

BaaS Innovation Co., Ltd.

2024 Sustainability Report



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About This Report

Preparation Principle

This is the first Sustainability Report published by BaaS Innovation Co., Ltd. (hereinafter referred to as the Company, BaaS Innovation, or We). This Report discloses our sustainability-related practices in accordance with the GRI Standards 2021, which were issued by the Global Reporting Initiative (the GRI) in 2021, and the industry-specific sustainability metrics, which were promulgated in Article 4 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies”.

Reporting Period

The data and contents disclosed in this Report are primarily based on the statistics in 2024 (from January 1, 2024 to December, 2024). To ensure the completeness and comparability of information, parts of the contents are traced back to the statistics in 2023 or extended to the data in 2025 to show relevant trends and changes.

Boundaries of the Report and Scope of Statistics

The scope of this Report includes BaaS Innovation Co., Ltd., Baasid International Lab Co., Ltd., and CroxLink Inc. If there are any discrepancies between the scope disclosed in each section and the aforementioned, they will be explained within the respective sections. The data and statistics disclosed in this report, except for annual financial data, which is sourced from audited financial reports (expressed in thousands of New Taiwan Dollars), are based on internal investigations and statistics. The relevant statistical data are calculated according to internationally recognized indicators, local regulatory requirements, industry standards, or industry practices. If any disclosed quantitative indicators carry special significance, they will be explained in the footnotes.

Issuance Date

This is the first Corporate Sustainability Report published by BaaS Innovation Co., Ltd. It will be issued annually henceforth and made available for browsing and downloading on the Company website of BaaS Innovation Co., Ltd.

Issuance Date of This Report: August 2025

Expected Issuance Date of the Next Report: August 2026

Feedback

Kindly contact us for any suggestion regarding this Report or the sustainable development of BaaS Innovation Co., Ltd.

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Message from Chairman

Over the past year, the world was faced with varied economic, social, and geopolitical turbulence, including the uncertainty of globalization and free trade, the Ukraine War, the Gaza War, the barrier of international transportation, and the pressure from inflation. All of them have challenged the resilience of the global supply chain as well as the adaptability of companies. As an accountable global corporate citizen, BaaS Innovation has been accelerating our ESG actions in operations and industrial value chains to continuously inject positive momentum into the society.

Implementing Corporate Sustainability and Creating Corporate Long-term Values

BaaS Innovation will work on environmental protection, social responsibility, and corporate governance and extend from multiple perspectives in environmental protection practices, employee training, board structure reform, and more to include employees' training opportunities of long-term ESG courses, participation in donations to disadvantaged groups, and initial appointment of female directors. We will strive to advance the Company towards the sustainable goals step by step while making profits. BaaS Innovation has prepared our first corporate sustainability report to take inventory of the Company's sustainable development, connecting with international practices.

Sustainable Environmental Protection

In the previous year, we took the initiative to conduct a greenhouse gas inventory and implemented environmental protection practices proactively. It is expected that the annual per capita electricity consumption in the future will be less than that in the previous year. Additionally, we participated in beach clean-up events every year in the hope of contributing our parts to environmental protection.

Sustainable Social Care

In terms of social responsibilities, we are committed to promoting employees' welfare and development. We provide various professional training courses as well as development opportunities and continue to improve the internal talent retention program. In addition, we address diversity and inclusion to ensure that every employee can make the most of their potential in a fair and impartial environment. In the meantime, we support local public services to facilitate mutual prosperity in the society.

Sustainable Development in Corporate Governance

For corporate governance, we keep enhancing transparency and accountability to improve corporate governance and strengthen the structure and functions of the

Board of Directors. In 2024, BaaS Innovation met the objective for diverse board members. Our Board of Directors not only comprises various professionals, but also has one seat of female director. We have established the first Sustainability Development Committee to oversee and assess the Company's sustainability strategies and conduct internal reviews regularly. In 2024, our first Sustainability Report was prepared and issued in accordance with the International Sustainability Standards.

Looking forward to the future, we will continuously endeavor to promote innovation and improvement and explore more gateways to fulfill sustainable development. With an unwavering belief in joint efforts, we will be able to create greater economic values and social benefits whilst protecting the natural resources on earth.

Chapter 1 Corporate Sustainability Management

1.1 About BaaS Innovation

1.1.1 Company Profile

BaaS Innovation Co., Ltd. has originally focused on the sales and trading of memory component products since its establishment in 2003. To maintain and improve everyone's mental and physical health, our subsidiary professional team has invested great amount of manpower and resource in gradually developing multiple products in the field of biomedical science, healthcare, skincare, and energy drinks. Our biotech products adopt the essence extracted from precious resources in nature to produce pure and highly effective healthcare products using innovative and high-end biotechnology, which can significantly improve various kinds of health problems. The skincare products, especially supplements and facial masks formulated with deep ocean water, are greatly appreciated by consumers.

Since the first introduction of blockchain technology and its concepts in 2009, blockchain technology, apart from its initial applications in cryptocurrency, has opened up a new paradigm of decentralized application development for traditional centralized system developers with its characteristics of publicity, transparency, and immutability. It has accelerated the integration of blockchain with traditional applications and gradually given rise to various applied scenarios based on blockchain technology. For example, the Blockchain-applied Judicial Alliance for Digital Era promoted by the Ministry of Justice of the R.O.C. enables cloud-based digital evidence to be instantly recorded and verified using blockchain technology. This shows that blockchain applications have already been practiced in daily life and are providing services imperceptibly. With high expectations for the blockchain application market, the Company is dedicated to the development of blockchain technology applications. By leveraging the characteristics of blockchain technology, we provide blockchain technology products and related solutions in hope of addressing the digital trust issues that traditional applications struggle to resolve.

