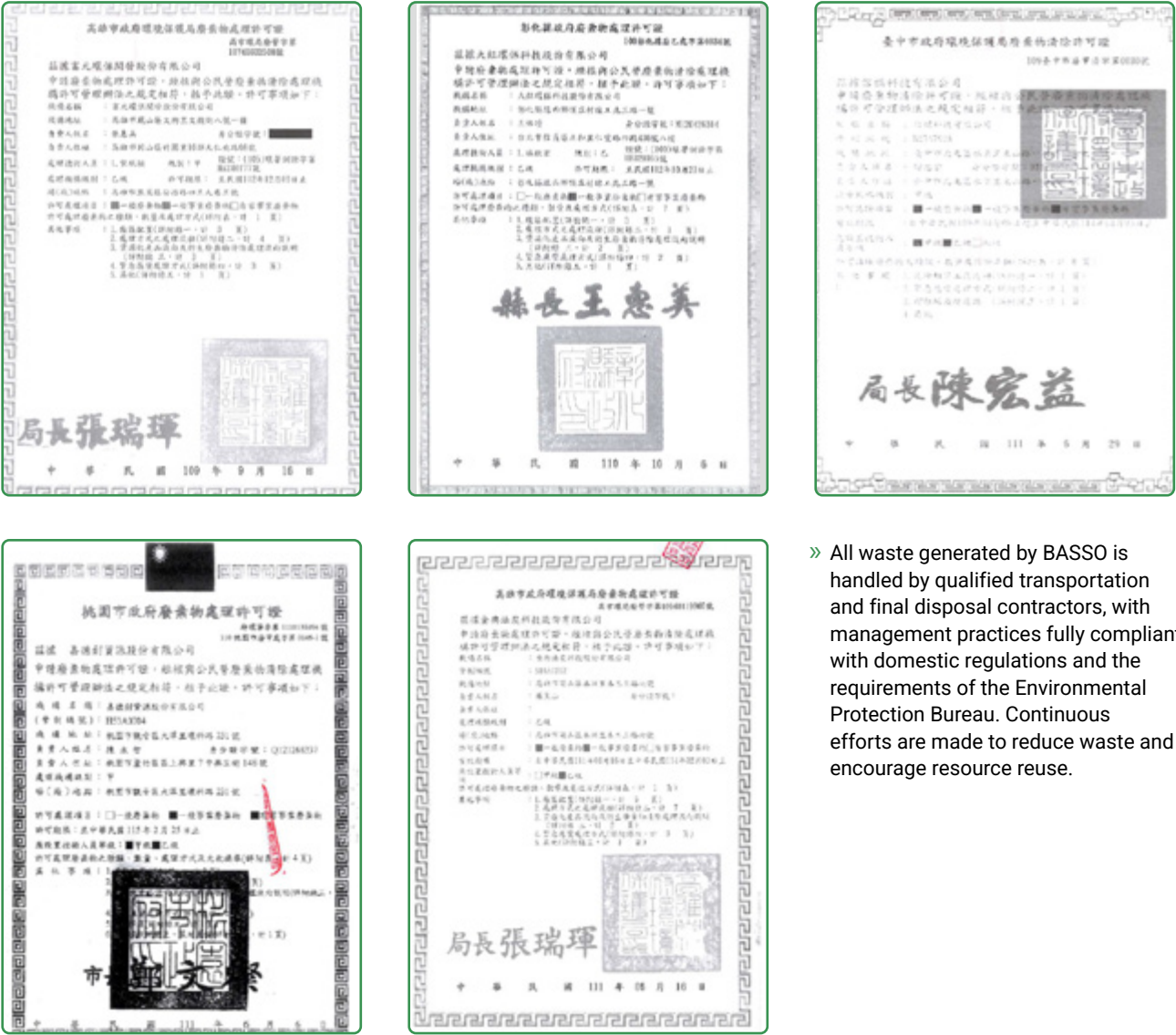
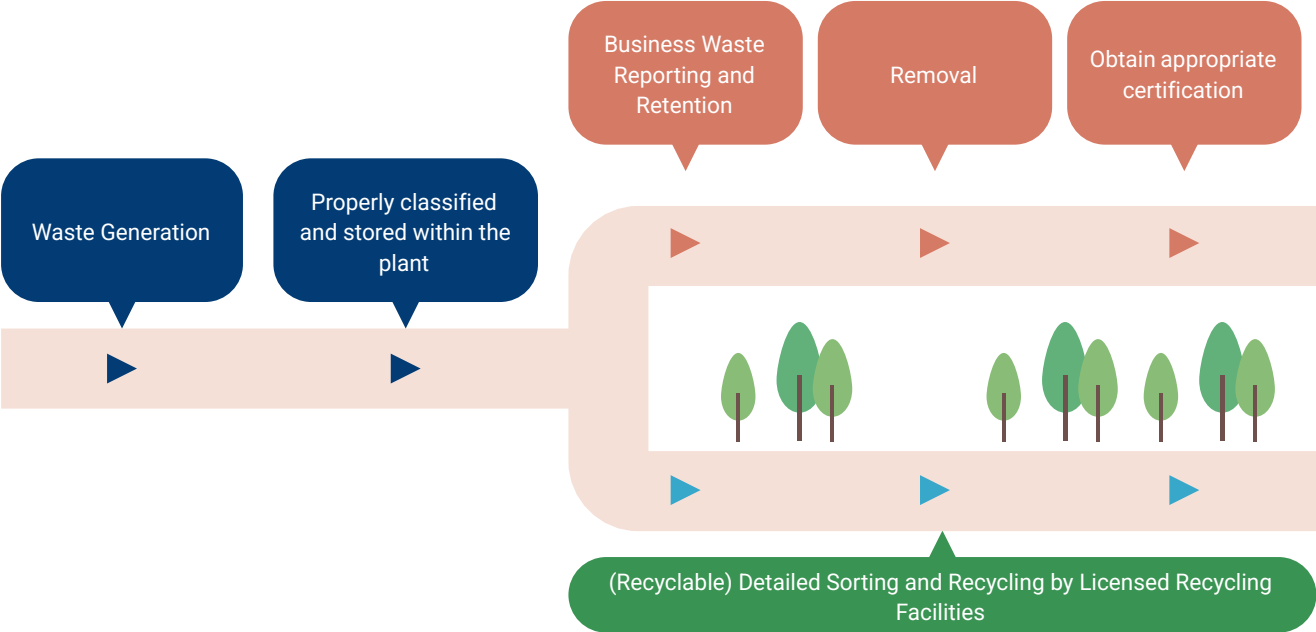
- Note 1.** The data scope includes the principal operating sites of BASSO as an individual entity.
- Note 2.** The data are compiled based on waste removal manifests or weighbridge tickets. The volume of municipal solid waste collected is determined in accordance with the waste removal contracts executed with contractors and is calculated based on the maximum monthly limit specified for each plant.
- Note 3.** The 2022 and 2023 ESG reports did not disclose the weight data of general domestic waste and discarded materials at the "reuse" and "disposal" stages. This information has been supplemented in the 2024 report to improve the completeness and transparency of waste management disclosures. Following the restatement of data, the total waste weight for 2022 and 2023 increased by 547% and 779%, respectively.



▼ Waste Disposal

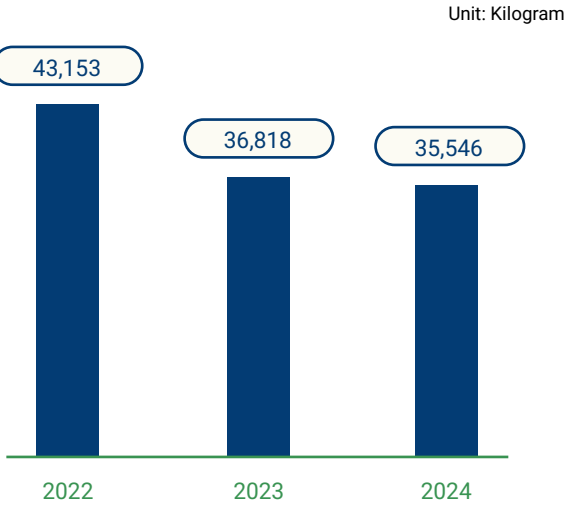


▼ Industrial Waste Management Procedures and Control

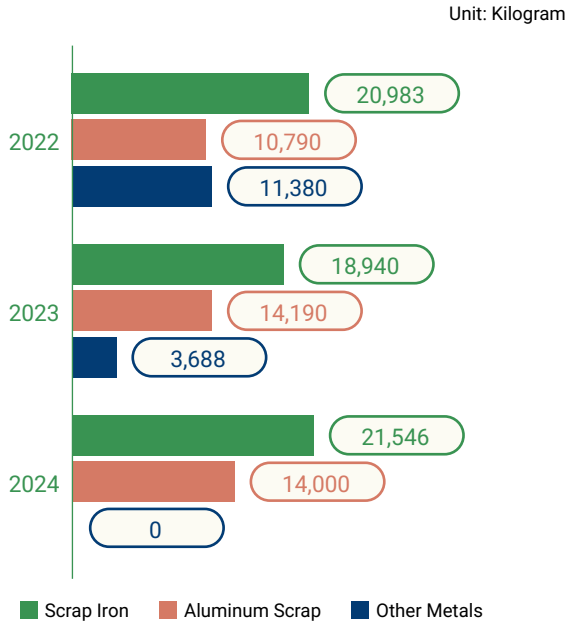


» All waste generated by BASSO is handled by qualified transportation and final disposal contractors, with management practices fully compliant with domestic regulations and the requirements of the Environmental Protection Bureau. Continuous efforts are made to reduce waste and encourage resource reuse.

▼ Total Recyclables Weight



▼ Category Weight Analysis



- ▼ BASSO places great importance on pollution and waste prevention. Waste oil generated from metal die casting is re-filtered to remove moisture, thereby reducing the total volume of waste oil.
- ▼ Discarded pallets are refurbished by professional contractors for reuse, significantly reducing the quantity of waste wood panels.



Waste Disposal and Transfer Statement

GRI 306-4

▼ Waste Transferred from Disposal to Recycling Operations

Unit: Metric Tonnes

Contents	Contents Disposal and Transfer Method	2022			2023			2024		
		On-site	Derecognition	Subtotal	On-site	Derecognition	Subtotal	On-site	Derecognition	Subtotal
Non-hazardous business waste	Preparation for Reuse	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Recycling and Reuse	0.000	32.565	32.565	0.000	46.575	46.575	0.000	73.431	73.431
	Subtotal	0.000	32.565	32.565	0.000	46.575	46.575	0.000	73.431	73.431

Note 1. The data scope includes the principal operating sites of BASSO as an individual entity.

Note 2. On-site refers to waste that is managed by the Company within its own plant or facility, while off-site refers to waste that is transported and processed by an external third-party company.

Direct Disposal of Business Waste

GRI 306-5

▼ Waste Directly Disposed via Disposal Operations

Unit: Metric Tons

Contents	Direct Disposal Approach	2022			2023			2024		
		On-site	Derecognition	Subtotal	On-site	Derecognition	Subtotal	On-site	Derecognition	Subtotal
Non-hazardous business waste	Incineration (Including Energy Recovery)	0.00	77.28	77.28	0.00	77.28	77.28	0.00	77.28	77.28
	Incineration (excluding energy recovery)	0.00	25.48	25.48	0.00	32.31	32.31	0.00	47.96	47.96
	Landfill disposal	0.00	15.15	15.15	0.00	3.4	3.4	0.00	15.05	15.05
	Other Direct Handling	0.00	112.3	112.3	0.00	154.41	154.41	0.00	229.99	229.99
	Total	0.00	230.21	230.21	0.00	267.4	267.4	0.00	370.28	370.28

Note 1. The data scope includes the principal operating sites of BASSO as an individual entity.

Note 2. On-site refers to waste that is managed by the Company within its own plant or facility, while off-site refers to waste that is transported and processed by an external third-party company.

2.3 Supplier Management

Significance for the Company	Suppliers work in close collaboration with BASSO and, while pursuing profitability, are also required to adhere to sustainability-related standards, including those pertaining to environmental protection, human rights, conflict minerals, and the prohibition of hazardous substances.		
Policies and Commitments	BASSO fully recognizes that, in the pursuit of sustainable growth, operational strategies must take into account the impacts on both society and the environment. Accordingly, a Supplier Code of Conduct has been established as a fundamental guideline for suppliers. The degree of suppliers' compliance with this Code is also included as one of the evaluation criteria.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» On-Time Delivery Rate: 98% » Costs decreased by 3.5%. » Obligated Inventory: 500 Million » Participation in Overseas Exhibitions and Offsite Supplier Visits to Enhance Procurement Diversity » The response rate for the Environmental Regulatory Compliance Statement and the Corporate Responsibility Commitment Affidavit was over 75%. » Procure parts/components and product parts in compliance with RoHS, REACH, and conflict-free mineral requirements.	» Incorporation of ESG Criteria into Supplier Assessment » Internal Personnel Professional Competency Development Training	▼ Invested Resources » Assist suppliers in the optimization and improvement of production processes. » Raw Material Trend Monitoring » Inventory Performance Review and Exception Assessment. » Overseas Exhibition Attendance » New supplier evaluations are carried out through written reviews and on-site assessments. ▼ Concrete Results » On-time delivery rate: 99% Achieved. » Cost decreased by 0.3% Not met. » The annual average consignment inventory was NT\$540 million (target not met). » Participated in three overseas exhibitions in 2024. » In 2024, a total of 365 suppliers signed the "Corporate Social Responsibility Compliance Declaration for Partner Manufacturers," demonstrating a commitment to safeguarding labor rights within the supply chain.
Evaluation Mechanism	BASSO implements a monthly supplier assessment system. Monthly Assessment Contents: (1) Defective rate in quality (including incoming materials and inspection submissions); (2) Delivery timeliness and degree of cooperation. Based on the total assessment score, rewards and penalties are administered and classified into four levels: A, B, C, and D.		
Responsible Department / Grievance Mechanism	Materials Department / Tel: 04-23598877 Ext. 3111		

I. Supplier Management Strategy

BASSO regards its suppliers as long-term partners and is committed to sustainable supply chain management. The company has further implemented corporate responsibility policies for its partners, encompassing social and environmental aspects, and collaborates with suppliers to jointly pursue sustainable business operations and growth.

▼ Supplier Standards

During the supplier onboarding process, suppliers are required to complete the "New Partner Application Form" and the "Partner Corporate Responsibility Compliance Declaration." The "Partner Corporate Responsibility Compliance Declaration" encompasses policies related to labor equity, human rights, prohibition of child labor, environmental protection, and other relevant areas. In addition, on-site evaluations are conducted at suppliers' facilities to ensure the establishment of a sustainable supply chain with BASSO.

▼ Supplier Assessment

BASSO conducts supplier evaluations based on product quality and delivery timelines. Suppliers who achieve outstanding evaluation scores are rewarded, while those who do not meet the required standards are provided with guidance and are subject to audits. The aim is to ensure that all suppliers meet the established requirements and continuously improve their performance.

In addition to quality and delivery schedule, BASSO plans to incorporate the effectiveness of supplier corporate responsibility management into the supplier evaluation scoring contents in future fiscal years by utilizing the "Supplier Corporate Responsibility Self-Assessment Form." This measure will be used to assess whether suppliers strictly comply with the Supplier Code of Conduct and relevant corporate responsibility regulations, thereby establishing objectives and directions for improvement.

Aggregate Score (U)

U ≥ 85

85 > U ≥ 70

70 > U ≥ 60

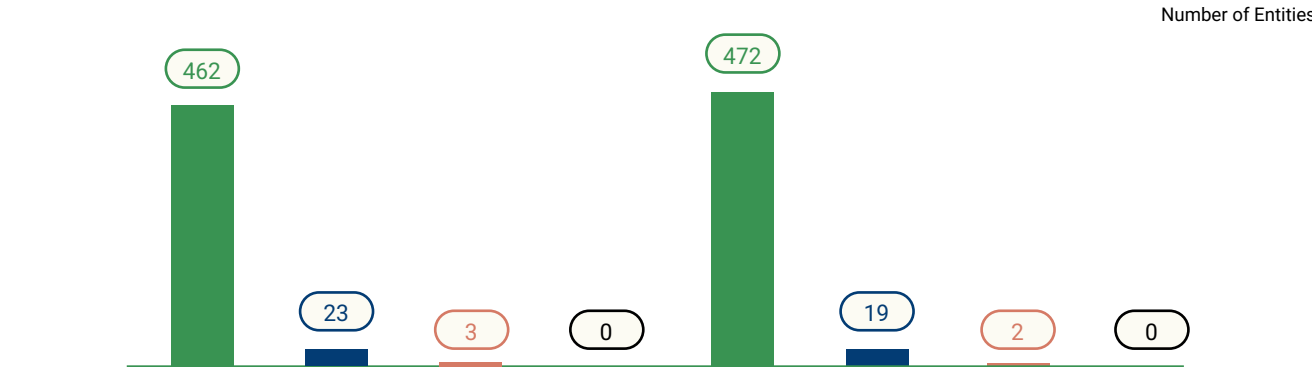
U < 60

Performance Evaluation	A	B	C	D
Scoring Instructions:				
1. Employees who receive an A grade in the monthly evaluation shall be compensated in accordance with the most favorable terms currently set by the company. 2. If the monthly assessment is rated as Grade B, the payment terms for Grade A shall be extended by an additional one-month bill period. 3. If the monthly assessment is rated as Grade C, the payment period applicable to Grade A shall be extended by an additional two months. 4. If the monthly assessment is rated as D, the payment terms applicable to grade A shall be extended by an additional three months. 5. Suppliers rated as Grade D are required to submit an improvement plan. If a supplier receives a Grade D rating for three consecutive months, the company may terminate its business relationship with the supplier. However, if the supplier operates in a monopoly or oligopoly market, or if it is difficult to identify alternative suppliers, the Materials Department may seek approval from the General Manager to continue the cooperation. 6. The subsequent inclusion of the "Supplier Corporate Responsibility Self-Assessment Form" will be incorporated into the overall evaluation and scored on a bonus point basis.				



In 2024, there were 472 Class A suppliers, 19 Class B suppliers, and 2 Class C suppliers. Follow-up measures for Class C suppliers will include the provision of guidance and recommendations for improvement. Additionally, relevant information from the supplier forum will be communicated to the appropriate contacts to achieve the objectives of sustainable supplier management.

▼ Supplier Evaluation Statistics Table



	2023	2024
A	462	472
B	23	19
C	3	2
D	0	0

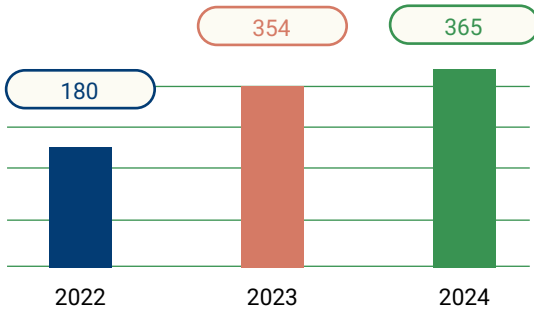
Note 1. The 2023 data was classified and managed according to supplier significance and future development potential, rather than the ABC three-tier grading based on monthly assessment results. In the 2024 report, the 2023 data has been restated to present the annual statistics derived from monthly assessments.

II. Focus on Suppliers' Labor Rights

BASSO strictly complies with its internally established Human Rights Policy and relevant corporate responsibility requirements, requiring suppliers to respect labor Equity and human rights. This includes maintaining formal employment relationships, providing a safe and healthy working environment, ensuring that working hours are not excessive, and prohibiting child labor and forced labor, among other provisions.

Since 2022, suppliers have been required to sign the "Corporate Social Responsibility Compliance Declaration for Partner Vendors" during the supplier selection process and are subject to regular inspections and audits. As of 2024, a total of 365 suppliers have signed the declaration, accounting for approximately 70% of regularly engaged suppliers.

▼ Partner Supplier Corporate Social Responsibility Delaration



III. No Use of Conflict Minerals

BASSO has implemented a policy regarding the sourcing of four metals—gold (Au), tin (Sn), tantalum (Ta), and tungsten (W)—used in its products. Suppliers are required to verify the countries of origin of these minerals and to sign a letter of guarantee to ensure that such minerals are not sourced from the Democratic Republic of the Congo or its neighboring countries and regions.

IV. Restricted or Prohibited Hazardous Substances in Raw Materials

In response to the increasing global emphasis on the use of hazardous or toxic substances in product components, as well as environmental concerns regarding Packaging materials and waste recycling, BASSO requires its suppliers to provide test reports, Material Safety Data Sheets, or certificates of non-hazardous substance compliance. These measures are implemented to prevent the inclusion of prohibited or restricted hazardous substances in the company's products, ensure compliance with applicable laws and regulations, fulfill customer requirements, protect the global environment, and mitigate the impact on ecosystems.

Notifications of new and amended environmental regulations are issued periodically each year, and subcontractors are required to sign and acknowledge their understanding.

▼ Procurement of green parts/components or product parts compliant with RoHS, REACH, and other relevant standards

» Action Plan

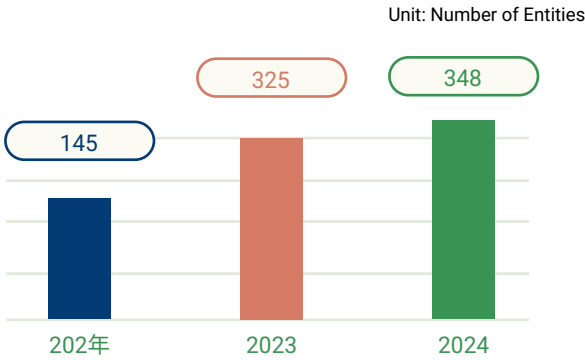
Improper management of waste generated at the end of a product's life cycle can result in serious negative impacts on the environment and human health.

To fulfill its corporate responsibilities and provide transparent and reliable certification as a reference for clients and consumers, BASSO has commissioned independent third-party organizations to conduct product testing to verify the effectiveness of hazardous substance control.

» Performance Evaluation

In 2024, the effectiveness of hazardous substance control was in full compliance with all relevant laws and regulations.

▼ Status of Enviremental Regulation Acknowledgment Return



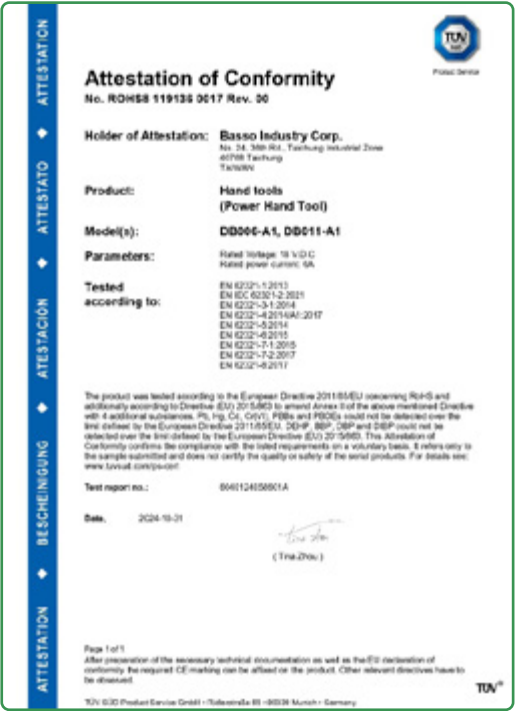
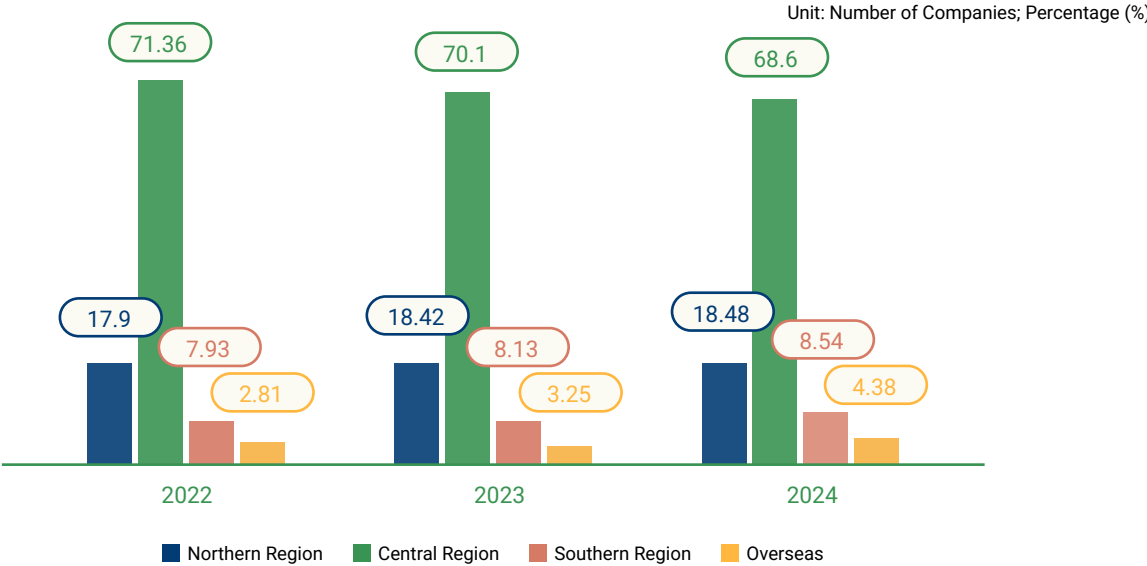
V. Local Procurement

GRI 204-1

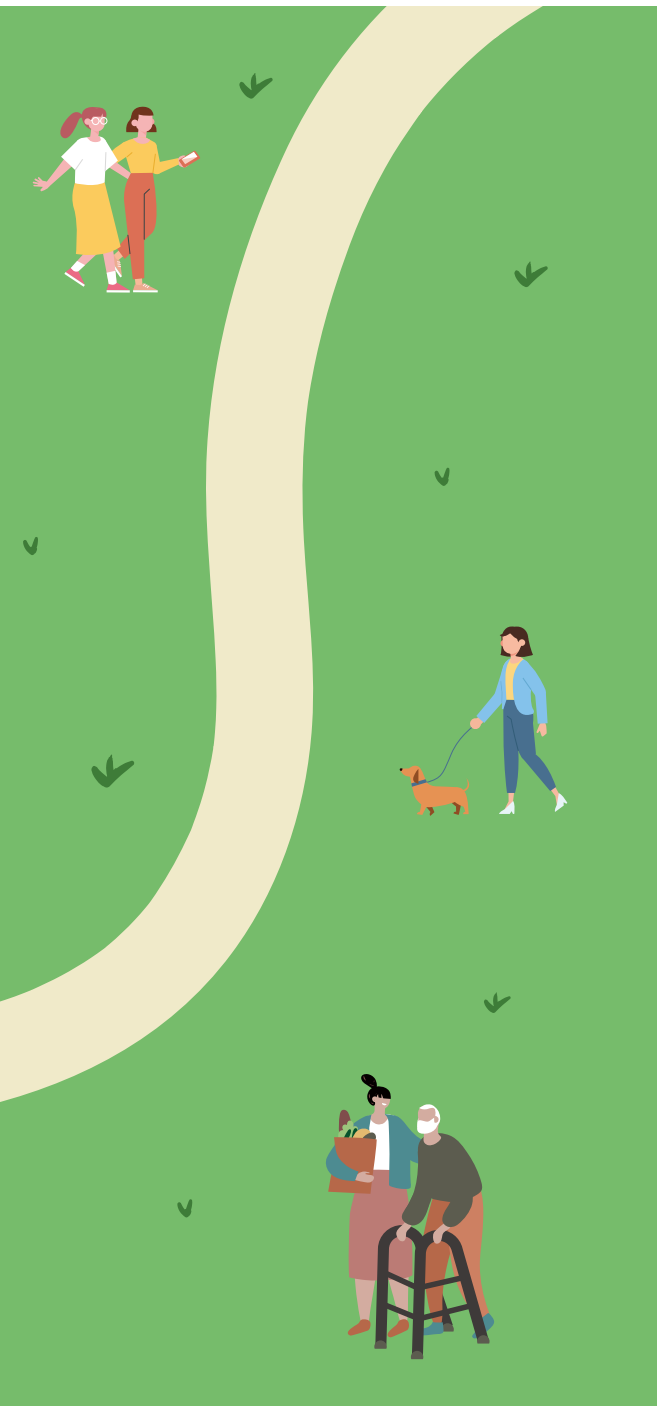
The main components of BASSO's products comprise aluminum die-cast parts, magnesium die-cast parts, investment castings, plastic parts, and others. The proportion of locally sourced raw materials (Note) is 95.82%, with nearly 70% of suppliers situated in the central region.

The significant shortening of transportation routes enables timely and localized procurement, reduces management and operating costs, contributes to carbon reduction, creates local employment opportunities, and fosters economic prosperity and development.

Note 1. "Local" refers to the territory of the Republic of China.



Chapter 03



Social Care

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3.1 Labor Relations

GRI 2-25, 3-3

Significance for the Company	Employee are the indispensable foundation of the company's operations. The company is committed to providing a workplace environment that supports the physical and mental well-being and diverse development of Employee, enabling Employee to work without concerns.		
Policies and Commitments	We comply with domestic labor laws and human rights standards, strictly adhere to international human rights conventions, and are committed to fostering a friendly working environment through a harmonious and stable relationship between labor and management, thereby mitigating labor-related risks.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	- Employee Welfare Committee meetings convened four times per year. - Employee Satisfaction Survey: Conducted Annually - Turnover Rate: Less Than 14% - Employee retention rate during parental leave was 100%.	- Increase the Proportion of Female Executives to 15% - Employee Satisfaction Survey Follow-Up Interview - Turnover Rate: Less Than 10% - Increase Salaries and Benefits	Resource Investment - Beginning with the 6th session, there have been seven representatives each from labor and management, for a total of fourteen members, with regular meetings convened once per quarter. - Develop Employee Satisfaction Survey Form - Exit Interview Questionnaire Concrete Results - Number of Employee Welfare Committee meetings in fiscal year 2024: 2 meetings per year - The employee turnover rate in 2024 was 12.75%, representing a 9% decrease from the previous year. 2024 Employee Retention Rate After Parental Leave: 100%
Evaluation Mechanism	Regular Convening of Labor-Management Meetings and the Employee Welfare Committee		
Responsible Department / Grievance Mechanism	Human Resources Department / Tel: 04-23598877 Ext. 1203		

Proportion of Female Employees and Senior Executives

In accordance with the company's internal human rights policy, the proportion of female Employees has increased each year. The company will continue to increase the percentage of female managers to promote organizational diversity and inclusion, thereby enhancing diversity in decision-making and improving management efficiency.

Unit: Number of Employees

Fiscal Year	Year 2022	Year 2023	Year 2024
Female Employee	198	179	197
All Employees	711	634	688
Percentage of Female Employees	27.8%	28.2%	28.6%
Female Senior Management	4	3	3
Senior Executives	39	45	59
Percentage of Female Senior Executives	10.3%	6.7%	5.1%

Note 1. The number of Employees is determined based on the Employee headcount as of December 31 of the fiscal year.

Proportion of Senior Management Hired from the Local Community

GRI 202-2

The Company is incorporated and registered pursuant to the Company Act of the Republic of China. All members of the Board of Directors who concurrently serve as senior management (i.e., Directors who also act as managers of the Company) are local residents and nationals of the Republic of China.

Fiscal Year		Year 2022	Year 2023	Year 2024
Statistical Category				
Total Employees		711	634	688
Gender	Male	513	455	491
	Female	198	179	197
Nationality	Republic of China	587	543	567
	Other	124	91	121
Management	First-Line Manager	34	35	33
	Middle Management	30	28	27
	Senior Executives	42	59	59

Note 1. The number of Employees is determined based on the Employee headcount as of December 31 of the fiscal year.

Note 2. Entry-level managers are defined as team leader level; mid-level managers are defined as section chief level; and senior managers are defined as manager level and above.

As of the end of 2024, the Company employed a total of 688 full-time Employees, including 121 foreign Employees. Of the full-time Employees, 119 were managerial personnel. Entry-level managers are defined as team leader level, mid-level managers as section level, and senior managers as manager level and above. All 59 senior managerial personnel were domestic Employees, resulting in a 100% employment rate of local senior managers.



New Employee Recruitment and Employee Turnover

GRI 401-1

The Company adheres to a merit-based recruitment policy, ensuring that all personnel recruitment and employment are conducted through open and transparent channels. The primary avenues for talent selection include public recruitment and employment service centers. Additionally, recommendations from professional institutions and Employee referrals contribute to providing the Company with high-quality human resources.

With the gradual recovery of the global economy in fiscal year 2024, the Company has steadily advanced various business operations and continued recruitment efforts, resulting in a significant 17.23% increase in the new hire rate compared to 2023. Concurrently, enhanced job stability has led to a slight decrease of 2.51% in the turnover rate. All Employees are based at the Company's key operational sites in Taiwan.

Unit: Number of Persons, Percentage (%)

Fiscal Year		Year 2022		Year 2023		Year 2024	
Category		Total	Ratio	Total	Ratio	Total	Ratio
New Employee		61		18		138	
Age	Below 30	26	3.66%	10	1.58%	87	12.64%
	30 (inclusive) to under 50	34	4.78%	7	1.10%	50	7.27%
	50 or more (inclusive)	1	0.14%	1	0.16%	1	0.15%
Gender	Male	37	5.20%	12	1.89%	106	15.41%
	Female	24	3.38%	6	0.95%	32	4.65%
Education	Institute of Graduate Studies	9	1.27%	3	0.47%	17	2.47%
	Higher Education Educational Institution	31	4.36%	15	2.37%	67	9.74%
	Other	21	2.95%	0	0%	54	7.85%
Total		Other	8.58%	18	2.84%	138	20.06%

Fiscal Year		Year 2022		Year 2023		Year 2024	
Category		Total	Ratio	Total	Ratio	Total	Ratio
Former Employee		85		97		88	
Age	Below 30	31	4.36%	19	3.00%	28	4.07%
	30 (inclusive) to under 50	47	6.61%	65	10.25%	51	7.41%
	50 or more (inclusive)	7	0.98%	13	2.05%	9	1.31%
Gender	Male	73	10.27%	72	11.36%	70	10.17%
	Female	12	1.69%	25	3.94%	18	2.62%
Education	Institute of Graduate Studies	8	1.13%	4	0.63%	14	2.03%
	Higher Education Educational Institution	31	4.36%	43	6.78%	52	7.56%
	Other	46	6.47%	50	7.89%	22	3.20%
Total		85	11.96%	97	15.3%	88	12.79%

Note 1. New hire rate = (Total number of new Employee in the category during the fiscal year / Total number of Employee at year-end) × 100%.

Note 2. Turnover rate = (Total number of Employee resignations in the category during the fiscal year / Total number of Employees at year-end) × 100%.

Note 3. New hires are not offset by employees who resigned during the period and do not include personnel transferred within the group.

Note 4. The number of departing Employees includes those who resigned voluntarily, were dismissed, retired, or whose contracts expired.