Company Basic Information

Company Name in Full	BaaS Innovation Co., Ltd.
Company Name in Abbreviation	BaaS Innovation
Date of	September 25, 2003

Company Basic Information

Establishment	
Corporate Headquarters	9th Floor, No. 539, Tanmei Street, Neihu District, Taipei City
Chairman	Chou, Kang-Chi
General Manager	Huang, Chi-Cheng
Industry	Semiconductor Listed Company
Stock Code	3555
Date of Stock Listing	November 8, 2011
Capital	NT\$299,987,970
Main Products	Electronic Products, Software Development, and Biotech Products.
Volume of Main Products	Memory-related Components: 210 Thousand Units; Biotech Products: 13 Thousand Packs; System Development: N/A.
Operating Locations	9th Floor, No. 539, Tanmei Street, Neihu District, Taipei City 3rd Floor, No. 152, Section 1, Zhongxiao East Road, Zhongzheng District, Taipei City

1.1.2 Operational and Financial Conditions

Items	Contents
Policies, Commitments, and Materiality	Economic performance is the crucial foundation of corporate sustainable development. BaaS Innovation is committed to the pursuit of growth and profitability to create maximum benefits for our shareholders and stakeholders. Having experienced the thriving development in the existing field, BaaS Innovation has officially spanned our reach to the professional areas of blockchain technology applications. In the future, BaaS Innovation will persist in the research and development of application products in new fields to generate sources for the corporate income.
Responsible Units	Management Level; and the Financial and Accounting Department
Short-, Mid-, and Long-term Goals	Short-term: Keeping abreast of market dynamics, continually investing in research and development; and realizing continuous growth in the Company's annual revenues. Mid- and Long-term: Creating maximum benefits for shareholders and stakeholders.
Action Plans	<ol style="list-style-type: none"> 1. We will present and track economic performance regularly and have suggestions as well as solutions proposed by each relevant unit. 2. Aside from the continuous sales of the existing products, we will actively expand the application products of blockchain technology and expedite their entry to the market. 3. We will aggressively explore partners for strategic collaboration to integrate resources vertically and enlarge market scales.
Performance in 2024	<ol style="list-style-type: none"> 1. A revenue of NT\$65,002 thousand in 2024. 2. A revenue growth of 173.70% for software business in 2024.
Grievance Mechanisms	<ol style="list-style-type: none"> 1. Management meetings are held regularly to follow up on and review the goal-achieving status of each unit. 2. The management is in charge of the planning and execution of economic performance and present the operating results to the Board of Directors.

The initial business of BaaS Innovation Co., Ltd. was the dealing of electronic products and the sales of biotech products. Having experienced the thriving development in the existing field, BaaS Innovation has recognized the market potential of blockchain technology applications. Therefore, we finalized our investment in Baasid International Lab Co., Ltd. in the second half of 2023, officially entered into the blockchain technology field. BaaS Innovation hopes to integrate the development of blockchain technology vertically, promote the existing resources, and accelerate the deployment of blockchain applications in various industries. More specifically, BaaS Innovation has the following production/sales and management policies in place targeting the blockchain business:

1. Seizing the chance of the golden period where governmental policies are open;
2. Exploring new oversea markets with mature products;
3. Expanding the functional modules of existing products and services;
4. Continuously enhancing business and R&D capabilities;
5. Constantly improving the ISO27001.

For the year 2024, BaaS Innovation Co., Ltd. recorded a revenue of NT\$65,002 thousand, remaining in line with the prior year. At the same time, BaaS Innovation Co., Ltd. will also distribute part of the direct economic value generated to stakeholders and part of it to be used in the Company's future operations.

■ Financial Performance

(Unit: NT\$ thousand)

Items	2023	2024
Direct Economic Value Generated	70,251	88,164
Operating Revenues	65,414	65,002
Revenues from Interest	361	601
Revenues from Dividends	839	0
Revenues from Rental	251	105
Other Revenues	152	1,526
Other Benefits	(61)	(664)
Investment Benefits	3,295	21,594
Direct Economic Value Distributed	78,675	99,726
Operating Costs	50,136	47,132
Employee Wages	22,462	42,575
Employee Benefits	3,128	7,218
Payments to Providers of Capital	2,790	2,801
Payments to Government	159	0
Community Investments	0	0

Items	2023	2024
Economic Value Retained	(8,424)	(11,562)

Note 1: The data of the above table was derived from the 2024 consolidated financial report that had been attested by accountants.

1.1.3 Participation in Associations

BaaS Innovation Co., Ltd. actively participates in domestic and international industry associations and continuously shares information to stay updated on industry dynamics and development trends. In 2024, we participated in the following associations:

No.	Name of Association	Purposes or Objectives of the Association	Membership Qualifications
1	Taiwan Information Security Association	Most of the members of Taiwan Information Security Association (TWISA) are domestic independent researchers and developers, agents, and professional system integrators of cybersecurity. With the four objectives of “Forging Consensus”, “Integrating Products”, “Protecting Taiwan”, and “Expanding Overseas Market” as its core missions, the association also set up five major committees based on “Industry”, “Talent”, “Policy”, “Regulation”, and “Market” to link the cooperation among industries, governments, and academia, jointly establish Taiwan’s cybersecurity ecosystem and brands, and create the greatest benefits for industries.	Backup Director
2	Digital Governance Association	The Digital Governance Association is a civilian organization established under related acts based on purposes excluding for profit that assists various organizations in the appropriate use of environmentally friendly and energy-saving information and communication technologies, thereby facilitating synergistic cooperation between different groups. Its purpose is to develop digital governance theories and promote Taiwan as a global leader in ESG digital governance.	Director
3	Taiwan Future Digital Sustainability Alliance	Taiwan Future Digital Sustainability Alliance centralizes the ESG (Environment, Social, and Governance) sustainable development to address the global waves of environmental friendliness and promote the applications of digital technology in the area of sustainable development. The	Director

No.	Name of Association	Purposes or Objectives of the Association	Membership Qualifications
		Alliance also assists in corporate transitions and upgrades to expedite the pace of Taiwan's businesses towards the international sustainable development of Net Zero Emission.	
4	Sustainable FinTech Alliance of National Cheng Kung University	ESG Sustainable FinTech Alliance aims to provide industries with green finance ecosystem services and leverage FinTech's core technologies such as Artificial Intelligence (AI), Block Chain, Big Data Analysis, Data Mining, and Machine Learning to integrate the collaboration of professional knowledge across business management (corporate governance), compliance-driven economy (corporate social responsibility), hydropower, and environmental engineering (environmental friendliness). The Alliance was also formed to promote research achievements and technologies and practice the industry-academia interactive mode where the academia and businesses collaborate intently. In response to different industries, the Alliance also provides suggestions for diverse sustainable financing channels (direct or indirect) or develops product designing services for sustainable finance in alignment with various customer profiles. It helps small and medium enterprises with smooth sustainability transitions on the way to sustainable development, ensuring the resilience and competitiveness in their sustainable operations.	Prime Member
5	Taiwan Global Eastbound Association of Launching American	The Association is a not-for-profit social organization established in accordance with the law. Our goal is to assist various organizations in using effective strategies to form a successful fleet of performance, create an Asia-Pacific talent platform, and establish Taiwan's unique international supply chain and industrial chain models. We aim to strengthen the Taiwan-US strategic partnership in trade, capital, technology, and talent, and create a new form of industrial cooperation, the global value chain, as our main purpose.	Member