Diversity Statistics

GRI 2-4, 405-1

Board diversity is a significant trend in modern corporate governance, with the increase in the number of female Directors serving on the board representing one of its most prominent and important initiatives.

In 2024, BASSO increased the number of female Directors by two, raising the proportion of female Directors from 9% in the previous term to 33%. This enhancement of overall board diversity fosters broader perspectives and insights, thereby more accurately reflecting the diversity of society. Concurrently, increasing the proportion of female Employees also promotes gender equality, providing more opportunities for women to participate in corporate management and decision-making.

The aforementioned management policies not only conform to contemporary societal values but also promote superior operational performance and a heightened sense of corporate social responsibility.

Unit: Number of Persons, Percentage (%)

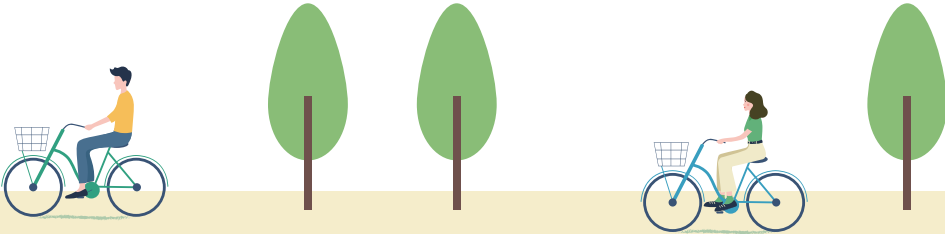
Diversified Statistics / Fiscal Year			Year 2022		Year 2023		Year 2024	
			Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Director	Gender	Male	10	91%	10	91%	6	67%
		Female	1	9%	1	9%	3	33%
	Age	Below 30	0	0%	0	0%	0	0%
		30 (inclusive) to less than 50	3	27%	3	27%	3	33%
		50 or more (inclusive)	8	73%	8	73%	6	67%
	Education	Institute of Graduate Studies	4	36%	4	36%	3	33%
		Institutions of higher education	6	55%	6	55%	5	56%
		Other	1	9%	1	9%	1	11%
		Total	11	100%	11	100%	9	100%

Diversified Statistics / Fiscal Year				Year 2022		Year 2023		Year 2024	
				Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Employee	Direct	Gender	Male	269	38%	198	31%	246	36%
			Female	99	14%	81	13%	90	13%
		Age	Below 30	91	13%	62	10%	64	9%
			30 (inclusive) to under 50	238	33%	169	27%	220	32%
			50 or more (inclusive)	39	6%	48	8%	52	8%
		Education	Institute of Graduate Studies	2	0%	0	0%	1	0%
			Institutions of higher education	83	12%	62	10%	73	11%
			Other	282	40%	217	34%	262	38%
		Indirect	Gender	Male	244	34%	257	41%	245
	Female			99	14%	98	15%	107	15%
	Age		Below 30	29	4%	28	4%	42	6%
			30 (inclusive) to under 50	244	34%	226	36%	198	29%
			50 or more (inclusive)	70	10%	101	16%	112	16%
	Education		Institute of Graduate Studies	45	6%	45	7%	47	7%
			Institutions of higher education	236	33%	233	37%	244	35%
			Other	63	9%	77	12%	61	9%
	Total				711	100%	634	100%	688

Note 1. In the previous fiscal year's report, the number of Directors with academic degrees for 2022 to 2023 and the number of direct Employees with graduate degrees in 2022 were misstated. These errors have been corrected in the 2024 report. The total disclosed numbers of Directors and Employees were not affected.

Note 2. In this fiscal year's report, the age brackets for Directors have been revised to: under 30 years old; 30 years old (inclusive) to under 50 years old; and 50 years old (inclusive) and above. Accordingly, the age brackets for Directors for fiscal years 2022 and 2023 have been adjusted. This revision does not affect the total number of disclosed Directors.

Note 3. The number of Directors and Employees is determined based on the number of Directors and Employees as of December 31 of the fiscal year.



Employee Benefit and Retirement Plans

GRI 201-3, 401-2

▼ Profit and Results Sharing

Employee compensation, year-end bonuses, performance bonuses, KPI bonuses, internship tuition subsidies, and conversion bonuses for interns are granted based on company operations and individual performance. To ensure the company's long-term development and sustainable operation, while retaining talent and safeguarding Shareholder Equity, the Articles of Incorporation stipulate that, if there is profit in a fiscal year, not less than 0.5% shall be allocated as Employee compensation and not more than 3% as compensation for Directors and Supervisors. However, if the company has accumulated losses, the amount required to offset such losses shall be reserved in advance. Of the aforementioned Employee compensation, not less than 40% shall be distributed to grassroots Employees. Employee compensation may be distributed in the form of shares or cash, and eligible Employees of subsidiaries may also be included as recipients.

▼ Comprehensive Employee Benefits

An Employee Welfare Committee was established in accordance with legal requirements to promote various employee welfare activities.

- » Birthday and Holiday Gift Allowances
- » Annual Travel Subsidy
- » Wedding Cash Gift
- » Childbirth Congratulatory Payment
- » Employee and Dependent Scholarship Programs
- » Occupational Injury Hospitalization Consolation Payment
- » Emergency Assistance Fund
- » Employee and Family Funeral Condolence Allowance
- » Free English and Japanese Language Courses (Multiple Sessions)
- » Free Yoga Stress Relief Sessions (2 Classes)
- » Club Activity Grant
- » Department Meal Subsidy
- » Department Uniform Allowance
- » Free Health Examination

Employee Benefits Expenses

Unit: New Taiwan Dollars; %

	Year 2023		Year 2024	
Contents / Description	Amount	Percentage (%)	Amount	Percentage (%)
Weddings, Funerals, and Celebrations Emergency Relief	216,700	1.67%	165,900	0.99%
Recreational Expenses Three Festivals, Birthday, and Travel Subsidies	10,938,036	84.52%	11,819,017	70.58%
Other Expenses (Department Gatherings, Miscellaneous Expenses, Scholarships)	1,786,781	13.81%	4,760,054	28.43%

Immediate Company Incentives

To encourage Employee creativity and promote internal operational improvements, the Company awards special contribution bonuses to project leaders in the form of "instant rewards" as a concrete means of supporting and recognizing Employees.

	Year 2023	Year 2024
Immediate Reward	82,912元	81,000

Note 1. The 2024 instant incentive amount includes instant incentives, new employee referral bonuses, and internship scholarships.

Comprehensive Insurance and Retirement Program

- » A sound labor insurance and health insurance system provides basic protection for employees.
- » Comprehensive group insurance coverage, including accident and medical insurance.
- » Increase accident insurance coverage for overseas business travelers to provide greater protection for Employee business trips.
- » The Labor Retirement Reserve Supervisory Committee was established in accordance with the law, and retirement reserve contributions are made in compliance with the Labor Standards Act and the Labor Pension Act.

Retirement Scheme

GRI 201-3

- » Pursuant to applicable laws, the Supervisory Committee for Employee Retirement Reserve has been established, and monthly allocations to the retirement reserve are deposited into a dedicated account with the Bank of Taiwan. In accordance with the Labor Pension Act, monthly contributions to the labor pension are made and deposited into individual labor pension accounts established by the Bureau of Labor Insurance. The Employee retirement system is fully administered in strict compliance with all relevant regulations. In accordance with the amendment to Article 56 of the Labor Standards Act, the balance of the labor retirement reserve account is estimated prior to the end of each fiscal year. Should the balance be insufficient to cover payments to Employees eligible for retirement under Article 53 or Article 54, Paragraph 1, Subparagraph 1 in the subsequent year, the shortfall shall be fully allocated by the end of March of the following year and submitted to the Company's Supervisory Committee for Employee Retirement Reserve for review.
- » Effective July 1, 2005, Employee pension contributions have been administered in accordance with the Labor Pension Act. For Employees who elect the new scheme, the Company is required by law to contribute 6% of each Employee's monthly salary to the Employee's individual pension account with the Bureau of Labor Insurance. Employees may also voluntarily make additional pension contributions within the statutory limits based on their monthly salary. The new labor pension scheme has been in effect since July 1, 2005. Seniority accrued under the previous scheme prior to the implementation of the new scheme is preserved. Employees who commence employment after the implementation date and meet the eligibility criteria for the new scheme are subject to the new scheme. Pension benefits are calculated and disbursed separately under the old and new schemes.
- » An Employee may apply for voluntary retirement under any of the following circumstances:

1) Individuals who have served for fifteen years or more and have reached the age of fifty-five.

2) Individuals with at least 25 years of service.

3) Employees who have completed more than ten years of service and have reached the age of sixty.

» Method of Calculation for the Old Pension Scheme:

- » Employees who commenced employment prior to the implementation of the new Labor Pension System shall, based on their years of service under the previous system, be granted two base units for each full year of service. For years of service exceeding fifteen years, one base unit shall be granted for each additional year, with a maximum limit of forty-five base units. Service periods of less than six months shall be counted as half a year, while periods of six months or more shall be counted as one full year.

» Retirement Fund

	Year 2023	Year 2024
Retirement Fund	\$126,000,000	\$127,000,000

The amounts of defined benefit plans recognized in the consolidated Balance Sheet for the fiscal years 2022 through 2024 are as follows:

Unit: Thousands of New Taiwan Dollars (NT\$)

	Year 2022	Year 2023	Year 2024
Present Value of the Defined Benefit Obligation	129,434	126,211	120,754
Fair Value of Plan Assets	(121,586)	(114,806)	(128,541)
Defined benefit liabilities	7,848	11,405	(7,787)

Government Grants and Assistance

GRI 201-4

In light of the current trend of declining birth rates, the implementation of comprehensive childcare policies constitutes one of the government's key strategic initiatives.

At the same time, to support Employee commitments to both family and career, BASSO provides tangible subsidies for childbirth. Employees with continuous service of more than three months are eligible for a cash gift of NT\$3,600 upon the birth of their own child, and a cash gift of NT\$2,200 upon the birth of a child by their spouse.

Legal Basis: Article 15 of the Act of Gender Equality in Employment—Guidelines for Maternity Checkup Leave, Paternity Leave, and Paternity Leave Salary Subsidy
Amount of government subsidy: NT\$14,631
The government does not hold any ownership in the Company's equity structure.

Parental Leave Policy

GRI 401-3

BASSO supports Employee through concrete actions, enabling them to balance business operations with family responsibilities and thereby extending the company's care to their families. The company also aims to encourage working women to have children through these initiatives, in order to address the current trend of declining birth rates.

Based on the data presented in the table below, the Company's retention rate was 100% in 2024.

Unit: Number of Persons, Percentage (%)				
Employee Parental Leave Without Pay / Fiscal Year	Gender	Statistics		
		Year 2022	Year 2023	Year 2024
Number of Employees Eligible for Parental Leave	Male	23	22	23
	Female	14	13	14
Number of Employees Applying for Parental Leave Without Pay	Male	3	0	0
	Female	5	8	6
Number of Employees Scheduled to Return from Parental Leave Without Pay (A)	Male	3	0	0
	Female	5	4	4
Number of Employees Who Actually Returned to Work After Parental Leave (B) (Including Early Reinstatement)	Male	2	0	0
	Female	5	3	4
Reinstatement Rate (B/A)	Male	67%	-	-
	Female	100%	75%	100%
Number of Employees (C) Whose Parental Leave Ended in the Previous Year and Who Remained Employed for Twelve Months Following Their Return to Work	Male	2	0	0
	Female	5	3	4
Retention Rate (C / B of the Previous Year)	Male	100%	-	-
	Female	100%	100%	100%

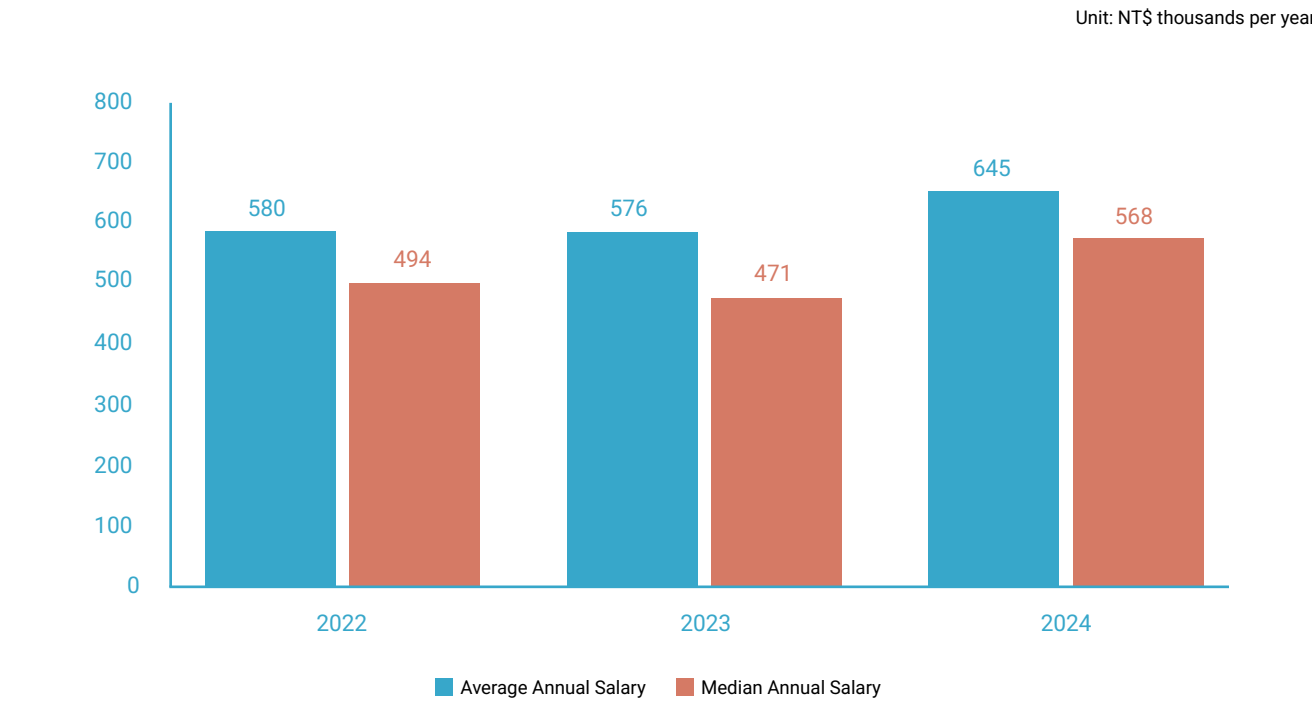
Salary System

In 2024, as the economy gradually recovered, the company expanded its professional talent recruitment program, resulting in an increased turnover rate among new Employees during the period. By the end of 2024, although 138 new Employees had joined the company, most had been employed for less than six months and therefore did not meet the criteria for full-time Employee status. Concurrently, due to normal personnel turnover, the total number of full-time Employees decreased by 3.99% compared to 2023. The total is expected to recover in 2025.

In the first half of 2024, benefiting from the economic recovery, the company increased the salaries of 715 Employees to fulfill its commitment to Employee welfare and to launch an exceptional talent retention program. Consequently, total salary expenses rose by 4.8% compared to 2023.

In order to support grassroots Employees, substantial adjustments were made to their salaries, resulting in a 20.6% increase in the median annual salary compared to 2023. Furthermore, the overall average annual salary increased by 11.8%.

Unit: Number of persons, NT\$ thousands			
Full-time Employee in Non-supervisory Position	Year 2022	Year 2023	Year 2024
Employee Headcount	715	651	625



Labor-Management Conference

Continuous communication with Employees through multiple channels is maintained to build mutual consensus and enhance Employee work performance. In accordance with the Company's internally established Human Rights Policy, regular labor-management meetings are held each year to promote harmonious labor relations, foster a positive working environment, and effectively mediate differences of opinion.

The year 2024 marks the election year for the sixth term of labor representatives in the Labor-Management Conference. In order to further strengthen the administration of labor-management affairs, and with the approval of the conference representatives following deliberation, the number of representatives from both labor and management has been increased from six to seven per side, effective from the sixth term, resulting in a total of fourteen representatives. The company was also requested to actively support the organization of the sixth-term election. In this election, Employee participation in the nomination process for labor representatives was robust, with a total of twenty-seven labor candidates contesting seven labor representative seats. The election was conducted on April 2, 2024, and Employee voter turnout was notably high, with an average participation rate of 91.05%.

Labor-management meetings are held quarterly in 2024. Commencing with the sixth term of office (2024/05/08), each meeting is attended by seven representatives from both labor and management.



2024 Labor Representative Election



Key Communication Outcomes

- » Annual leave is calculated based on the calendar year.
- » In response to Employee requests, no make-up workdays will be scheduled for consecutive national holidays.
- » Flexible adjustment of work hours on the first working day to alleviate Employee traffic congestion.
- » Re-election of employee representatives at the labor-management meeting, with the number of representatives from both labor and management adjusted to seven each.
- » Labor-management meetings will be coordinated with the Occupational Safety and Health Committee, and the meeting schedule will be adjusted from January, April, July, and October to March, June, September, and December.

Employee Satisfaction Survey

2024 Overall Trend Analysis

- ✓ **Items with the Most Improvement:**

 - » I am able to freely discuss any work-related matters with my supervisor.
 - » I am willing to seek assistance or guidance from colleagues as needed.
 - » I am satisfied with the health and wellness benefits provided by the company, including medical insurance and mental health support.
- ⚠ **Items for Attention:**

 - » I am satisfied with the level of cleanliness and organization in the workplace.
 - » I believe the company values and prioritizes Employee well-being.
 - » I am of the opinion that my supervisor recognizes the value of my contributions and affirms my efforts.

Overall, Employee satisfaction in 2024 has improved compared to 2023, particularly in the areas of supervisor relationships, teamwork, and health benefits. In addition, Employees remain most concerned about the fairness and reasonableness of the salary adjustment system. Although progress in this area did not rank first among all Contents, significant improvement (4.9%) has been achieved through substantial optimization of compensation policies in recent years. Nevertheless, the company must continue to enhance workplace cleanliness and organization, Employee well-being, and the recognition of Employee contributions in order to further improve Employee satisfaction and retention rates.



3.2 Occupational Safety and Health Management

GRI 2-25, 3-3

Significance for the Company	Strengthening Employee Safety Awareness		
Policies and Commitments	No occupational injuries, no minor injuries, no traffic-related injuries, no contractor injuries, and no property damage incidents.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» Frequency of internal health promotion activities: three times per year » General health examination items and frequency exceeding regulatory requirements. Frequency: Annually » Ensure the effectiveness of the stable management system and the ongoing optimization of the PDCA cycle.	» Strengthening Employee Safety Awareness. » Promotion of Health Promotion Certification. » Implementation of an Intelligent Safety Management System. » Zero Occupational Injuries and Advancement of Sustainability Objectives	▼ Resource Investment » The Human Resources Department coordinates with social welfare organizations and event organizers. ▼ Concrete Results » Approximately 108 Employees and their family members participated in the Super Supau Cup Road Running Event. » In 2024, no Employee was diagnosed with an occupational disease. » No major occupational accidents or work-related fatalities occurred in 2024. » No relevant safety incidents occurred within or outside the plant in 2024. » In 2024, internal audits of the operating environment were conducted, and all inspection results met the required standards.
Evaluation Mechanism	Fiscal Year Summary » Conduct quarterly reviews of policy management progress. » 2.Progress Review of the Annual Management Review Report.		
Responsible Department / Grievance Mechanism	Environmental Protection Office, Occupational Safety and Health Office / Tel: 04-23598877 Ext. 1212, 1767		

▼ Principles for Establishing a Zero Occupational Safety Incidents Target for Fiscal Year 2024

- » Zero Principle "Never allow yourself to be injured" and "Never allow colleagues to be injured"—eradicate hazards at the source to minimize industrial accidents.
- » Principle of Proactive Prevention: Detect, identify, and mitigate hazards concealed in any location to prevent and avert their occurrence.
- » Enhancement of Autonomous Workplace Activities: Each individual works collaboratively with a shared sense of purpose and proactively fulfills their duties at their respective positions.

▼ Photographs of Occupational Safety and Health Committee Meetings



Occupational Safety and Health Management System

GRI 403-1, 403-8

In 2024, the Company implemented the ISO 45001 Occupational Health and Safety Management System and established management plans in accordance with the Occupational Safety and Health Act, ensuring effective execution. To further enhance the level of occupational health and safety management and strengthen Employee health and safety protection, the Company actively promoted ISO 45001 certification and officially obtained certification on April 12, 2024. The Company's Occupational Health and Safety Management System covers all workers at the Company's headquarters.

Unit: Number of Persons

Management Sys-tems / Regulations	Type of In-spection	Headcount	Ratio	Notes
Occupational Safety and Health	Internal Audit	688	100%	Verification obtained on 2024/04/12.
	Labor Inspection	113	16%	
ISO 45001	Internal Audit	688	100%	
	External Verification BASSO Employee	688	100%	
	External Verification Contractor	13	2%	

Note 1. The number of employees is based on the headcount as of 2024/12/31.

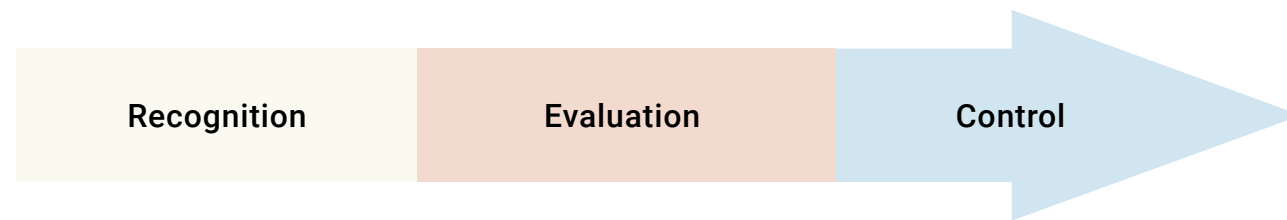


Hazard Identification, Risk Assessment, and Incident Investigation

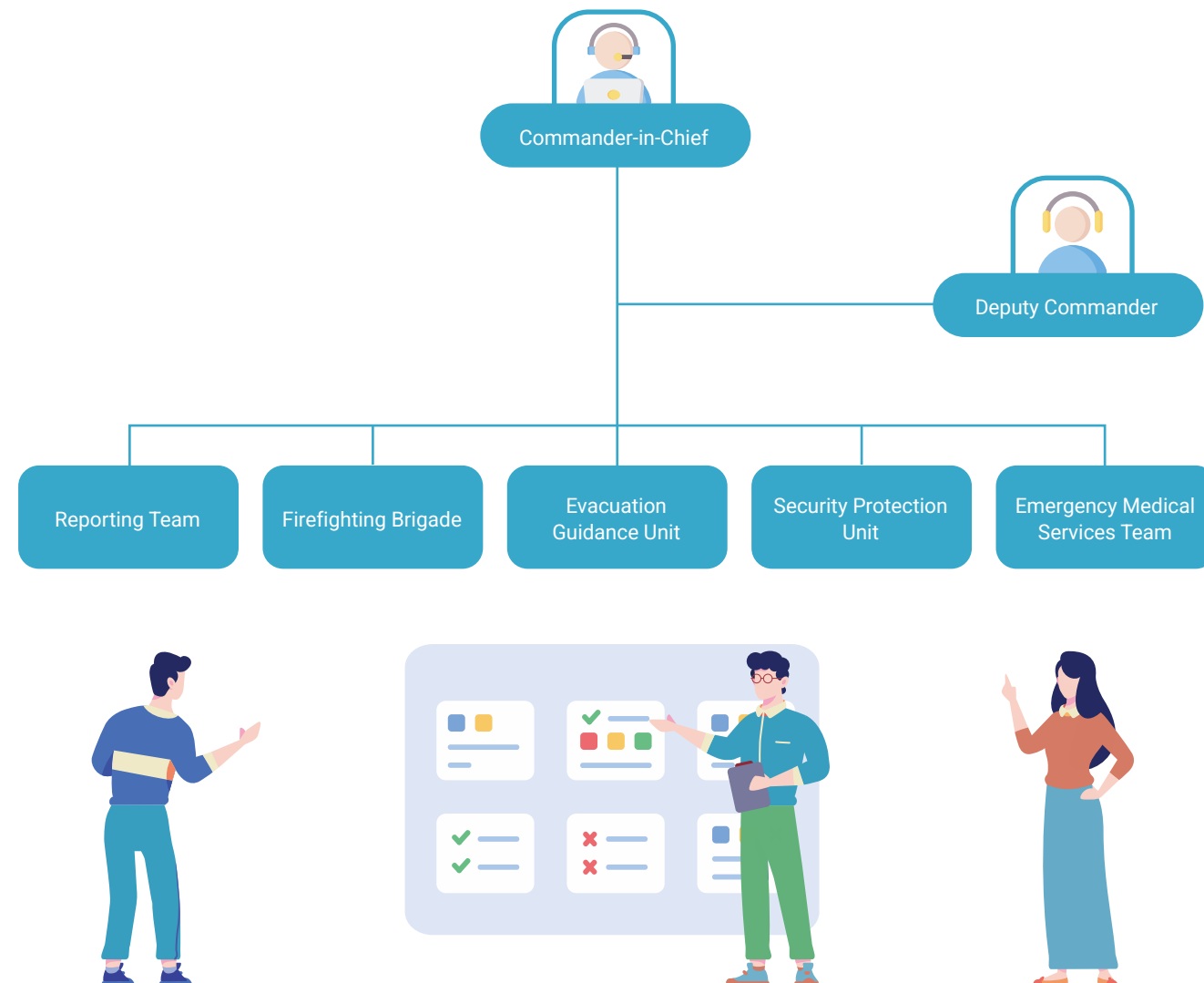
GRI 403-2

BASSO conducts occupational safety and health management in accordance with the three principal steps of identification, assessment, and control. The severity and probability of potential incidents are analyzed to evaluate risk levels and establish the prioritization of hazard control measures. In the event of an occupational accident, hazard analysis, incident investigation, documentation, and analysis are carried out. The Occupational Safety and Health Committee reviews and discusses corrective actions to prevent the recurrence of similar incidents.

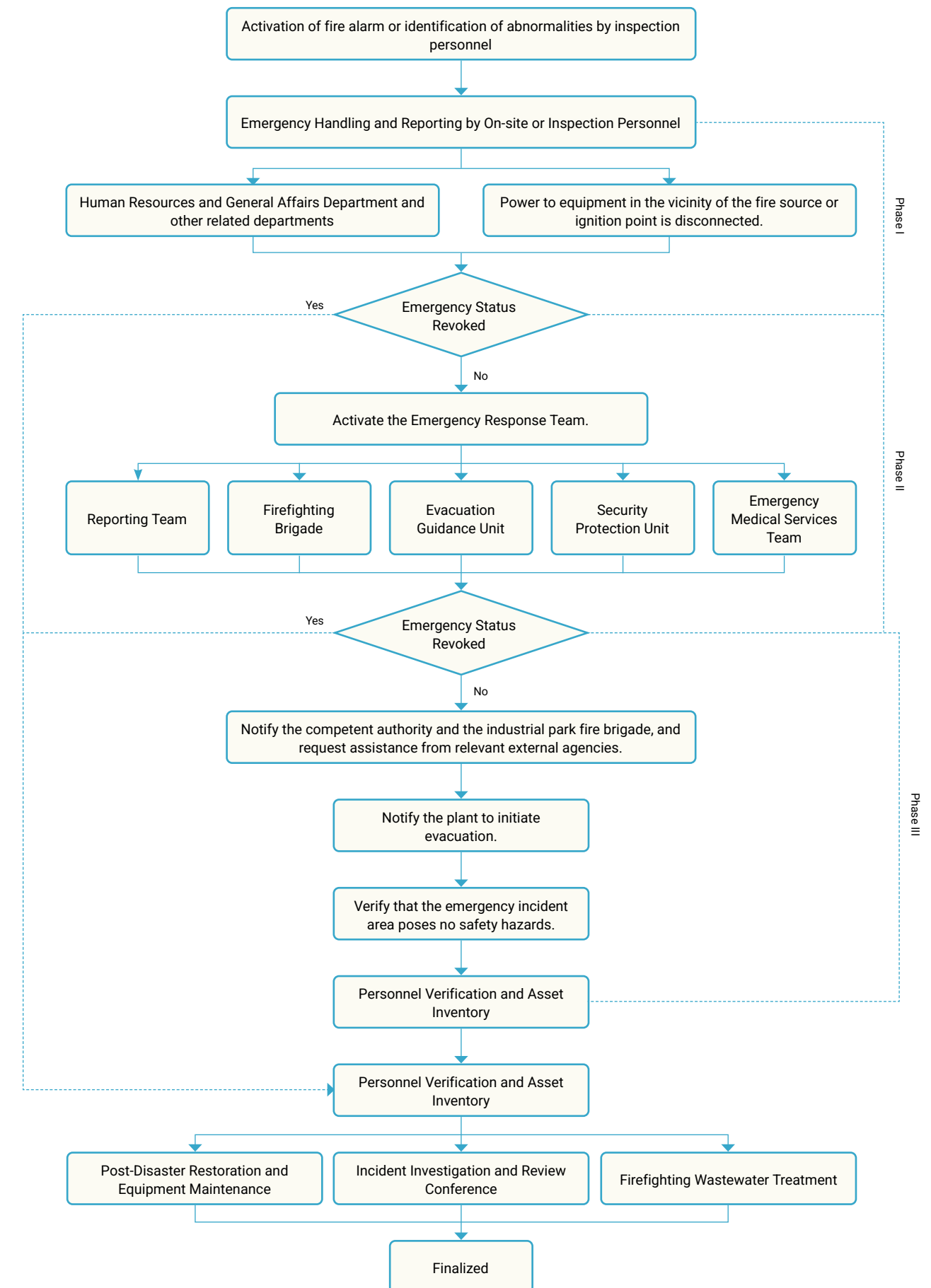
In the event of an accident, the individual involved or a colleague may directly notify the department supervisor, and the company shall not use such notification as grounds for disciplinary action against the employee. Furthermore, if, at the time of the accident, an employee believes there is an imminent risk of danger, the law protects their right to emergency evacuation. Provided that the safety of other employees is not jeopardized, the employee may independently cease operations and withdraw to a safe location, and must immediately report to their direct supervisor. The company shall not use this as grounds for disciplinary action against the employee.



Emergency Response Organizational Chart



Emergency Incident Response Flowchart



Occupational Health Services

GRI 403-2

In compliance with statutory requirements, the Company employs one full-time occupational health nurse to implement health service measures and has completed the necessary reporting procedures on the Labor Health Protection Reporting Information Network. The Company has also entered into an on-site medical service agreement with Cheng Ching General Hospital Zhonggang Branch. Based on the number of insured employees and the industry classification level, Cheng Ching General Hospital Zhonggang Branch dispatches a licensed occupational physician to the Company each month to provide on-site health services (three hours per visit) at the Company's premises.



» On-Site Assessment by Physician

The company's dedicated occupational health nurses are responsible for analyzing and evaluating the results of physical examinations for new Employees, managing Employee health, maintaining relevant records, and assisting in assessing the suitability of Employees for appropriate work environments. For Employees with work-related injuries or illnesses, return-to-work functional assessments are conducted. In accordance with the Labor Health Protection Regulations, four major programs are implemented. Occupational safety and health personnel also collaborate to conduct periodic workplace inspections and provide recommendations for improvements. Each year, in cooperation with Chung Kang Cheng Ching Hospital, the company arranges health examinations for Employees working in special operational environments across all plants (Plants I, II, III, V, VI, VII, and VIII). The health examination data are analyzed, follow-up appointments are arranged for Level 3 Employees, and ongoing tracking and management are performed. Subsequently, for Level 2 Employees, occupational health nurses arrange one-on-one health consultations and guidance, and, when necessary, refer them to occupational physicians for further health monitoring and management.

BASSO proactively addresses potential workplace health risks through preventive measures in two primary areas: workplace hazard risk assessment and Employee health promotion. For workplace hazard risk management, the company conducts biannual work environment inspections, actively collaborates with department supervisors to review risks, and implements environmental improvements to mitigate

workplace hazard factors. Regarding Employee health promotion, BASSO not only arranges health examinations for employees that exceed regulatory requirements but also provides on-site medical and nursing services. High-risk individuals are proactively identified, offered consultations, provided with recommendations for improvement, and monitored accordingly. Additionally, health promotion activities are organized on an ad hoc basis, and there are plans to arrange health seminars to enhance employees' awareness of physical, mental, and spiritual well-being. Each month, the occupational health nurse distributes health promotion information to Employee internal mailboxes to promote health awareness among all staff.

Year 2024	Health Promotion Initiatives
January	Sarcopenia: Decreased Muscle Mass and Deterioration of Muscle Quality
February	Top 10 Healthier Ways to Enjoy Traditional New Year Dishes
March	Dizziness, Neck Pain, and Red Eyes: Methods to Alleviate Sternocleidomastoid Syndrome (Illustrated Guide)
April	Food Poisoning Can Be Fatal: Overview of Common Pathogenic Bacteria and Associated Symptoms (Infographic)
May	Simple wall exercises for a full-body workout in a standing position, also suitable for seniors.
June	Comparison of Weight Loss Methods: Selecting Among the Six Major Diets
July	Prevent Heat Injury – 5 Essential First Aid Steps (Quick Guide)
August	How to Alleviate Eczema Itching? The Role of Vitamin D, Probiotics, and Omega-3 Fatty Acids—Evidence-Based Dietary Guide-lines (Infographic Summary)
September	What Is Considered a Normal Blood Pressure? What Are the Symptoms? Essential Information on Hypertension (Illustrated Guide)
October	Reduce Hip Pain and Improve Hip Mobility: Exercises for Sitting, Standing, and Lying Down (Illustrated Guide)
November	Nine Methods to Alleviate Plantar Fasciitis (Summary)
December	Remain Alert: Symptoms Beyond Limb Weakness May Also Indicate a Stroke

Worker Participation, Consultation, and Communication in Occupational Health and Safety

GRI 403-4

In compliance with applicable regulations, BASSO convenes an Occupational Safety and Health Committee meeting every three months. The committee members are categorized as follows:

- » Occupational Safety Personnel
Responsible for assessing workplace safety and workflow processes, focusing on five primary hazard factors: chemical, physical, ergonomic, biological, and social. Conducts risk assessments and occupational environment monitoring, and implements risk control measures, including source elimination, pathway management, and the use of personal protective equipment (PPE).
- » Occupational Health Service Medical Personnel
In addition to identifying workplace hazard factors, analyzes employees' health conditions that may contribute to occupational diseases and conducts risk identification. Strives for early detection and preventive intervention, leveraging on-site occupational health services and contracted medical institutions to enhance occupational disease risk assessment, provide preventive recommendations, monitor improvement outcomes, and track employee health management.
- » Department Heads
Responsible for overseeing and directing internal improvement actions within their departments, and supporting company policies by providing relevant documentation and records to ensure the continuous operation of workplace safety and health management.
- » Supervisors Responsible for Occupational Safety and Health Affairs
Assist in guiding colleagues to adhere to safe working procedures in accordance with company policy, helping to prevent occupational incidents.
- » Employee Representative
Acts as the spokesperson for employees, safeguarding their rights and interests, and facilitating coordination and communication of company policies.