No.	Name of Association	Purposes or Objectives of the Association	Membership Qualifications
6	Healthcare Systems Consortium	The HSC focuses on recruiting consortium members, promoting consortium core techniques, and helping other industries work together with the medical industry. It would enhance members' techniques, service innovation, and development capabilities to create excellent medical service quality. It also offers platforms for the industry sectors to know the medical field better. Moreover, local governments would be invited to discuss their future medical-related policies to reduce communication barriers. With government decrees, the Consortium also matches hospitals and manufacturers to develop in line with the needs of medical products or services.	Industry Membership
7	Taiwan Computer Emergency Response Team/Computer Security Incident Response Teams (CERT/CSIRT)	To enhance the sharing of cyber security intelligence and cyber security defense within civil communities, Taiwan CERT/CSIRT formed the "Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC)" with the integration of cyber security institutions and enterprise capacities to achieve the synergy of cross-domain cyber security defense through diverse intelligence-sharing channels. Members can exchange cyber security intelligence and discuss about cyber security problems in operations or recent important cyber security issues to serve the purpose of cyber security defense and enhance Taiwan's cyber security capacity.	Member

1.2 Corporate Sustainable Governance Framework

BaaS Innovation Co., Ltd. established the “Sustainable Development Committee” in October 2024 in accordance with the “Corporate Social Responsibility Best Practice Principles of BaaS Innovation Co., Ltd.” to serve as the dedicated unit for the Company’s sustainable development. The Chairman, as the chief convenor, the General Manager, as the deputy convenor, and the Chief Financial Officer, as the chief executive, are in charge of the overall planning and promotion of the Company’s sustainable development. There are four taskforces subordinate to the Committee, i.e., Corporate Governance, Sustainable Environment, Information Security, and Social Welfare. The taskforces consists of supervisors and members from each department, who are accountable for performing effective integration of resources and implementing sustainability strategies in the practices of each department. BaaS Innovation Co., Ltd. is scheduled to present a report outlining the implementation status of sustainability strategies as well as projects to the Board of Directors at least once a year. During the 8 Board meetings in 2024, the proposed motions related sustainable development accounted for 62.5%.

■ Structure of the Sustainable Development Committee



■ **Motions Related to the Report and Promotion of Sustainable Development at the Board Meetings in 2024**

Date	Motions Presented at Board Meetings
2024/2/26 20th Meeting of the Eighth Board of Directors	Regular tracking report on the schedule of GHG inventory certification
2024/4/25 22nd Meeting of the Eighth Board of Directors	Regular tracking report on the schedule of GHG inventory certification
2024/7/26 3rd Meeting of the Ninth Board of Directors	Regular tracking report on the schedule of GHG inventory certification
2024/10/29 4th Meeting of the Ninth Board of Directors	<ol style="list-style-type: none"> 1. In accordance with the provisions promulgated in the Company's "Corporate Social Responsibility Best Practice Principles", a responsible unit was established to oversee the sustainable development strategies, systems, relevant management principles, and the propose as well as execution of specific promotion plans. The Chairman serves as the convenor of the Company's Sustainable Development Committee and presents the implementation status of the Company's sustainable development. 2. Regular tracking report on the schedule of GHG inventory certification
2024/12/25 5th Meeting of the Ninth Board of Directors	<ol style="list-style-type: none"> 1. The Company proposed the 2025 Work Program of the Sustainable Development Committee. The Company's 2024 Sustainability Report was expected to be completed in July 2025. The chief convenor of the Sustainable Development taskforces would present the implementation status to the Board of Directors.

1.3 Identification and Analysis of Significant Issues

In 2024, in accordance with Taiwan's "Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies" and the GRI Universal Standards 2021, we identified the significant stakeholders of the Company and the impact of each sustainability issue. In addition to serving as the management guidelines in the sustainability report, the Report can also be used to take an inventory of the Company's current sustainability status, continue to promote the implementation of relevant policies, and create value for the society and the Company.

■ Process to Analyze Material Topics

Phase 1 Understand the Organization's Context	
Collection of Sustainability Issues 18 Sustainability Issues	<ul style="list-style-type: none"> Based on the Company's industry characteristics and internal topics of concerns, as well as with reference to the GRI Standards, domestic and foreign sustainability trends, industry benchmarks, and peer information, the common topics in the industry were identified through the intersection method and 18 sustainability issues were determined.
Phase 2 Assess Actual/Potential Impacts of Issues and Determine Material Topics	
Determination of Material Topics 4 Material Topics	<ul style="list-style-type: none"> In order for the sustainable development taskforces of BaaS Innovation to understand the materiality of the Company's internal and external impacts due to the sustainability issues, we invited external consultants for focused interviews as an approach to determine the material topics for the current fiscal year. A total of 4 material topics were identified eventually, i.e., "Operational and Financial Conditions", "Human Rights, Diversification, and Equality", "Innovative Products and Techniques", and "Information Security and Customer Privacy". The Sustainability Report for the current fiscal year was prepared on the basis of the above material topics, in which the management principles and performance achievements were comprehensively disclosed.
Phase 3 Report and Disclose	
Information Reporting and Disclosure	<ul style="list-style-type: none"> The taskforces of the Sustainability Promotion Committee establish the management system and process, collect information, and prepare the sustainability report. The Committee then reviews the results to ensure that sustainability information and performance are accurately presented. The final report is approved by the Board of Directors and published before August 31 of each year.

■ List of Sustainability Topics of BaaS Innovation Co., Ltd.