▼ Worker Occupational Safety and Health Training

GRI 403-5

In addition to requiring new employees to complete occupational safety training and assessments on their first day of employment, the company conducts semiannual fire and emergency response drills. These drills address emergency situations arising from natural disasters, fires, and human-related incidents. To ensure the effectiveness of training and awareness programs, in-session assessments are administered during educational activities.



▼ Employee Occupational Safety Training and Education

In accordance with Article 32 of the Occupational Safety and Health Act and the Regulations for Occupational Safety and Health Education and Training, employers are required to provide Employee with the necessary safety and health education and training based on the nature and risks of their work. Pursuant to Paragraph 4, Article 34 of the Air Pollution Control Act and the Regulations for the Establishment and Management of Dedicated Units or Personnel for Air Pollution Control, dedicated personnel appointed in public and private premises in accordance with Paragraphs 1 and 2, Article 34 of the Act must have completed training and obtained a qualification certificate issued by the central competent authority.

Training Recipients and Frequency:

- » New Employee: Required to complete general safety and health education and training (at least 3 hours)
- » On-the-job Employee: Refresher training shall be conducted at least once every three years (e.g., for dust operations, first aid personnel, etc.).
- » Dedicated personnel must undergo a minimum of 6 hours of retraining every two years.
- » Special Operations Training: Additional specialized training and certification are required for positions such as Dust Operations Supervisor and Fire Prevention Manager.
- » Total Number of License Holders in 2024: 215
- » Number of personnel retrained for certification in the year 2024: 79

▼ External Training Certifications for the Year 2024

Certificate Name	Total Number of Licensed Holders
Dust Operations Supervisor	4
Fire Prevention Manager	15
Designated Chemical Substances	2
High-Pressure Gas Supply and Consumption Operations Supervisor	4
Fixed-type crane with a capacity of 3 metric tons or above	32
Forklift	83
High-Pressure Gas Specified Equipment Operator	8
Category A Occupational Safety and Health Supervisor	12
Emergency Responders	24
Acetylene Welding Equipment Training	2
Class B Air Pollution Control Specialist	2
Class B Occupational Safety and Health Administrator	4
Small-scale Boiler Operator	3
Fixed-type crane under three metric tons (operator)	5
Fixed cranes with a rated capacity of less than 5 metric tons	1
Hoisting Personnel (Required for Loads of 3 Tons or Less)	5
Supervisor of Oxygen-Deficient Operations	2
Energy Manager	2
High-Pressure Gas Cylinder Operator	1
High Pressure Gas Manufacturing Operations Manager	1
Radiation Protection Professional Training	3
TOTAL	215



Occupational Safety Investments

The investment in occupational safety for the year 2024 was NT\$917,770.

Internal Occupational Safety Equipment Expenses					
Occupational Safety Activity Categories	Capital Expenditures		Internal Operating Ex-penditures (Excluding Outsourcing Fees)		Depreciation of Occupational Safety Equipment and Plant (NTD)
	Investment Amount in Land for Newly Acquired Occupational Safety Equipment (NTD)	Amount of Newly Acquired Occupa-tional Safety Equip-ment and Plant (NTD)	Personnel Expenses ^{Note 1}	Other Internal Recurring Expenses ^{Note 2} (NTD)	
Procurement of Personal Protective Equipment			5,000	56,000	
Environmental, Health, and Safety Management System Software			5,000	7,500	
ISO 45001 System Certification Fee			50,000	346,000	
Occupational Safety and Health Training			60,000	120,120	
Total			120,000	529,620	

Note 1. Refers to the remuneration of personnel directly involved in occupational safety activities, including salaries, bonuses, overtime pay, allowances, subsidies, health (labor) insurance premiums, pension contributions, and similar items. If direct data are unavailable, the amount may be estimated based on the time Employee spend on occupational safety work. For part-time personnel, the amount should be estimated according to the proportion of actual participation in occupational safety activities (such as inspection, monitoring, etc.).

Note 2. Other internal recurring expenditures: This category includes expenses for materials, utilities, fuel, and pharmaceuticals necessary for independently conducting occupational safety activities (including source control, process management, and end-of-pipe treatment to prevent and reduce occupational safety incidents). It also encompasses costs associated with the establishment, monitoring, and information gathering of occupational safety management systems; rental fees for occupational safety equipment (including land); ISO 45001 series inspections and certifications; occupational safety education and training; and other related expenditures.

External Occupational Safety Equipment Expenses					
Occupational Safety Activity Categories	Capital Expenditures		Internal Operating Expenditures (Excluding Outsourcing Fees)		Depreciation of Occupational Safety Equipment and Plant (NTD)
	Investment Amount in Land for Newly Acquired Occupational Safety Equipment (NTD)	Amount of Newly Acquired Occupational Safety Equipment and Plant (NTD)	Personnel Expenses	Other Internal Recurring Expenses ^{Note 1} (NTD)	
1. Operational Environment Monitoring for the First Half of the Year				130,325	
2. Second Half-Year Operational Environment Monitoring				130,325	
3. Respiratory Fit Test				7,500	
Total				268,150	

Note 1. Commissioned Private Sector: Includes monitoring fees paid to monitoring agencies and inspection fees paid to private occupational environment inspection institutions, etc.

Health Promotion Activities

GRI 403-6

▼ AED+CPR Training Program

The Company has installed AED devices and encourages employees to participate in AED and CPR operational training programs. Through hands-on AED training, employees become proficient in the necessary procedures and actions, enabling them to respond promptly and effectively during the critical golden window in the event of an emergency. This initiative aims to foster a safe, healthy, and supportive work environment, ensuring employees can perform their duties with enhanced confidence and peace of mind.



▼ Preventive Health Education Promotion

Approximately 40% of the company's Employees are in the middle-aged to older age group. With increasing age, the physical burden caused by long-term consumption of meals outside the home, coupled with inadequate rest and insufficient exercise, may lead to the onset of chronic diseases.



▼ Aromatherapy Stress Relief Seminar

This seminar presents the practical application of aromatherapy essential oils in daily life, utilizing straightforward and accessible shoulder and neck relaxation techniques in conjunction with natural essential oils to facilitate relaxation, alleviate fatigue and stress, and enhance sleep quality.



▼ Smoking Cessation and Prevention Advocacy Activities

Smoking and exposure to secondhand smoke in the workplace may pose significant health hazards and occupational safety risks for Employees. Accordingly, the promotion of a smoke-free workplace not only reduces the incidence of occupational safety incidents but also mitigates the risk of workplace disasters, thereby supporting the objective of a safe working environment. This initiative further underscores the importance of workplace health management. By addressing Employee health and hygiene, it can reduce unnecessary medical expenses for employers, enhance productivity and Employee morale, and foster improved workplace interpersonal relationships.



▼ Organizing the "Slim Waist" Competition

Metabolic syndrome is a significant risk factor for chronic diseases, including hypertension, hyperglycemia, and hyperlipidemia. Waist circumference serves as the simplest and most effective indicator for identifying metabolic syndrome, as it reflects the level of visceral fat. By regularly monitoring waist circumference and adhering to a healthy lifestyle—engaging in at least 30 minutes of physical activity daily, maintaining a diet low in oil, sugar, and salt, increasing the intake of high-fiber fruits and vegetables, abstaining from smoking and alcohol, managing stress, and undergoing regular health examinations—the onset of metabolic syndrome can be effectively prevented.



» Before



» After



» Before



» After

▼ Yoga Classes

Through muscle stretching to enhance joint mobility, yoga contributes to improved physical flexibility and agility. The meditation and deep breathing practices incorporated in yoga help calm the mind, reduce stress and anxiety, and support emotional well-being.



▼ Employee Club Activities

The company encourages Employee to independently establish clubs and organize a variety of activities, enabling Employee to engage in shared interests and promote physical and mental well-being outside of work.



» Outdoor Hiking Club

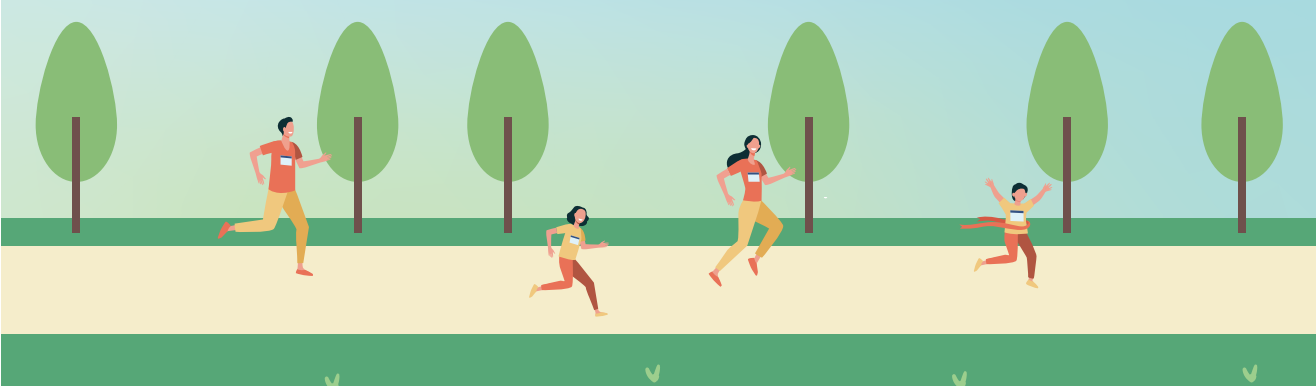


▼ Supau Cup Road Running Event

Each year, thousands of runners gather to traverse the scenic city streets, embarking on an inspiring road race.

The event features multiple categories with races of varying distances to meet the participation needs of runners at all levels. Whether professional athletes, fitness enthusiasts, or individuals new to running, all participants can find an appropriate challenge in the Shupau Cup. Participants have the opportunity to push their limits and challenge themselves in a vibrant atmosphere, while also benefiting from the physical and mental health advantages that sports offer.

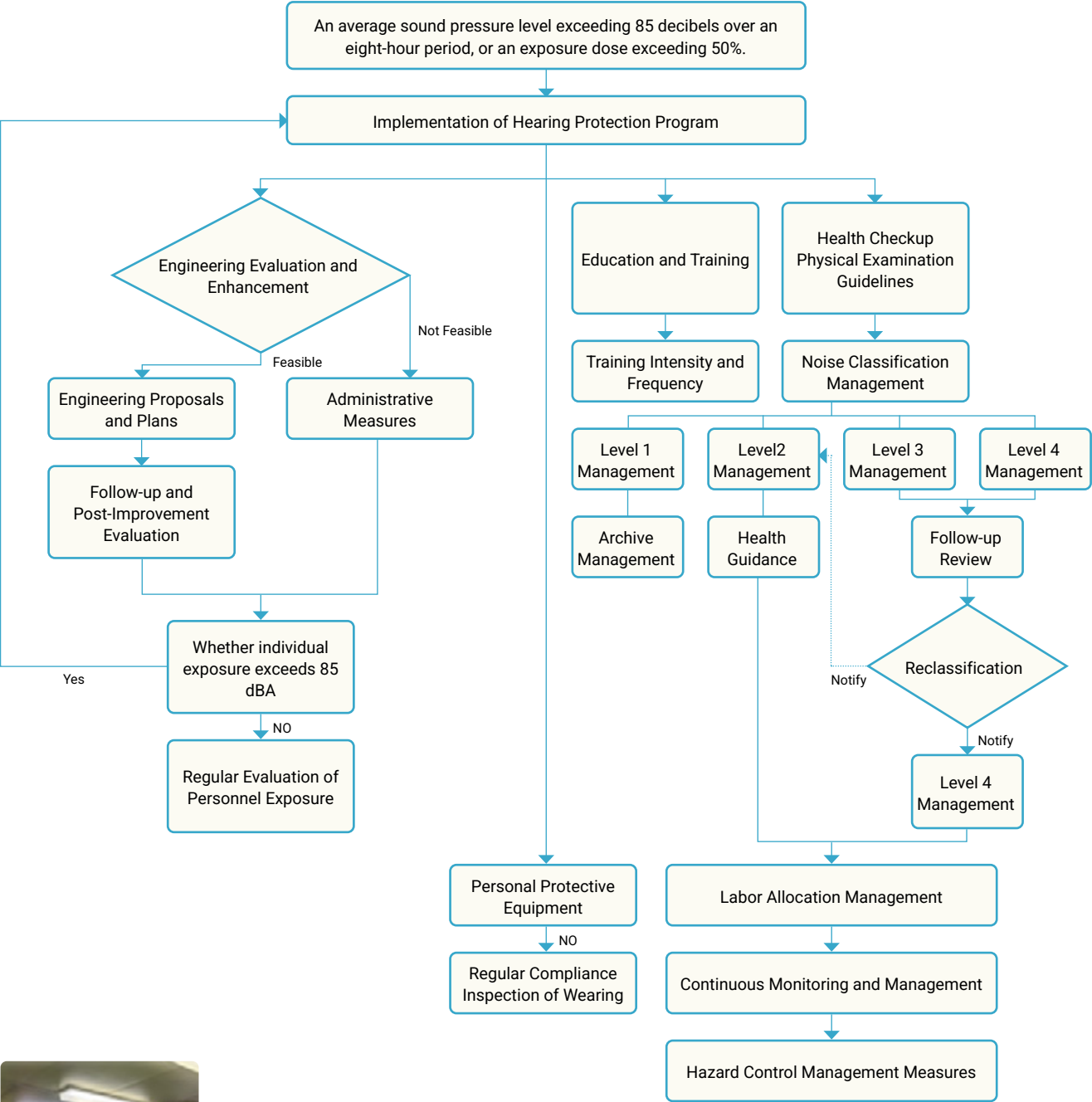
In 2024, a total of 108 individuals participated in the Supau Cup Road Running Event.



Prevention and Mitigation of Occupational Safety and Health Risks

Due to noise hazards present in the testing environment, regular environmental monitoring and health examinations for special work environments are conducted, with a health classification system in place. Individuals classified as Noise Level 2 receive health guidance, while those classified as Level 3 or Level 4 are subject to re-evaluation, follow-up examinations, reporting, and health management.

▼ Hearing Protection Program Flowchart



Dust hazards in the workplace resulting from metal grinding, including risks such as metal dust and dust storms, are managed through regular environmental monitoring, health examinations specific to special dust operation environments, fit testing, and the implementation of a respiratory protection program to ensure effectiveness and safety.

Employee physical and mental health is a key indicator of corporate sustainability. When hiring new Employees, BASSO conducts thorough assessments and retains physical examination reports. For current Employees, annual health examinations are provided at a frequency exceeding regulatory requirements. Employees engaged in operations involving specific health hazards receive specialized occupational health examinations (including assessments for noise, dust, ionizing radiation, nhexane, methylene diphenyl diisocyanate, and similar substances). If, upon examination and evaluation by a physician, any cases requiring follow-up management are identified, appropriate medical information is provided.

Inspection Category	Number of Examinees	Number of Persons Examined
High-Temperature Operations Health Examination	44	44
Occupational Noise Health Examina-tion	215	215
Ionizing Radiation Health Examina-tion	5	5
n-Hexane Occupational Health As-sessment	42	42
Occupational Health Examination for Methylenediphenyl Diisocyanate	19	19
Dust Operation Health Examination	153	153
Chromic Acid Occupational Health Assessment	9	9

▼ Four Major Pillars of Health Protection



Maternity Protection

▼ 2024 Results

» Tracking Management: 1 Person



Overload Prevention

▼ 2024 Results

» Occupational Physician Consultations: 18 Employees

» Follow-up Management: 83 Employees





Prevention of Unlawful Acts

▼ 2024 Results

» Tracking Management: 0 Person



Prevention of Human Factor Hazards

▼ 2024 Results

» Tracking Management: 3 Individuals

All new employees receive education and training on the prevention of workplace violence and sexual harassment on their first day of employment.



Occupational Injuries and Occupational Diseases

GRI 403-9, 403-10

The company may record the following indicators to assess Employee safety conditions, evaluate workplace safety, and develop more effective preventive measures.

▼ Employee and Non-Employee Occupational Injury and Occupational Disease Statistics

Unit: hours, number of persons, percentage (%)

Statistics / Fiscal Year		Year 2022	Year 2023	Year 2024
Total Hours Worked ^{Note 1}		1,538,064	1,401,312	1,391,104
Occupational Injury	Head-count	0	0	0
	Ratio	0	0	0
Fatal Accidents Caused	Head-count	0	0	0
	Ratio	0	0	0
Severe Occupational Injury ^{Note 2}	Head-count	0	0	0
	Ratio	0	0	0
Recordable Occupational Injury ^{Note 3}	Head-count	14	5	5
	Ratio	9.10	3.57	3.59
Occupational Dis-ease	Head-count	0	0	0
	Ratio	0	0	0
Recognized Occupational Diseases ^{Note 3}	Head-count	0	0	0
	Ratio	0	0	0

Note 1. The ratio is calculated based on one million work hours.

Note 2. Severe Occupational Injury: A severe occupational injury refers to an injury that renders an Employee unable or unlikely to recover to their pre-injury health status within six months. For statistical purposes, fatalities shall be excluded.

Note 3. Recordable occupational injuries or diseases are those resulting from any of the following circumstances: death, absence from work, work restrictions or job transfer, medical treatment beyond first aid, loss of consciousness, or a significant injury or illness diagnosed by a physician or other licensed healthcare professional.

Recordable Injury Rate = (Number of Recordable Injuries / Total Hours Worked) × 1,000,000.

▼ Employee and Non-Employee—Statistics on Types of Occupational Injuries and Occupational Diseases

Unit: Number of Persons

Type / Fiscal Year		Year 2022	Year 2023	Year 2024	Management Measures
Traffic Accident		10	2	2	Occupational health personnel assist in conducting return-to-work health assessments to confirm whether the individual's physical and mental condition is suitable for resuming work duties.
Types of Occupational Injury	Laceration	1	0	0	Occupational health personnel provide assistance with return-to-work assessments and implement occupational health education and related measures.
	Fall in-jury	0	1	0	
	Laceration	1	0	0	
	Burn	1	0	0	
	Injury from Collision	0	0	0	
	Crush Injury	1	2	2	
	Other	0	0	1	
Types of Occupational Diseases	Over-work	0	0	0	Regularly conduct spe-cific occupational health examinations and general health check-ups for Employees, determine the frequency and Contents of examinations based on the risk levels associated with different job categories, and ensure early detection of abnormalities with timely fol-low-up and management.

▼ Occupational Injury Frequency Rate, Occupational Disease Incidence, Lost Day Rate, Absentee Rate, and Total Number of Work-Related Fatalities

GRI 2-4

	Year 2022	Year 2023	Year 2024
Total Attendance Hours (Hours/Year)	1,411,520	1,401,312	1,391,104
Total Number of Disability Injury Cases (Persons)	13	5	5
Total Days of Disability Lost	161	18	99

Contents	Year 2022	Year 2023	Year 2024
Injury Rate (IR)	1.84	0.71	0.72
Disabling Injury Frequency Rate (FR)	9.21	3.56	3.59
Fatality and Serious Injury Index (FSI)	1.03	0.21	0.51
Occupational Disease Rate (ODR)	0	0	0
Lost Workday Rate (LDR)	22.81	2.57	14.2
Severity Rate (SR) of Disabling Injuries	114.06	12.85	71.17
Total Number of Fatal Accidents	0	0	0

Note 1. Injury Rate (IR) = (Total number of occupational injuries / Total employee working hours) × 200,000
(5/1,391,104) × 200,000=0.72

Note 2. Disabling Injury Frequency Rate (FR) = (Total Number of Disabling Injuries / Total Employee Work Hours) × 1,000,000
(5/1,391,104)* 1,000,000=3.59

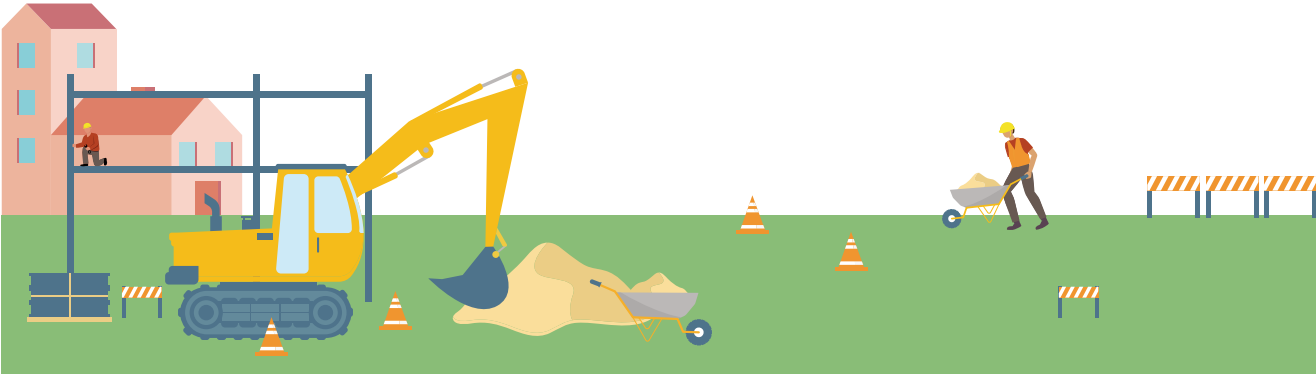
Note 3. Total Severity Index (FSI) = $\sqrt{[(SR \times FR) / 1000]}$
 $\sqrt{(71.17 \times 3.59) / 1000}$ =0.51

Note 4. Occupational Disease Rate (ODR) = (Total Number of Occupational Diseases / Total Employee Work Hours) × 200,000
(0/1,391,104) × 200,000=0

Note 5. Lost Day Rate (LDR) = (Total Lost Workdays / Total Employee Working Hours) × 200,000
(99/1,391,104) × 200,000=14.2

Note 6. Severity Rate (SR) = (Total Lost Days from Disabling Injuries / Total Employee Work Hours) × 1,000,000
(99/1,391,104)* 1,000,000= 71.17

Note 7. The total working hours for fiscal year 2022, as reported in the 2023 annual report, contained an error. The data have been corrected in this year's report. As a result of the correction, the injury rate (IR), frequency rate of disabling injuries (FR), total injury index (FSI), lost day rate (LDR), and severity rate of disabling injuries (SR) for fiscal year 2022 have all increased slightly.



3.3 Talent Development

GRI 2-25. 3-3

Significance for the Company	Enhance Employee competencies in various functions and promote multi-skilled workforce allocation.		
Policies and Commitments	The Human Resources Department coordinates with training representatives from each operational unit to plan and organize educational training programs for new employees, as well as for personnel across various positions and levels. Significant resources are allocated, and active collaboration with external organizations is undertaken to ensure the continuous development of professional skills and a broad spectrum of competencies.		
Objective	Short-term	Medium- to Long-Term	Resources Invested / Tangible Outcomes
	» Implementation and Variance Analysis of Education and Training Plans for the Fiscal Year by Department » Management competency development for junior, middle, and senior management, focusing on cultivating management and leadership skills: three sessions per year. » Application for Government Grant: Charging Takeoff Project. » Preparation of job descriptions: 20 per fiscal year. » Industry-Academia Collaboration – The number of participants matched through the BASSO STAR Internship Program increased by 50%.	» The training rate for new employees has increased, and the mentorship program has been fully implemented. » The participation rate in management competency training courses for junior, middle, and senior-level supervisors reached 100%. » Refine job descriptions and implement the Proxy system. » A variety of training programs were conducted, including courses on human rights awareness, anti-corruption, and sexual harassment prevention.	▼ Invested Resources » The Human Resources Department and the designated representative from the operations unit conduct a quarterly review to ensure that the scheduled courses are being properly implemented. » Engage external instructors to conduct courses pertaining to management competencies. » Engaged with the designated contact at TUNGHAI UNIVERSITY, with company personnel serving as industry mentors to facilitate students' understanding of the industry. » Engaged external Consultants to assist in optimizing the Company's job descriptions. ▼ Specific Results » The completion rate of fiscal year education and training plans for each unit reached 75%. » Number of management competency training courses completed: 3. » Collaboration on the 2024 BASSO STAR Internship Program: 9 participants, narrowing the skills gap among new employees. » A total of 30 job descriptions were completed in the year 2024.
Evaluation Mechanism	» All individuals met the required training hours. » After-Class Satisfaction Survey » Professional Competency Assessment Survey » Professional Certification Retraining and Evaluation. » R&D Patent Case Application		
Responsible Department / Grievance Mechanism	Human Resources Department / Tel: 04-23598877 Ext. 1203		

Comprehensive Educational Training

Training Focus	Target Audience	Training Content
Management Functions	Senior Executives Managerial level (inclusive) and above	» Business Strategy and Sustainable Development » Forward-Thinking and Departmental Strategic Planning » Team leadership and establishment of incentive mechanisms. » Global Economic Environment and Technological Trends » Business Management Decision-Making, KPIs, and Financial Statement Analysis.
	Middle Management (Rank, Reserve Officer)	» Communication and Interpersonal Skills » Team Conflict Management » Global Economic Conditions and Technological Developments » Presentation Design Skills » Business Management Decision-Making, KPIs, and Financial Statement Analysis.
	Entry-Level Manager Group Level, Senior Engineer	» Emotional Stress Management » Communication and Interpersonal Skills » Team Conflict Management » Management Skills Training for New Supervisors » On-site Work Arrangement and Progress Control Training
Professional Skills	Senior Executives Managerial level (inclusive) and above	» Global Information on Metal and Machinery Industries » Trends in Skill Development for Metal Hand Tools within the Industry » Business Marketing Skills » Standardization of Departmental Roles and Responsibilities » General Education Courses (Sexual Harassment, Human Rights, Violent Behavior, etc.).
	Middle Management (Rank, Reserve Officer)	» Trends in Skill Development for Metal Hand Tools within the Industry » Standardization of Departmental Roles and Responsibilities » Technical courses provided by relevant industry associations. » Business Marketing Skills » General Education Courses (Sexual Harassment, Human Rights, Violent Behavior, etc.).
	General Staff Entry-Level Manager Group Level, Senior Engineer	» Standardized Procedures for Each Job Function » 6S Quality Standards Course » Technical development within the metal hand tools industry among peers. » Professional certification training. » General Education Courses (Sexual Harassment, Human Rights, Violent Behavior, etc.).

Average Annual Employee Training Hours

GRI 404-1

Due to the large-scale optimization of the 2024 job descriptions, which involves extensive adjustments to responsibilities and updates to processes, a significant amount of manpower and time has been required for revision and implementation. As a result, training resources have been reallocated, impacting the schedules and arrangements of various training programs and thereby reducing the average annual training hours received by each Employee.

While prioritizing the smooth operation of core business activities, the company will continue to optimize its training programs to deliver the most effective learning content within limited timeframes, thereby enabling Employees to adapt to job changes and maintain high levels of performance. This trend demonstrates the company's commitment to continuous learning and development for Employees and also reflects Employees' emphasis on enhancing their professional skills.

Unit: Hours (hr)

Statistics / Fiscal Year		Year 2022	Year 2023	Year 2024
Average Training Hours Per Employee		8.56	11.59	7.73
Average Employee Training Hours by Gender	Female	5.49	7.18	7.56
	Male	9.75	13.33	7.83
Average Training Hours per Employee, by Category	Direct	4.30	5.95	4.6
	Indirect	13.13	16	10.3

Note 1. Average training hours = Total training hours for each category ÷ Number of Employees in each category as of year-end.

Note 2. Training hours are aggregated based on the approved education application forms, and the statistics cover all Employees for the period from January 1, 2024 to December 31, 2024.

Employee Competency Enhancement and Transition Assistance Programs

GRI 404-2

Unit: Hours (hr)

Type of Assistance	Description of the Types and Scope of Implemented Programs and Assistance Provided
Employee Competency Enhancement Training Program	Fiscal Year Education and Training Plan
Continued Employment Support Retirement or Termination of Employment	No relevant plans are currently in place.

Percentage of Employees Receiving Regular Performance and Career Development Evaluations

GRI 404-3

Unit: Number of Individuals, Percentage (%)

Employees Reviewed for 2024		Number of Participants	Total Employees	Percentage
Gender	Male	491	491	100%
	Female	197	197	100%
Employee Categories	Direct	336	336	100%
	Indirect	352	352	100%

Note 1. Assessment acceptance ratio = Number of Employees in each category who underwent assessment ÷ Total number of Employees as of 31 December 2024.

Note 2. The number of Employees evaluated is determined based on assessment records in accordance with the Company's Employee Performance Evaluation, Promotion, and Appointment Management Regulations. The statistical scope includes all Employees for the period from January 1, 2024 to December 31, 2024.

BASSO STAR Internship Program

In 2024, in collaboration with Tunghai University, managers from each department of the Company visited the campus to conduct recruitment briefings. A total of nine new interns joined in 2024. Upon completion of a six-month internship, three interns were offered pre-employment contracts.



Elementary and Intermediate Foreign Language Courses

To enhance Employee language proficiency and international competitiveness, the Company has established beginner and advanced courses in English and Japanese. The beginner courses focus on building a solid foundation in foreign languages, while the advanced courses are designed to further develop participants' foreign language communication skills through more specialized instructional content.

» English Class
The advanced English course is taught by British instructors and is designed to enhance participants' oral proficiency and professional communication skills through weekly discussions on current affairs.

» Japanese Language Course



3.4 Social Participation

In this era of global transformation, we recognize that enterprises are not only participants in economic activities but also key drivers of social progress and public welfare. We are proud to present this chapter, which offers a comprehensive overview of our initiatives and accomplishments in the realm of social welfare, and reaffirms our commitment to collective prosperity and sustainable development.

2024 Social Welfare

▼ Toy Library

Toys not only bring joy but also foster creativity and learning. The Company actively supports social welfare initiatives by participating in volunteer activities at toy libraries, delivering love and happiness to more children through tangible actions. During these activities, Employees serve as volunteers, engaging in the sorting, cleaning, and testing of second-hand Toys to ensure that each Toy is provided to children in the safest and best possible condition, continuing to accompany them in their development.

Through this initiative, we not only provide children with a better childhood, but also facilitate the effective utilization of resources, thereby embodying the principles of environmental protection and social care.



» Volunteer Activities at the Toy Library

▼ Clean Beaches

Enterprises are not only drivers of economic growth but also promoters of environmental protection and social responsibility. In order to fulfill corporate social responsibility and actively promote environmental initiatives, BASSO has partnered with the Organic Living Environment Education Promotion Association of the Republic of China to launch a beach cleanup campaign. The purpose of this event is to remove litter from the beach, protect our valuable marine ecosystem, and raise public awareness regarding environmental conservation.

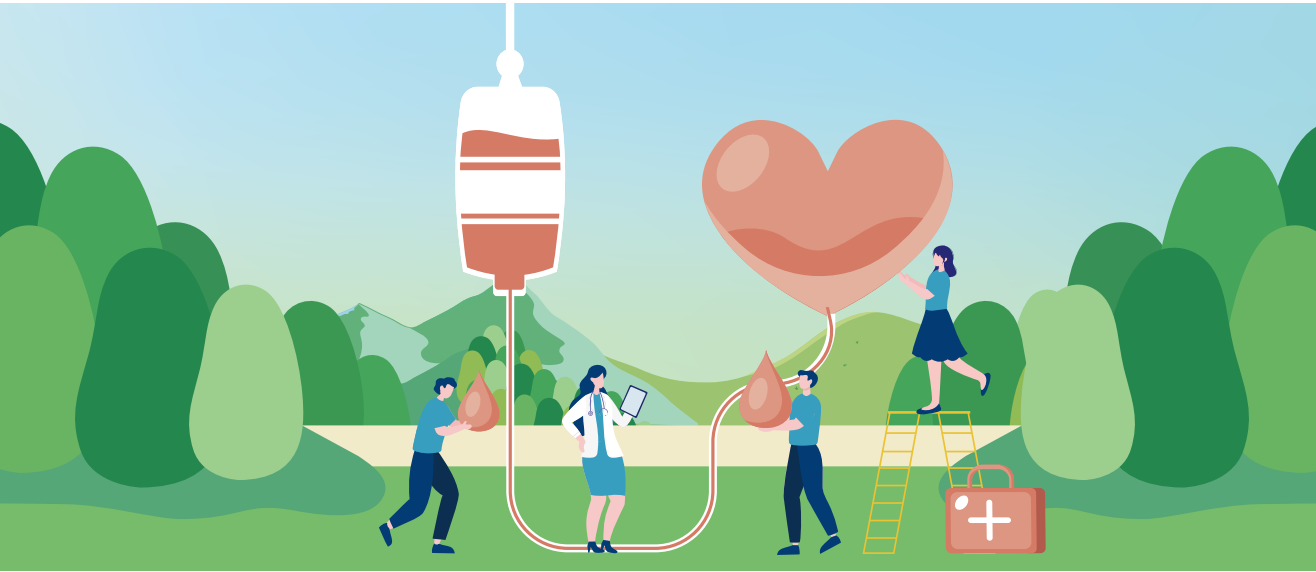


▼ Blood donation

Taiwan is a place characterized by compassion and warmth, consistently ranking among the highest in the world for blood donation rates. Blood donation has become a nationwide public welfare initiative, actively supported by the entire population. Through widespread promotion and advocacy across the country, the concept of "one bag of blood saves a life" has become deeply rooted in the public consciousness.

Blood donation is not only an expression of compassion and mutual assistance, but also a crucial act that can save the lives of patients in urgent need of transfusions. In response to the critical blood shortage throughout Taiwan, BASSO encourages its employees to demonstrate care for social welfare and actively participate in community service. On April 19, 2024, the company organized the "Roll Up Your Sleeves and Spread Love: Blood Donation to Help Others" event to assist patients in need.

Blood Donation Drive – Event Results	
Number of blood donors: 68	Total Blood Donations: 95 Bags

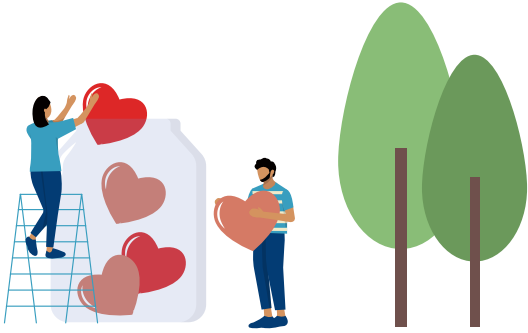


Donations and Sponsorships

BASSO is committed to supporting education and cultural exchange. In situations where human resources are insufficient to meet demand, the Company actively contributes to social welfare through donations and sponsorships.

» 2024

Public Welfare Donation Contents	Amount
Tunghai University Department of Law	Exceeding NT\$100,000
Tunghai University Department of Music 2025 Taiwan-Japan Saxophone Exchange Program	Less than NT\$100,000



A Warm Corner in Society

» Meng En Bakery for the Hearing Impaired

"Deaf people are capable of doing anything except hearing."The high unemployment rate among individuals with hearing impairments is primarily due to their inability to hear, which impedes effective communication with colleagues and supervisors. Grace Hearing Impaired Bakery was established to create a barrier-free work environment for people with hearing impairments. At this bakery, individuals with hearing impairments not only acquire essential skills such as baking, but, as all production department Employees are hearing impaired and communicate through sign language, there are no communication barriers. What they require is not charity, but support.