Aspect	Sustainability Topic	Material Topic	Impacts on Value Chain				Disclosed Chapter
			Within the Organization	Outside of the Organization			
			BaaS Innovation Co., Ltd.	Upstream (Suppliers)	Midstream (Peers)	Downstream (Customers)	
Governance	Corporate Governance		v	v	v	v	2.1 Corporate Governance
Governance	Compliance with Laws and Regulations		v			v	2.4 Compliance with Laws and Regulations
Governance	Ethical Corporate Management		v	v		v	2.2 Ethics and Integrity
Governance	Risk Management		v	v		v	2.3 Risk Management
Governance	Operational and Financial Conditions	v	v		v	v	1.1 About BaaS Innovation
Environment	Energy and Greenhouse Gases Management		v	v	v	v	3.2 Energy and Greenhouse Gases Management
Environment	Water Management		v			v	3.4 Water Management
Environment	Waste Management		v			v	3.3 Waste Management
Environment	Climate Change Adaptation		v	v	v	v	3.1 Climate Change Adaptation
Society	Occupational Safety and Health		v		v	v	5.4 Occupational Safety and Health
Society	Human Rights, Diversification, and Equality	v	v	v		v	5.1 Human Rights Security for Employees

Aspect	Sustainability Topic	Material Topic	Impacts on Value Chain				Disclosed Chapter
			Within the Organization	Outside of the Organization			
			BaaS Innovation Co., Ltd.	Upstream (Suppliers)	Midstream (Peers)	Downstream (Customers)	
Society	Talent Cultivation and Development		v		v		5.3 Talent Cultivation and Development
Society	Talent Attraction and Retention		v		v		5.2 Talent Attraction and Retention
Society	Social Welfare		v	v	v	v	5.5 Social Welfare
Product	Product Management and Service		v		v	v	4.3 Product Quality and Customer Relationship Management
Product	Innovative Products and Techniques	v	v		v	v	4.2 Product Technology and Innovation
Product	Information Security and Customer Privacy	v	v	v		v	4.4 Information Security and Customer Privacy
Product	Sustainable Supply Chain		v	v		v	4.5 Procurement Practices

1.4 Stakeholder Engagement and Communication

BaaS Innovation Co., Ltd. identified stakeholders based on past experience and industry characteristics. Four categories of stakeholders were identified, i.e., Employees, Suppliers, Shareholders/Investors, and Clients/Customers. By establishing transparent and smooth communication channels, BaaS Innovation Co., Ltd. hopes to understand the issues of concern to various stakeholders and make continuous improvements to meet their expectations and needs.

Stakeholder	Issue of Concern	Communication Frequency and Responding Approach	Communication Channel
Employees	Human Rights, Diversification, and Equality Talent Attraction and Retention Talent Cultivation and Development Occupational Safety and Health	Employee Welfare Committee: Quarterly Labor-management Meetings: Quarterly Employee Suggestion Box: Ad Hoc Employee Surveys: Ad Hoc Employee Training and Promotion Meetings: Regularly/Ad Hoc	Contact: Human Resources Phone: (02) 8227-2928 Email: ir@i-baas.com
Suppliers	Ethical Corporate Management Risk Management Operational and Financial Conditions Compliance with Laws and Regulations Sustainable Supply Chain	In-person visits/telephone contact/emails: Ad Hoc Corporate Sustainability Section: Ad Hoc Supplier Meetings: Ad Hoc	Contact: Digital Development Section Phone: (02) 8227-2928 Email: ir@i-baas.com

Stakeholder	Issue of Concern	Communication Frequency and Responding Approach	Communication Channel
Shareholders/Investors	Corporate Governance Ethical Corporate Management Risk Management Operational and Financial Conditions Compliance with Laws and Regulations Product Management and Service	Market Observation Post System: Monthly Investor Conferences in Chinese and English/Quarterly Financial Statements: Ad Hoc/Quarterly Board of Directors/Functional Committees: Quarterly Shareholders' Meetings: Annually Annual Reports/Sustainability Reports: Annually Corporate Sustainability Section: Ad Hoc Material Information Announcements/Press Releases/Investor Conferences/Official Website: Ad Hoc	Contact: Investors Relations Phone: (02) 8227-2928 Email: ir@i-baas.com
Clients/Customers	Product Management and Service Innovative Products and Techniques Information Security and Customer Privacy	In-person visits/telephone contact/emails: Ad Hoc Customer Satisfaction Survey: Annually Corporate Sustainability Section: Ad Hoc	Phone: (02) 8227-2928 Email: ir@i-baas.com