Accordingly, BASSO expressed its support for Meng En by purchasing holiday gift boxes from the company during the festive season.

» Support for Other Public Welfare Organizations

The Company is committed to supporting charitable organizations by procuring festive gift boxes, thereby providing tangible assistance to disadvantaged groups within society. During the Lunar New Year and Mid-Autumn Festival, the Company purchased charity gift boxes from the Sunshine Foundation, Li Fang, and Smile Angel Bakery, actively contributing to the development of charitable organizations and fostering social inclusion.



APPENDIX

Appendix 1. GRI Content Index

Statement of Use

▶ BASSO INDUSTRY CORP. has issued the 2024 Sustainability Report in accordance with the GRI Standards, with data covering the period from January 1, 2024 to December 31, 2024.

Version Used

▶ GRI 1 : Foundation 2021

Version Used

▶ None.

GRI Standards	Disclosure Items	Corresponding Section	Description	Page Number
GRI 2 General Disclosures 2021				
Organizational Structure and Reporting Practices				
2-1	Organizational Information	1.1 About BASSO		18
2-2	Entities Included in the Organization's Sustainability Reporting	About This Report		5
2-3	Reporting Period, Frequency, and Contact Information	About This Report		5
2-4	Information Restatement	Regarding This Report		5
		1.3 Operating Performance		42
		2.2 Waste Management		78
		3.1 Labor Relations		91
		3.2 Occupational Safety and Health Management		113
		Appendix 4 Sustainable Indicators of Corporate Governance		137
2-5	External Assurance / Verification	About This Report		5
Activities and Personnel				
2-6	Activities, Value Chain, and Other Business Relationships	1.1 About BASSO		24
2-7	Employee	1.1 About BASSO		25
2-8	Non-Employee Worker	1.1 About BASSO		25
Governance				
2-9	Governance Structure and Composition	1.2 Corporate Governance		27
2-10	Nomination and Selection of the Highest Governing Body	1.2 Corporate Governance		27
2-11	Chairman of the Board of Directors	1.2 Corporate Governance		30
2-12	Role of the Highest Governance Body in Supervising Impact Management	1.2 Corporate Governance		30
2-13	Head of Risk Management	1.2 Corporate Governance		36
2-14	Role of the Highest Governance Body in Sustainability Reporting	Stakeholder Engagement		7

GRI Standards	Disclosure Items	Corresponding Section	Description	Page Number
2-15	Conflict of Interest	1.2 Corporate Governance		30
2-16	Key Communication of Significant Events	1.2 Corporate Governance		36
2-17	Collective Intelligence of the Supreme Governing Body	1.2 Corporate Governance		31
2-18	Performance Evaluation of the Board of Directors	1.2 Corporate Governance		31
2-19	Compensation Policy	1.2 Corporate Governance		32
2-20	Remuneration Determination Procedure	1.2 Corporate Governance		32
2-21	Fiscal Year Total Remuneration Ratio	1.2 Corporate Governance		33
Strategy, Policies, and Practices				
2-22	Sustainable Development Strategy Statement	Statement from Management		3
2-23	Policy Commitment	1.2 Corporate Governance		37
2-24	Incorporation of Policy Commitments			
2-25	Procedures for Remediation of Negative Impacts	1.2 Corporate Governance		26
		1.3 Operating Performance		41
		1.4 Customer Relationship Management		45
		1.5 Production and Manufacturing		49
		1.6 Product Quality and Responsibility		53
		2.1 Energy Conservation and Carbon Reduction		64
		3.1 Labor Relations		77
		3.2 Occupational Safety and Health Management		88
		3.3Talent Cultivation		99
				115
2-26	Mechanism for Seeking Guidance and Reporting Concerns	1.8 Risk Management		58
2-27	Regulatory Compliance	1.2 Corporate Governance		38
2-28	Membership Qualifications for Associations	1.2 Corporate Governance		40
Stakeholder Engagement				
2-29	Stakeholder Engagement Guidelines	Stakeholder Engagement		7
2-30	Collective Agreement	-	As Employee has not requested collective bargaining negotiations with the Company, no collective agreement has been executed to date. Nevertheless, the Company has established a labor-management committee, composed equally of representatives from labor and management. The committee convenes meetings at least once each quarter to facilitate harmonious communication between labor and management.	

GRI Standards	Disclosure Items	Corresponding Section	Description	Page Number
GRI 3: Material Topics 2021				
Disclosure of Material Matters				
3-1	Procedure for Identifying Material Topics	Materiality Matrix Analysis		11
3-2	Major Topics	Materiality Assessment Results		12

▼ Key Topics

GRI Standards	Disclosure Items	Relevant Sections	Page Number	Reason for Omission
Key Topic: Energy Efficiency and Carbon Reduction				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		2.1 Energy Conservation and Carbon Reduction	64	
GRI 302: Energy 2016	Energy Consumption Within the Organization	2.1 Energy Conservation and Carbon Reduction	65	
	Energy Intensity	2.1 Energy Conservation and Carbon Reduction	67	
	Energy Consumption Reduction	2.1 Energy Conservation and Carbon Reduction	68	
GRI 305 Emissions (2016)	305-1 Direct (Scope 1) Greenhouse Gas Emissions	2.1 Energy Conservation and Carbon Reduction	72	
	Energy Indirect (Scope 2) Greenhouse Gas Emissions	2.1 Energy Conservation and Carbon Reduction	72	
	305-3 Other Indirect (Scope 3) Greenhouse Gas Emissions	2.1 Energy Conservation and Carbon Reduction	72	
	305-4 Greenhouse Gas Emission Intensity	2.1 Energy Conservation and Carbon Reduction	72	
	305-5 Reduction of Greenhouse Gas Emissions	2.1 Energy Conservation and Carbon Reduction	68	
Key Topic: Production and Manufacturing				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		1.5 Production and Manufacturing	49	
	Use of Recycled and Reused Materials	1.6 Product Quality and Responsibility	55	
GRI 301: Materials (2016)	Product and Packaging Material Recycling	1.6 Product Quality and Responsibility	55	
Key Topic: Talent Development				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		Talent Cultivation	115	
GRI 404: Training and Education (2016)	Average Annual Training Hours per Employee	Talent Cultivation	117	
	404-2 Employee Skills Enhancement and Transition Assistance Program	Talent Cultivation	117	

GRI Standards	Disclosure Items	Relevant Sections	Page Number	Reason for Omission
GRI 404: Training and Education (2016)	Percentage of Employees Regularly Receiving Performance and Career Development Assessments	Talent Cultivation	117	
Key Topic: Labor-Management Relations				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		3.1 Labor Relations	88	
GRI 201: Economic Performance 2016	201-3 Defined Benefit Obligations and Other Retirement Plans	3.1 Labor Relations	94	
	201-4 Government Grants	3.1 Labor Relations	95	
GRI 202: Market Presence (2016)	Proportion of Local Residents Among Senior Management	3.1 Labor Relations	89	
GRI 401: Employment 2016	401-1 New Employee Hires and Employee Turnover	3.1 Labor Relations	90	
	401-2 Benefits Provided to Full-Time Employees (Excluding Temporary and Part-Time Employees)	3.1 Labor Relations	93	
	401-3 Parental Leave	3.1 Labor Relations	95	
GRI 405: Employee Diversity and Equal Opportunity, 2016	405-1 Diversity of Governance Bodies and Employees	3.1 Labor Relations	91	
Key Topic: Occupational Safety and Health Management				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		3.2 Occupational Safety and Health Management	99	
GRI 403 Occupational Health and Safety 2018	403-1 Occupational Safety and Health Management System	3.2 Occupational Safety and Health Management	100	
	Hazard Identification, Risk Assessment, and Accident Investigation	3.2 Occupational Safety and Health Management	101	
	Occupational Health Services	3.2 Occupational Safety and Health Management	103	
	Worker Participation, Consultation, and Communication on Occupational Health and Safety	3.2 Occupational Safety and Health Management	104	
	Employee Occupational Safety and Health Training	3.2 Occupational Safety and Health Management	104	
	403-6 Employee Health Promotion	3.2 Occupational Safety and Health Management	107	
	Occupational Safety and Health Management System Coverage of Workers	3.2 Occupational Safety and Health Management	100	
	Occupational Injuries	3.2 Occupational Safety and Health Management	112	
	403-10 Occupational Diseases	3.2 Occupational Safety and Health Management	112	
Major Topic: Operating Performance				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues	14	
		1.3 Operating Performance	41	

GRI Standards	Disclosure Items	Relevant Sections	Page Number	Reason for Omission
GRI 201: Economic Performance 2016	201-1 Direct Economic Value Generated and Distributed	1.3 Operating Performance	42	
Major Topic: Product Quality and Responsibility				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues 1.6 Product Quality and Responsibility	14 53	
GRI 416 Customer Health and Safety (2016)	Incidents of Non-Compliance with Health and Safety Regulations Related to Products and Services	1.6 Product Quality and Responsibility	54	
Key Topic: Integrity in Operations and Legal Compliance				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues 1.2 Corporate Governance	14 26	
Major Topic: Customer Relationship Management				
GRI 3: Material Topics 2021	3-3 Management of Material Topics	List of Significant Issues 1.4 Customer Relationship Management	14 45	
GRI 418: Customer Privacy 2016	418-1 Confirmed Complaints of Customer Privacy Breaches or Data Loss	1.4 Customer Relationship Management	48	

▼ Disclosure Contents of Specific Topic Standards

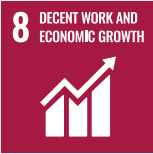
GRI Standards	Disclosure Items	Section of the Report	Page Number	Reason Omitted
GRI 204 Procurement Practices 2016	Proportion of Procurement Expenditures from Local Suppliers	2.3 Supplier Management	86	
GRI 306: Waste 2016	Types and Quantities of Waste Generated	2.2 Waste Management	78	
	Waste Recycling Methods, Categories, and Quantities (On-site and Off-site)	2.2 Waste Management	81	
	Waste Disposal Methods, Categories, and Quantities (On-site and Off-site)	2.2 Waste Management	81	

Appendices 2 SDGs

Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs), launched by the United Nations in 2015, comprise 17 sustainable development goals and 169 specific targets, serving as guiding principles for member states and global enterprises in advancing sustainable development by 2030.

BASSO has integrated sustainable development goals into its business strategy, broadening its traditional focus on economic performance to encompass environmental protection, regulatory compliance, enhancement of Employee compensation to retain exceptional talent, elimination of workplace inequalities, reduction of greenhouse gas emissions, and improvement of workplace benefits. Looking ahead, BASSO is dedicated to making continued contributions toward sustainable development goals and upholding its corporate social responsibility.

SDGs	Specific Objectives	BASSO Response
	Ensure that, by 2030, all men and women, especially those who are poor or belong to vulnerable groups, have equal rights to and access to economic resources.	» Provide compensation and comprehensive benefits that surpass statutory requirements, enabling Employee to work with dignity and improve the economic standard of living for themselves and their families.
	4.5 Eliminate educational disparities by 2030 and ensure that disadvantaged groups, including persons with disabilities, indigenous peoples, and underprivileged children, have access to education at all levels and to vocational training.	» Arrange functional training for Employees with diverse business roles to ensure that each Employee has the opportunity to participate in vocational training.
	Eliminate all forms of discrimination against women. 5.4 Acknowledge and value women's unpaid family caregiving and domestic work through social protection policies.	» Gender is not used as a factor in Employee recruitment, assessment, or promotion. » All employees, irrespective of gender, are entitled to apply for parental leave without pay.
	8.5 By 2030, achieve full and productive employment and ensure that all men and women, including youth and persons with disabilities, have access to decent work and receive equal pay for equal work. Protect the equity of workers and promote workplace safety, with particular emphasis on women and those engaged in hazardous work.	» Adjust Employee compensation in accordance with the company's profitability to enhance employees' sense of commitment and cohesion with the company. » The duties of maternal Employee shall be appropriately adjusted in accordance with applicable laws to reduce workload, thereby providing substantive protection for maternal Employee.
	Enhance education, increase awareness, and strengthen the Company's capacity for climate change mitigation, adaptation, impact reduction, and early warning.	» To control greenhouse gas emissions and further mitigate the negative impacts of climate change. » Implement waste reduction management measures and commission professional waste disposal companies to handle waste.

Appendix 3 Climate Section

Climate-Related Information of Listed and OTC Companies
Risks and Opportunities Related to Climate Change and the Company's Mitigation Measures

Contents	Implementation Status				
1. Statement on the oversight and governance by the Board of Directors and management of climate-related risks and opportunities (Governance)	On May 8, 2023, the Company reported to the Board of Directors the establishment of the ESG Committee. The Committee is convened by the Chairman of the Board and, in accordance with operational developments, is responsible for areas including environmental sustainability, corporate governance, social welfare, and the enhancement of information disclosure. Designated personnel of the ESG Committee regularly report to the Board of Directors.				
2. Explanation of how the identified climate-related risks and opportunities affect the company's business operations, strategic planning, and financial position over the short, medium, and long term. (Strategy)	Transition Risk				
	Risks and Opportunities	Risk Categories and Opportunities	Timing of Impact	Impact Description (Business, Strategy, and Finance)	Strategic Responses and Impact
	Market	Client's Financial Position Impacted by Climate-Related Disasters	Short- to Long-term	Extreme climate events have resulted in customers facing cash flow difficulties, adversely affecting order stability and causing fluctuations in revenue.	Expand into multiple markets to diversify market risks and reduce dependence on any single market.
		Market demand is shifting towards low-carbon products.	Medium- to Long-Term	Demand for traditional high-carbon products is declining. Failure to implement timely transformation may result in the loss of competitive advantage and negatively affect revenue.	Utilizing low-carbon materials and manufacturing processes to reduce the carbon footprint of products.
	Policies and Regulations	Product Compliance	Short- to Long-term	International policies, such as the CBAM, require products to comply with carbon disclosure and carbon tax payment obligations. Failure to meet these requirements may result in export restrictions and penalties.	Closely monitor policy developments, including the EU CBAM, and adjust strategies proactively.
		Carbon Fee Collection	Medium- to Long-Term	The implementation of the carbon fee system increases operating costs. If carbon emissions are not effectively controlled, there will be a significant impact on financial expenditures and profitability.	Improve energy efficiency by implementing measures such as solar energy utilization and green electricity procurement to reduce carbon emission expenses.
	Short-term: 1 to 3 years; medium-term: 3 to 5 years; long-term: 5 to 10 years.				
	Physical Risk:				
	Risks and Opportunities	Risk Categories and Opportunities	Timing of Impact	Impact Description (Business, Strategy, and Finance)	Strategic Responses and Impact
	Immediate Recognition	Floods and typhoons	Short- to Long-term	Heavy rainfall or typhoons may cause flooding at plant facilities, equipment damage, and production interruptions, thereby affecting delivery schedules and revenue. In addition, supply chain operations may be impeded by transportation disruptions.	» Strengthen supply chain resilience and inventory management. » Develop and implement drainage measures for the factory, and conduct regular cleaning of gutters and related equipment; monitor news updates and disseminate relevant precautionary information.

Contents	Implementation Status				
2. Explanation of how the identified climate-related risks and opportunities affect the company's business operations, strategic planning, and financial position over the short, medium, and long term. (Strategy)	Long-term	Water Shortage and High Temperatures	Medium- to Long-Term	Extended periods of high temperatures and inadequate water resources may adversely affect process stability and production efficiency, result in increased cooling and water treatment costs, and further give rise to operational risks and financial burdens.	» Assess the installation of water storage facilities and the implementation of green building practices to address risks associated with extreme climate events. » In response to abnormal climate conditions, each unit shall ensure that the responsible department undertakes the necessary operational preparations, implements appropriate response measures, and conducts inspections and verifications.
	Short-term: 1 to 3 years; medium-term: 3 to 5 years; long-term: 5 to 10 years.				
	Opportunity:				
	Risk Categories and Opportunities		Timing of Impact	Impact Description (Business, Strategy, and Finance)	Strategic Responses and Impact
	Implement more efficient production and distribution processes		Short- to Long-term	By implementing energy-efficient automated equipment and optimizing production processes and logistics systems, energy consumption and transportation-related carbon emissions are reduced.	» Implement smart Manufacturing systems to enhance production efficiency and energy management capabilities. » Optimize distribution routes.
	Utilize low-carbon energy		Short- to Long-term	The adoption of green electricity and the installation of solar power systems can effectively reduce carbon emissions and enable compliance with the carbon emission requirements imposed by international brands on their supply chains.	» Deployment of solar power facilities for self-use. » Evaluate the green electricity procurement plan.
	Application of New Technology		Long-term	Introduce emerging low-carbon manufacturing technologies to enhance energy efficiency and increase product added value.	» The research and development team collaborates with the Manufacturing unit to assess the feasibility of low-carbon Manufacturing. » Monitor research institutions to stay abreast of cutting-edge low-carbon Manufacturing technologies.
	Short-term: 1 to 3 years; medium-term: 3 to 5 years; long-term: 5 to 10 years.				