Chapter 2 Prudent Corporate Management

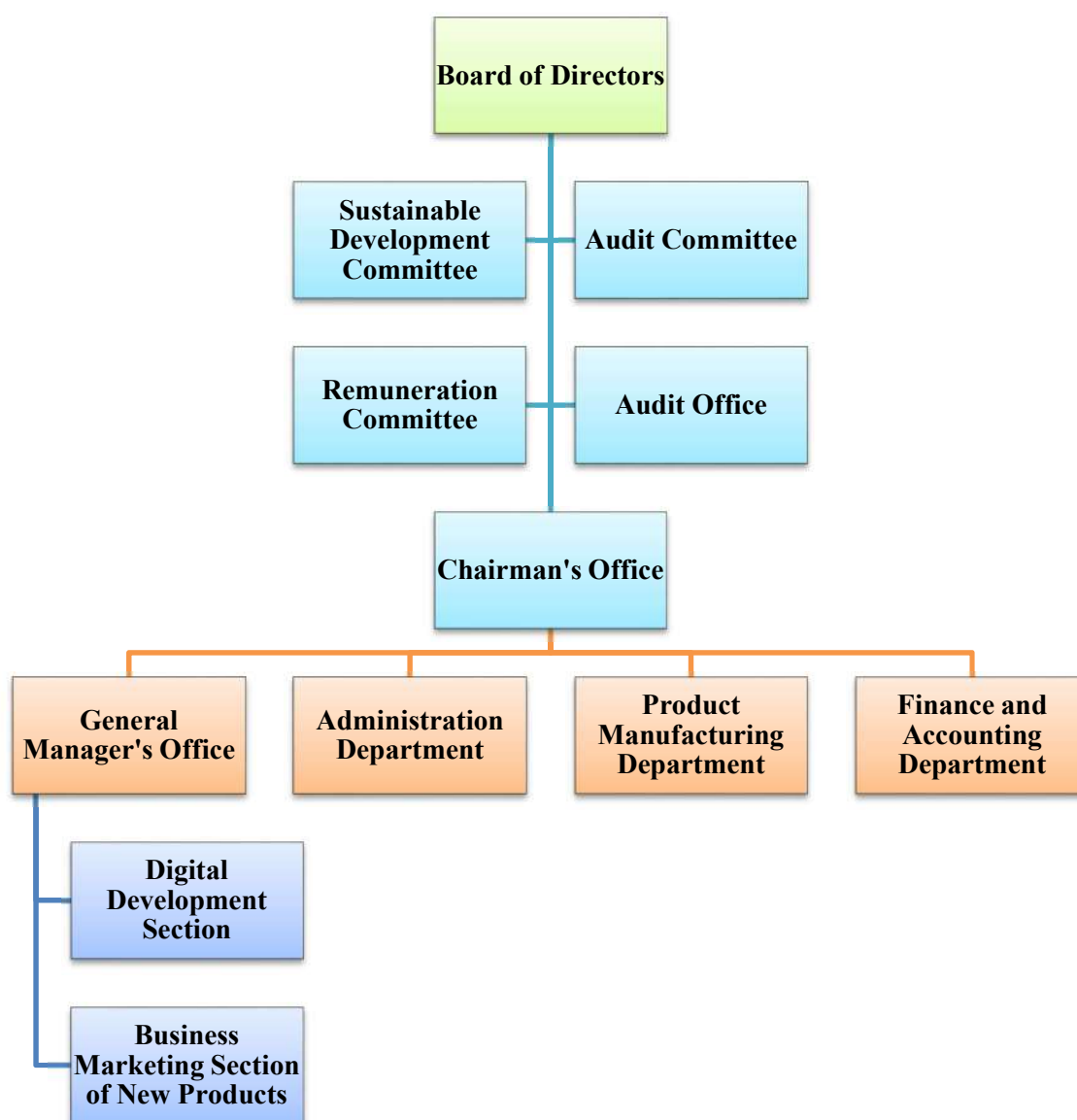
2.1 Corporate Governance

2.1.1 Company Structure and Board Composition

In compliance with Article 20 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, the Company has formulated a board member diversity policy to ensure the implementation of corporate governance and to enhance the functions and structure of the Board of Directors. The Board of Directors has established an appropriate diversification policy based on the Company’s business model and needs. Therefore, the selection of Board members has gradually become more diversified. Through our multifaceted recruitment experience, we attract talent with different professional backgrounds, professional skills, and industry experience to continuously strengthen corporate governance and operational synergy.

The Company’s highest governance officer is the Chairman. The current Board of Directors has a total of 9 seats, consisting of 6 ordinary directors and 3 independent directors. The members are aged between 41 to 80 years old with professional backgrounds spanning technology, finance and accounting, corporate management, operation and manufacturing, environmental sustainability and social participation. Moreover, among the Board members, there were 1 female director and 4 directors, who concurrently serve as employees. Each director possesses abundant experience in the industry. With the members’ diverse skill set, we will be able to perform comprehensive analysis of strategic aspects when determining the Company’s operating direction.

The Company encourages our Board members to continue their education, enhance their professional capabilities and accomplishments and familiarize themselves with the current industrial trends and regulatory changes. The Board members are also encouraged to master and apply the latest management strategies, expand their vision of corporate governance, and cultivate their judgment and sensitivity on the market environment. In the current fiscal year, the Company's Board members continued their education by attending training courses, seminars, and forums. The ratio of all directors' attendance at Board meetings was 100% (including attendance by proxy) in 2024.



■ Continuing Education of Directors in 2024

Organizer	Name of Directors Continuing Education Courses	Duration of Courses (Hours)	No. of Trained Participants (person-time)	Total Training Hours of Directors (Hours)
Taiwan Corporate Governance Association	Response and Countermeasures for Enterprises under the Changing Global Financial Situation	3	1	3
Taiwan Corporate Governance Association	Interpret the Key Messages of Financial Reports	3	1	3
Securities & Futures Institute	Legal Risks and Corresponding Strategies - From Enterprise Investment and Financing	3	1	3
Securities & Futures Institute	Wafer War of the Century: TSMC's Key Technologies and Business Opportunities Leading the World	3	8	24
Securities & Futures Institute	Integrity Management, Corporate Governance and Corporate Social Responsibility and Related Cases (Including Gender Equality)	3	8	24
Securities & Futures Institute	Artificial Intelligence Big Bang: ChatGPT Flips New Industry Trends	3	1	3
Securities & Futures Institute	Silicon Photonics Defines the Network: Trends in Silicon Photonics (SiPh) and Co-Packaged Optics (CPO)	3	1	3
Taiwan Stock Exchange Corporation	2024WIW Forum "Digital Finance and Sustainable Finance Concerto under the AI Boom" Special Lecture	3	1	3
Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit Forum	3	1	3

■ Board Members and Their Backgrounds

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
Chairman	Chou, Kang- Chi	Male	71~80 Years Old	2024/05/24~2027/05/23	3 Years	M.B.A, International Business, University of St. Thomas, Minnesota, USA Chairman, Concord Securities Financial Group General Manager, Capital Securities Corporation Executive Director, Taiwan Securities Association Deputy General Manager, Taipei Exchange Deputy Manager, Listing and Trading Department, Taiwan Stock Exchange Corporation Adjunct Assistant Professor, Tamkang University	Chairman, BaaS Innovation Co., Ltd. Independent Director / Audit Committee Member / Remuneration Committee Member, C.C.P Contact Probes Co., Ltd. Independent Director / Audit Committee Member / Remuneration Committee Member, Radium Life Tech Co., Ltd. Independent Director / Audit Committee Member / Remuneration Committee Member, APEX Wind Power Equipment Manufacturing Co., Ltd. Corporate Representative Director, Super Dragon Technology Co., Ltd. Corporate Representative Director, ATrack Technology Inc. Corporate Representative Director, TSH Biopharm Corporation Ltd.

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
Vice Chairman	Chen, Li-Pai	Male	61~70 Years Old	2024/05/24~2027/05/23	3 Years	M.S., Department of Industrial Engineering and Engineering Management, National Tsing Hua University B.S., Department of Electrical Engineering, Feng Chia University Chairman, CP Solutions Co., Ltd. General Manager, TwinMOS Technologies Inc.	Chairman & CEO, ADATA Technology Co., Ltd. Chairman, Zhao-Xing Investment Co., Ltd. Director, Chao-Lung Investment Co., Ltd. Chairman, Taiwan Sports Lottery Co., Ltd. Vice Chairman, BaaS Innovation Co., Ltd. Chairman, Alwayspeed Technology Co., Ltd. Chairman, Bao Da Investment Co., Ltd. Chairman, All In Digital Co., Ltd. Chairman, Weming Innovation Co., Ltd. Director, Asustek Computer Inc. Director, Maxluck Biotechnology Corp. Chairman, XPG Technology Co., Ltd. Chairman, Welu Management Consulting Co., Ltd. Chairman, ADATA HOLDINGS Chairman, ADATA TECHNOLOGY HOLDINGS Chairman, ADATA (HK) Chairman, ALLIED TREASURE Chairman, ALWIN CO.,LTD Chairman, ADATA SEMICONDUCTOR PRIVATE LIMITED