Contents	Implementation Status			
3. Disclosure of the Impact of Extreme Climate Events and Transition Actions on Financial Performance. (Strategy)	Impact of Extreme Climate Events on Financial Results: » Increased Risk of Operational Disruption: Extreme weather events may cause damage to production facilities, warehouse space, or logistics transportation, resulting in delivery delays or operational interruptions, which could negatively affect revenue. » Increase in Fixed Assets Maintenance Expenditures: Extreme weather events have resulted in damage to buildings, machinery, and raw material inventories, leading to increased capital expenditures and higher insurance costs. » Supply chain cost fluctuations: Suppliers are subject to similar climate risks, and any production interruptions or shortages of raw materials may result in increased costs and a decrease in gross profit margin. Impact of Transformation Actions on Financial Performance: » Compliance and Carbon Cost Expenditures: In response to international and regional carbon emission regulations, such as carbon fees, carbon taxes, and the Carbon Border Adjustment Mechanism (CBAM), the company may be required to incur additional costs, resulting in increased pressure on operating expenses. Changes in Investment and Capital Allocation: Capital expenditures have increased to support the implementation of carbon reduction technologies, the adoption of energy-efficient equipment, and the enhancement of plant environmental resilience, necessitating adjustments to financial planning.			
	4. Explanation of how the processes for identifying, assessing, and managing climate risks are incorporated into the overall risk management system. (Risk Management)			
5. If scenario analysis is employed to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and principal financial impacts utilized shall be disclosed. (Strategy)	» Identification and Classification Climate risks are classified according to their nature as follows: » Physical risks: Direct impacts on facilities, supply chains, and operations caused by extreme weather events, including typhoons, floods, and droughts. » Transition risks include regulatory changes (such as carbon taxes and emission caps), shifts in market demand, technological innovations, or reputational risks. » The company identifies material climate-related risks through comprehensive internal and external environmental analyses, with reference to applicable laws, guidelines, and literature, and by integrating feedback from stakeholders. » Assessment and Management Processes The company will develop a comprehensive climate risk assessment and management framework. Identified risks will be evaluated both qualitatively and quantitatively according to their probability of occurrence and potential financial impact, and will be integrated into the overall corporate risk assessment matrix. This matrix will serve as the foundation for risk prioritization, resource allocation, and the determination of action priorities. The Sustainable Development Committee will regularly report on climate risks and management progress to the Board of Directors.			
	» SSP1-2.6 Global efforts are underway to achieve sustainability goals; however, progress remains slow. » Under SSP2-4.5, in the context of regional competition, countries are placing greater emphasis on economic and security issues within their respective regions, thereby compromising broader development objectives. » SSP3-7.0 represents an unequal scenario in which environmental policies are implemented only in middle- and high-income regions, while the global energy sector remains concentrated in carbon-intensive fuels. » SSP5-8.5 is an emissions scenario with minimal climate policy intervention.			
Temperature Assumptions				
	Situation	Assumptions of Parameters	Analysis Results	Financial Impact
	SSP1-2.6	1. Average Temperature 2. Portfolio Average 3. Annual Average 4. Region: Taichung City 5. Period: 2021–2040	The temperature increased by 0.7 degrees.	1. Equipment Durability Challenge 2. Demand for air conditioning equipment has increased. 3. Employee productivity decreased as a result of elevated temperatures. 4. Increase the company's operating costs.
	SSP2-4.5		The temperature increased by 0.7 degrees.	
	SSP3-7.0		The temperature increased by 0.7 degrees.	
	SSP5-8.5		The temperature increased by 0.8 degrees.	
Source		TCCIP AR6		

Contents	Implementation Status			
5. If scenario analysis is employed to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and principal financial impacts utilized shall be disclosed. (Strategy)	Rainfall Assumptions			
	Situation	Assumptions of Parameters	Analysis Results	Financial Impact
	SSP1-2.6	1. Precipitation	Rainfall increased by 3.8 per cent.	1. Flooding caused damage to equipment. 2. Construction and Maintenance of Pumping and Drainage Facilities 3. Increase the company's operating costs.
	SSP2-4.5	2. Portfolio Average 3. Annual Average	Rainfall increased by 4.6%.	
	SSP3-7.0	4. Region: Taichung City	Rainfall increased by 3.9%.	
	SSP5-8.5	5. Period: 2021–2040	Rainfall increased by 1.4%.	
	Source		TCCIP AR6	
6. If there are transition plans in place to address climate-related risks, please provide a description of the content of such plans, as well as the indicators and targets used to identify and manage physical risks and transition risks. (Risk Management)	Transition Risk			
	Risks and Opportunities	Risk Categories and Opportunities	Strategic Responses and Impact	Indicators and Objectives
	Market	Client's Financial Position Impacted by Climate-Related Disasters	Expand into multiple markets to diversify market risks and reduce dependence on any single market.	Customer concentration has decreased, increasing the proportion of revenue derived from customers outside the top ten.
		Market demand is shifting towards low-carbon products.	Utilizing low-carbon materials and manufacturing processes to reduce the carbon footprint of products.	The proportion of low-carbon products is being continuously increased each year, with the implementation of ISO 14067 scheduled for 2027.
	Policies and Regulations	Product Compliance	Closely monitor policy developments, including the EU CBAM, and adjust strategies proactively.	» A greenhouse gas inventory is conducted annually and subject to third-party verification. » ISO 14067 is planned to be implemented in 2027.
		Carbon Fee Collection	Improve energy efficiency by implementing measures such as solar energy utilization and green electricity procurement to reduce carbon emission expenses.	» Increase the proportion of renewable energy utilization. » Assessment and Planning of Green Electricity Procurement

Contents	Implementation Status			
6. If there are transition plans in place to address climate-related risks, please provide a description of the content of such plans, as well as the indicators and targets used to identify and manage physical risks and transition risks. (Risk Management)	Physical Risk:			
	Risks and Opportunities	Risk Categories and Opportunities	Strategic Responses and Impact	Indicators and Objectives
	Immediate Recognition	Floods and typhoons	» Strengthen supply chain resilience and inventory management. » Develop and implement drainage measures for the factory, and conduct regular cleaning of gutters and related equipment; monitor news updates and disseminate relevant precautionary information.	The maintenance completion rate for drainage systems in high-risk areas was 100%.
	Long-term	Water Shortage and High Temperatures	» Assess the installation of water storage facilities and the implementation of green building practices to address risks associated with extreme climate events. » In response to abnormal climate conditions, each department shall ensure that the responsible unit carries out the necessary operational preparations, implements appropriate response measures, and conducts inspections and verifications.	Provide employees with sufficient time for hydration and rest to prevent heat-related injuries.
	Opportunity:			
	Risk Categories and Opportunities		Strategic Responses and Impact	Indicators and Objectives
	Implement more efficient production and distribution processes		By implementing energy-efficient automated equipment and optimizing production processes and logistics systems, energy consumption and transportation-related carbon emissions are reduced.	» Implement smart Manufacturing systems to enhance production efficiency and energy management capabilities. » Optimize distribution routes.
	Utilize low-carbon energy		The adoption of green electricity and the installation of solar power systems can effectively reduce carbon emissions and enable compliance with the carbon emission requirements imposed by international brands on their supply chains.	» Increase the proportion of renewable energy utilization. » Assessment and Planning of Green Electricity Procurement
	Application of New Technology		Introduce emerging low-carbon manufacturing technologies to enhance energy efficiency and increase product added value.	» The research and development team collaborates with the Manufacturing unit to assess the feasibility of low-carbon Manufacturing. » Monitor research institutions to stay abreast of cutting-edge low-carbon Manufacturing technologies.
7. If internal carbon pricing is utilized as a planning tool, the basis for price determination shall be disclosed, including relevant indicators and targets.	At present, there are no plans to implement an internal carbon pricing mechanism. In addition to awaiting further clarification of relevant regulations or guidelines from government authorities, the Company aims to enhance carbon risk management and progress toward low-carbon transformation through system integration and analysis. These initiatives are intended to mitigate the escalating impacts of climate change and to meet stakeholders' expectations regarding carbon information disclosure and management.			

Contents	Implementation Status		
8. If climate-related targets have been set, the activities covered, the scopes of greenhouse gas emissions, the planned timeline, and the annual progress toward these targets shall be disclosed. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve such targets, the sources and quantities of the carbon offsets, or the number of RECs utilized, shall be specified. (Indicators and Targets)	» Coverage Boundary: Entire Facility		
	» Greenhouse Gas Emissions Scope: Total Amount		
	» Schedule:		
	Short-Term Goals	In 2024, Scpoe 1 and Scpoe 2 carbon emission equivalents decreased by 30% and 10%, respectively, compared to 2021 (the base year).	
	Medium-Term Objectives	By 2030, Scpoe 1 and Scpoe 2 carbon emissions equivalents are to be reduced by 35% and 15%, respectively, compared to 2021 (the base year).	
	Long-Term Goals	Achieve carbon neutrality by 2050.	
	▼ 2024 Progress Achievements:		
	» In the current fiscal year, Scpoe 1 emissions decreased by approximately 50%, and Scpoe 2 emissions decreased by approximately 19%, compared to the base year 2021.		
	» The greenhouse gas emissions for the fiscal year amounted to 55,691.625 metric tons of CO ₂ e.		
9. Greenhouse Gas Inventory and Verification Status (To be completed separately in Section 1-1.) (Indicators and Targets)	Year	Greenhouse Gas Emissions (Scope 1 and Scope 2)	Certification Institution
	Year 2021	30,628.3461 metric tonnes CO ₂ e	Green Certification
	Year 2022	23,814.8581 metric tonnes CO ₂ e	MIRDC
	Year 2023	17,436.9001 metric tons of CO ₂ e	AFRNO
	Year 2024	18,480.1166 metric tonnes CO ₂ e	MIRDC

▶ Company Basic Information

- ☐ Companies with paid-in capital of NT\$10 billion or more, as well as those in the steel and cement industries
- ☐ Companies with paid-in capital of NT\$50 billion or more and less than NT\$100 billion
- ☒ Companies with paid-in capital of less than NT\$5 billion

▶ At a minimum, disclosures required by the Sustainability Development Roadmap for listed companies shall be made.

- ☒ Parent Company Standalone Inventory
- ☐ Parent Company Certification
- ☐ Subsidiary Inventory for Consolidated Financial Reporting
- ☐ Subsidiary Certification for Consolidated Financial Statements

▶ Year 2022

Scpoe 1	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	15,275.6541	0.0039	MIRDC	Reasonable assurance was obtained for the 2023 greenhouse gas inventory.
Total	15,275.6541	0.0039		
Scpoe 2	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	8,539.2040	0.0022	MIRDC	Reasonable assurance was obtained for the 2023 greenhouse gas inventory.
Total	8,539.2040	0.0022		
Scpoe 3 (Voluntary Disclosure)	N/A	N/A	N/A	N/A

▶ Year 2023

Scpoe 1	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	10,028.8600	0.0036	AFNOR	Reasonable assurance was obtained for the 2024 greenhouse gas inventory.
Total	10,028.8600	0.0036		
Scpoe 2	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	7,408.0401	0.0027	AFNOR	Reasonable assurance was obtained for the 2024 greenhouse gas inventory.
Total	7,408.0401	0.0027		
Scpoe 3 (Voluntary Disclosure)	N/A	N/A	N/A	N/A

▶ Year 2024

Scpoe 1	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	10,357.8693	0.0033	MIRDC	Greenhouse gas inventory assurance to be obtained in 2025
Total	10,357.8693	0.0033		
Scpoe 2	Total Emissions (metric tonnes CO ₂ e)	Concentration (metric tons CO ₂ e per NT\$1,000 of revenue)	Certification Institution	Statement of Assurance Basis
Parent Company	8,122.2473	0.0026	MIRDC	Greenhouse gas inventory assurance to be obtained in 2025
Total	8,122.2473	0.0026		
Scpoe 3 (Voluntary Disclosure)	N/A	N/A	N/A	N/A
Parent Company	37,211.5086	0.0119	MIRDC	Greenhouse gas inventory assurance to be obtained in 2025
Total	37,211.5086	0.0119		

Note 1. The greenhouse gas verification body for fiscal year 2023 was AFNOR. MIRDC was erroneously listed in the 2023 report; this has been corrected in the 2024 report.

Note 2. Scope 3 emissions are disclosed only for relevant activities identified through a materiality assessment, in accordance with the principles set forth in ISO 14064-1:2018.

Appendix 4 Corporate Governance Sustainability Indicators

GRI 2-4

▼ Total Energy Consumption, Proportion of Purchased Electricity, and Renewable Energy Utilization Rate

	Total Energy Consumption			Percentage of Purchased Power			Renewable Energy Usage Rate		
Year	2022	2023	2024	2022	2023	2024	2022	2023	2024
Data	81,938.5808	70,423.4717	81,500.7479	75.8098	76.5213	75.7073	0	0	0.3038
Unit: Gigajoule (GJ)			Unit: Percent (%)			Unit: Percent (%)			

Note 1. The 2024 Sustainability Report includes gasoline, diesel, liquefied petroleum gas, and natural gas in the statistics, and simultaneously restates the data for 2022 and 2023, as well as corrects errors in data compilation. As a result, total energy consumption increased by 12.9% and 30.7%, respectively.

Note 2. The solar panels will be officially commissioned in November 2024.

▼ Total Water Withdrawal and Total Water Consumption

	Total Water Withdrawal			Total Water Withdrawal		
Year	2022	2023	2024	2022	2023	2024
Data	24.52	16.3	22.3	0	0	0
Unit: Thousand Cubic Meters (m³)			Unit: Thousand Cubic Meters (m³)			

Note 1. In the 2023 report, the total water consumption data for 2022 and 2023 was erroneously presented as total water withdrawal. This data has been corrected in the 2024 report.

▼ Weight of Hazardous Waste Generated and Percentage Recycled

	Weight of Hazardous Waste Generated			Recovery Percentage		
Year	2022	2023	2024	2022	2023	2024
Data	0	0	0	0	0	0
Unit: Metric Ton (t)			Unit: Percent (%)			

▼ Description of Types of Occupational Accidents, Number of Cases, and Ratios

	Categories of Occupational Hazards			Headcount			Ratio		
Year	2022	2023	2024	2022	2023	2024	2022	2023	2024
Data	6	6	6	14	5	5	1.20	0.79	0.73
Unit: Quantity (Category)			Unit: Number of Individuals			Unit: Percentage (%)			

Note 1. Ratio Formula: Total Number of Disability Injuries (Individuals) / Total Number of Employees

▼ Major Product Output by Product Category

	Nail Gun			Automotive Tools		
Year	2022	2023	2024	2022	2023	2024
Data	681,337	403,790	515,014	437,245	286,292	357,055
Unit: Quantity (pcs)			Unit: Quantity (pcs)			



Appendix 5 SASB Standards Comparison Table (Appliance Manufacturing)

Disclosure Topics	Disclosure Metrics	Nature	Indicator No.	Description	Corresponding Section	Page Footer
Product Safety	Number of Recalls Issued and Total Units Recalled	Quantification	CG-AM-250a.1	There have been no product recall incidents at BASSO in the past three years.		
	Identification and Management of Product Use Safety Risks	Discussion and Analysis	CG-AM-250a.2	During the use of the Company's products, risks including electric shock, accidental activation, and fire may arise as a result of internal insulation or wiring failures, potentially compromising operational safety. Electric tools are certified in accordance with IEC 62841 to ensure compliance with standards for safety, performance, and reliability. The IEC 62841 regulations adhere to the general requirements of EN ISO 12100 for machinery safety and risk assessment. The tools have been certified in accordance with IEC 62841 to reduce operational risks and ensure consumer safety.		
	Total monetary losses resulting from legal proceedings related to product safety	Quantification	CG-AM-250a.3	In the past three years, BASSO has not been involved in any legal proceedings related to product safety incidents.		
Environmental Impact of the Product Life Cycle	Proportion of Operating Revenues Attributable to Certified Energy-Efficient Products	Quantification	CG-AM-410a.1	Currently, there are no energy efficiency certifications applicable to pneumatic nail guns, automotive pneumatic tools, gas nail guns, or similar products; therefore, such requirements do not apply.		
	Percentage of Operating Revenues Attributable to Products Certified in Accordance with Environmental Product Life Cycle Standards	Quantification	CG-AM-410a.2	BASSO's products have not yet obtained the relevant life cycle standard certifications; therefore, this is not applicable.		
	Description of Measures for End-of-Life Product Management	Discussion and Analysis	CG-AM-410a.3	Regarding the disposal and recycling measures at the end of the product lifecycle, corresponding strategies are implemented at each stage of the product lifecycle, as detailed below: » Product Design Stage: Study and comply with applicable regulations in each country and the required standards for component materials to avoid the use of toxic or hazardous substances, enhance the recyclability of components, and design component structures for ease of disassembly, thereby facilitating dismantling and recycling at the end of the product's life cycle. » 2.Product Development Stage: Confirm that component materials comply with design specifications, inspect the materials of incoming parts, and establish subsequent inspection and procurement standards. » 3.Mass Production Phase: Sampling inspections are performed in accordance with inspection and procurement specifications to ensure that all manufactured and procured components comply with regulatory requirements. » 4.Product Sales Stage: Product manuals are provided to detail maintenance procedures aimed at extending the product life cycle. A parts list and material certification are also supplied. When product disposal is required, relevant information on parts recycling methods is made available.		

▼ Key Performance Indicators

Disclosure Metrics	Nature	Indicator No.	Description			
			Product Category	2022	2023	2024
Annual Output	Quantification	CG-AM-000.A	Pneumatic Nail Gun	681,337	393,272	506,450
			Automotive Pneumatic Tools	437,245	284,281	352,140
			Electric Nail Gun	101	10,518	8,564
			Electric Vehicle Tools	567	2,011	4,915
			Total	1,119,250	690,082	872,069

Unit: Quantity





No. 24, 36th Road,
Taichung Industrial Park

Tel	04-2359-8877
Fax	04-2359-8880
E-Mail	IR@basso.com.tw

<http://www.basso.com.tw>