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
Director	Meiyin Investment Co., Ltd. Representative of Juristic Director: Huang, Chi-Cheng	Male	51~60 Years Old	2024/05/24~2027/05/23	3 Years	<p>Founder & CEO, Baasid International Lab Co., Ltd. Chairman, CroxLink Inc. Asia-Pacific RegTech Association Director, Taiwan Information Security Association and Digital Governance Association Non-Korean Advisor, SDX Foundation, South Korea Digital Consulting Advisor, FinTech Innovation and Entrepreneurship Research Center, National Cheng Kung University Special Assistant to Chairman, Leadtek Technology, Inc. General Manager, Leadhope International Inc. CEO and Executive Director, Gonzo Rosso Overseas Business Division Senior Director, Taiwan Mobile/Taiwan Fixed Network Senior Engineer, AT&T, U.S.A. Graduate, Department of Electrical Engineering,</p>	<p>General Manager, BaaS Innovation Co., Ltd. Chairman, Baasid International Lab Co., Ltd. Chairman, CroxLink Inc. Chairman, Bohe Investment Co., Ltd.</p>

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
						National Kaohsiung University of Applied Sciences EMBA Candidate, National Taiwan University of Science and Technology	
Director	ADATA Technology Co., Ltd. Representative of Juristic Director: Hsu, Hsing-Jui	Male	41~50 Years Old	2024/05/24~2027/05/23	3 Years	Vice President, Hagame International Co., Ltd. General Manager, Yole Game Co., Ltd., Soft- World Group Senior Manager, Gameflier International Corp., Soft-World Group Department of Electronic Engineering, Kuang Wu Industry and Commerce Junior College	Chief Operating Officer, BaaS Innovation Co., Ltd. Chief Operating Officer, Baasid International Lab Co., Ltd.
Director	Ishan Investment Co., Ltd. Representative of Juristic Director: Lin, Wan-Ching	Female	51~60 Years Old	2024/05/24~2027/05/23	3 Years	Associate Director, PricewaterhouseCoopers Taiwan	Chief Financial Officer, LIWANLI Innovation Co., Ltd. Corporate Representative Director, LIWANLI Innovation Co., Ltd. Supervisor, Fullsunglobal Development Co., Ltd. Corporate Representative Director, Taiwan Sports Lottery Co., Ltd.

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
							Supervisor, Carbon Credit Innovation Co., Ltd. Corporate Representative Supervisor, Welu Management Consulting Co., Ltd. Corporate Representative Director, Zhongtai Pop Music & Video Center Co., Ltd. - Supervisor, Baasid International Lab Co., Ltd. Supervisor, CroxLink Inc. Supervisor, Neo Unistar Int'l Co., Ltd. Supervisor, LIWANLI Advanced Biotechnology (Shenzhen) Co., Ltd.
Director	Meiyin Investment Co., Ltd. Representative of Juristic Director: Ting, Chien-Hsing	Male	51~60 Years Old	2024/05/24~2027/05/23	3 Years	Independent Director, LIWANLI Innovation Co., Ltd. M.S., Industrial Engineering and Engineering Management, National Tsing Hua University, Taiwan	Director, Albatron Technology Co., Ltd. Director, Edimax Technology Co., Ltd. Independent Director, Danen Technology Corporation General Manager, Rdipc Taiwan Co., Ltd.
Independent Director	Wu, Kuei-Lin	Male	61~70 Years Old	2024/05/24~2027/05/23	3 Years	M.S., Electrical Engineering, National Cheng Kung University Deputy General Manager, Albatron Technology Co., Ltd. General Manager, Baigang Technology Co., Ltd.	Wood Lacquer Art Creator

Title	Name of Director	Gender	Age	Election/ Appoint Period	Term of Office	Principal Work Experience and Academic Qualifications	Other Important Positions
						Deputy General Manager, ADATA Technology Co., Ltd.	
Independent Director	Hsieh, Hung- Yu	Male	51~60 Years Old	2024/05/24~2027/05/23	3 Years	E.M.B.A., Business Administration, National Chengchi University B.B.A., Accounting, Tamkang University Associate Director, Deloitte Taiwan	Certified Public Accountant, Hsinlei Joint Accounting Firm
Independent Director	Chang, Mao- Sung	Male	61~70 Years Old	2024/05/24~2027/05/23	3 Years	Graduate, China Medical Research Institute Deputy Executive Director, Department of Traditional Chinese Medicine, WeiGong Memorial Hospital	Chairman, TUL Corporation Chairman, IOTU Corporation Proprietor, Tong-Xin-Tang Ginseng Medicine

2.1.2 Nomination and Selection of Board Members

According to the Company's "Articles of Incorporation", the Board of Directors consists of 7 to 13 members, whose individual term of office is three years. The nomination of directors adopts the candidate nomination system and the cumulative voting method for shareholders to elect from a list of candidates. The elected directors may be re-elected. There must be no less than 3 independent directors in the number of directors. The number of independent directors shall not be less than one fifth of the number of directors. The professional qualifications, restrictions on shareholding, concurrent positions, nomination, election, exercise of powers, and other related matters of independent directors will be handled in accordance with the relevant regulations of the securities authority.

In addition, according to the Articles of Incorporation, the Board of Directors is composed of directors and requires the approval of more than two-thirds of the directors and the consent of a majority of the directors present at the meeting for the election of the chairman. The chairman represents the Company externally. Currently, Mr. Chou, Kang-Chi serves as the Company's Chairman, Mr. Chen, Li-Pai as the Vice Chairman, and Mr. Huang, Chi-Cheng as the General Manager.

To avoid conflicts of interest, the "Rules of Procedure for Board of Directors Meetings" explicitly stipulate the terms of directors' interest avoidance: If a motion involves an interest of a director or the legal entity they represent in the meeting, he/she shall explain the importance of such interest during the current board meeting. All parties with an interest shall recuse themselves from the discussions and voting and may not exercise voting rights on behalf of other directors. Please refer to the 2024 Annual Report of BaaS Innovation for the Company's conflict of interest in 2024.

2.1.3 Functional Committees

To strengthen corporate governance and reinforce the effective discussion or recusal of major proposals of the Board of Directors, the Company has established the Audit Committee and the Remuneration Committee to enhance the functions of the Board of Directors. The functions and composition of each functional committee are shown in the table below.

■ Functions and Composition of Functional Committees

Functional Committee	Main Duties and Supervision Items	Composition	2024 Attendance Rate
Audit Committee	<p>The members of the Audit Committee are independent individuals with professional backgrounds. They contribute their knowledge and strengths on an independent ground to assist the Board in decision-making and effectively supervise the operations of the management. The purposes of the Audit Committee are as follows:</p> <ol style="list-style-type: none"> 1. The fair presentation of the Company's financial reports. 2. The appointment (dismissal), independence, and performance of certified public accountants. 3. The effective implementation of the Company's internal control. 4. The Company's compliance with relevant laws and regulations. 5. The control of the Company's existing or potential risks. <p>With professional supervision and assessment, the Audit Committee ensures the regulatory compliance of Company's operations, protects the interests of investors, and provides valuable financial reports as well as management</p>	<p>The Committee shall consist of independent directors with no less than three members. One among whom will serve as the convener, and at least one member shall possess accounting or finance expertise.</p>	100%

Functional Committee	Main Duties and Supervision Items	Composition	2024 Attendance Rate
opinions.			
Remuneration Committee	<p>The Remuneration Committee assists the Board of Directors in supervising the performance assessment of directors and managerial officers and formulates the overall remuneration policy of the Company to ensure a more transparent and impartial remuneration system. The Remuneration Committee will fulfill the following duties and present their recommendations to the Board of Directors for discussion.</p> <ol style="list-style-type: none"> 1. Establishing and periodically reviewing the performance assessment and the policies, systems, standards, and structure for the compensation of the directors, the Audit Committee members, and managerial officers of the Company. 2. Periodically assessing and establishing the compensation to the directors, the Audit Committee members, and managerial officers of the Company. <p>The Remuneration Committee shall exercise the care of a good administrator to faithfully perform the following duties and ensure that the compensation system of directors and managerial officers is aligned with their performance. The Committee shall present its recommendations to the Board of Directors for discussion, in order to facilitate the transparency and fairness of the compensation system.</p>	<p>The Committee shall consist of 3 members appointed by resolution of the Board of Directors. One of the members shall serve as convener. All of the Committee members are independent directors.</p>	100%

2.1.4 Performance Assessment

To implement corporate governance and enhance the functions of the Company's Board of Directors as well as functional committees and to improve the operation efficiency, BaaS Innovation has set forth performance objectives for the Board of Directors and the functional committees. In accordance with the "Board Performance Evaluation Policy", the Board of Directors shall conduct internal evaluation of the Board as a whole; the individual Board members shall conduct self-evaluation; and the Audit Committee and the Remuneration Committee shall conduct internal evaluation of the respective functional committees.

In the process of the self-assessments, the directors shall fill out the "Questionnaire of Self-Performance Evaluation of Board Members", which are used for collecting information about the activities of the Board of Directors. The unit responsible for evaluation shall then collect all information, give scores based on the evaluation indexes, record the evaluation results in a report, and submit the report to the Board of Directors for review and improvement. Each functional committee shall carry out self-assessment based on the participation in the operation of the Company, the awareness of the duties of the functional committee, etc.

All of the self-evaluation results of the performance of the Board, Board members, and respective functional committees for the current fiscal year scored higher than 95 points, indicating a good performance. The Company shall base our continuous improvement on these evaluation results to enhance the operation efficiency of the Board of Directors.

■ Results of Self-Performance Evaluation of the Board

Type	Evaluation Aspect	No. of Questions	Percentage (%)	Average Score	Weighted Average Score
Internal Evaluation	A. Participation in the operation of the company	12	26	57.00	25.00
	B. Improvement of the quality of the board of directors' decision making	12	26	60.00	26.00
	C. Composition and structure of the board of directors	7	15	30.00	12.86
	D. Election and continuing education of the directors	7	15	30.00	12.86
	E. Internal control	7	15	35.00	15.00
	F. Additional items	1	3	5.00	3.00
	Total	46	100	-	95.00

■ Questionnaire Results of Self-Performance Evaluation of Board Members

Type	Evaluation Aspect	No. of Questions	Percentage (%)	Average Score	Weighted Average Score
Internal Evaluation	A. Alignment of the goals and missions of the company	3	13	14.78	12.41
	B. Awareness of the duties of a director	3	13	15.00	12.60
	C. Participation in the operation of the company	8	33	38.44	31.72
	D. Management of internal relationship and communication	3	13	14.89	12.51
	E. The director's professionalism and continuing education	3	13	15.00	12.60
	F. Internal control	3	13	14.89	12.51
	G. Additional items	1	4	5.00	4.00
	Total	24	100	-	98.34

■ Questionnaire Results of Self-Performance Evaluation of the Audit Committee

Type	Evaluation Aspect	No. of Questions	Percentage (%)	Average Score	Weighted Average Score
Internal Evaluation	A. Participation in the operation of the company	4	15	20.00	15.00
	B. Awareness of the duties of the functional committee	8	29	37.00	27.00
	C. Improvement of quality of decisions made by the functional committee	7	26	35.00	26.00
	D. Makeup of the functional	4	15	16.00	12.00

Type	Evaluation Aspect	No. of Questions	Percentage (%)	Average Score	Weighted Average Score
	committee and election of its members				
	E. Internal control	3	11	15.00	11.00
	F. Additional items	1	4	5.00	4.00
	Total	27	100	-	95.00

■ **Questionnaire Results of Self-Performance Evaluation of the Remuneration Committee**

Type	Evaluation Aspect	No. of Questions	Percentage (%)	Average Score	Weighted Average Score
Internal Evaluation	A. Participation in the operation of the company	4	15	20.00	15.00
	B. Awareness of the duties of the functional committee	8	29	37.00	27.00
	C. Improvement of quality of decisions made by the functional committee	7	26	35.00	26.00
	D. Makeup of the functional committee and election of its members	4	15	16.00	12.00
	E. Internal control	3	11	15.00	11.00
	F. Additional items	1	4	5.00	4.00
	Total	27	100	-	95.00

2.1.5 Remuneration Policy

The Company refers to the general pay levels in the industry when conducting the performance assessments and deciding the compensation levels of directors and managerial officers. In the meantime, we take into account the responsibilities assumed and the time spent by the individuals, the extent of goal achievement, their performance in other positions, and the compensation paid to employees holding equivalent positions in recent years. Additionally, we evaluate the reasonable correlation between the individual's performance and the Company's operational performance and future risk exposure, with respect to the achievement of short-term and long-term business goals and the financial position of the Company's.

The Company's Remuneration Committee periodically reviews and assess the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the compensation of the directors and managerial officers. Based on the achievement status of the performance goals for the directors and managerial officers, we set their individual compensation. The execution status of the periodical reviews and assessments shall only be presented to the Board of Directors annually with the consent of more than one half of the entire membership of the Remuneration Committee.

With this set of procedures, we ensure that the performance evaluation and remuneration decisions of the directors and managerial officers are aligned with reasonable standards while simultaneously safeguarding the interests of the Company. This also demonstrates the importance we attach to regular reviews and transparency of our remuneration system.

■ Remuneration Policy

Directors and Supervisors	General Manager and Deputy General Manager
<p>The policy follows Article 18 of the Company's Articles of Incorporate, stating "The remuneration for the Chairperson of the Board and directors shall be based on their level of participation in the Company's operations and the value of their contributions, and shall be set by the Board of Directors with reference to industry standards both domestically and internationally; and Article 22, stating "To incentivize employees and the management team, the Company shall, after deducting employee and director/supervisor remuneration from pre-tax profit and covering any losses for the fiscal year, allocate 5% to 20% of any remaining profit as employee remuneration and no more than 3% as director remuneration. (...)"</p> <p>We also take into account the respective directors and supervisors' positions held at the Company, length of time spent, extent of responsibilities assumed, and individual performance to determine the amounts of their compensations. If there are directors remuneration appropriated in accordance with the Articles of Incorporation, in addition to the review by the Remuneration Committee and the approval by the Board of Directors, such resolution shall be presented at the Shareholders' meetings.</p>	<p>The salary structure consists of base salary, meal allowance, position allowance, and bonuses. Considering the differences in operational performance, a comprehensive assessment is conducted in accordance with the Company's regulations for recruitment and appointment management, regulations for performance evaluation management, and regulations for promotion management.</p> <p>Additionally, the policy follows Article 22 of the Company's Articles of Incorporation, stating "To incentivize employees and the management team, the Company shall, after deducting employee and director/supervisor remuneration from pre-tax profit and covering any losses for the fiscal year, allocate 5% to 20% of any remaining profit as employee remuneration and no more than 3% as director remuneration. Employee remuneration may be paid in the form of stock or cash, and such compensation shall be approved by a resolution of the Board of Directors, requiring the attendance of at least two-thirds of the directors and the approval of a majority of those present. The decision must then be reported to the Shareholders' Meeting." If there are directors remuneration appropriated in accordance with the Articles of Incorporation, in addition to the review by the Remuneration Committee and the approval by the Board of Directors, such resolution shall be presented at the Shareholders' meetings.</p>

2.2 Ethics and Integrity

2.2.1 Anti-corruption Policy

To implement the Company's ethical conduct and ethical management and facilitate the sound development of the Company's corporate culture, BaaS Innovation approved the "Ethical Corporate Management Best Practice Principles" at the 7th Board meeting on August 2, 2019. The principles are for the Company's colleagues and relevant personnel to follow.

As set forth in the provisions of the Company's "Ethical Corporate Management Best Practice Principles", the Administration Department will serve as the dedicated unit and present the following items to the Board of Directors. A report will also be presented to the Board of Directors if an internal auditor finds irregularities during audit routines.

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the Board of Directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
7. Preparing and properly maintaining the ethical corporate management policy, the statement of compliance, the implementation of commitments

and the status of implementation, and other related documentary information.

In 2024, BaaS Innovation did not have any corruption incidents, nor did we receive any reports or lawsuits of violations of ethical corporate management practices. BaaS Innovation continuously communicates with internal employees to convey the importance of anti-corruption. All new employee hires must sign the “Ethical Corporate Management Best Practice Principles” to ensure their clear understanding regarding the Company’s ethical corporate management policies. In the future, we will continue to carry out anti-corruption promotion to our members and suppliers, continuously enhancing their anti-corruption awareness.

2.2.2 Ethical Corporate Management Policy

Prior to developing commercial relationships with suppliers, customers, or other business counterparties in the future, we will comply with BaaS Innovation's "Ethical Corporate Management Best Practice Principles" and establish relevant assessment mechanisms in consideration of the Company's actual operational needs.

1. Before developing a commercial relationship with suppliers, customers, or other business counterparties, we will evaluate their legality and status of ethical management, and ascertain whether they have a record of involvement in unethical conduct, in order to ensure that they conduct business in a fair and transparent manner and will not request, offer, or take bribes.
2. When assessing the status of ethical management of suppliers, customers, or other business counterparties, we review the following matters:
 - a ∨ The enterprise's nationality, location of business operations, organizational structure, management policy, and place where it will make payment.
 - b ∨ Whether the business operated by the enterprise is in an industry with a high risk of bribery.
 - c ∨ The long-term business condition and degree of goodwill of the enterprise.
 - d ∨ Consultation with the enterprise's business partners on their opinion of the enterprise.
 - e ∨ Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.
3. Before entering into a contract with another party, we will express to the party that our commercial transactions are adhered to the integrity principle. Both parties shall not provide, accept, promise, or request bribes, commission, proportion, brokerage fees, kickback, rebate, gratuity, entertainment, or other improper benefits. Where a party is discovered to violate the provisions mentioned above, the other party may terminate or rescind the contract and seek compensation. Where a party is discovered to violate the provisions, the other party shall notify the violating party immediately and provide relevant evidence for investigation.
4. We avoid commercial dealings with unethical operators. The Company's "Employee Code of Conduct" prohibits employees from involving in illegal or fraudulent conduct and forbids employees to accept gratuity, entertainment, special discounts, or preferential treatment obtained due to their job positions or duties. Moreover, the "Employee Code of Conduct" also stipulates that employees shall not abuse their duties or purposefully tolerate the unethical conduct of their subordinates. In the case of specific

facts and material circumstance, the Company may terminate the employee involved without prior notice.

5. Stipulation of terms of ethical management in contracts:

- a ▾ The contract shall explicitly stipulate that both parties shall adhere to the ethical principles and that any violations carry relevant legal liabilities.
- b ▾ Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
- c ▾ Specific and reasonable payment terms shall be established, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

2.2.3 Whistle-blowing System

In accordance with BaaS Innovation's "Ethical Corporate Management Best Practice Principles", the Company shall assign dedicated personnel to take charge of investigation upon receipt of whistle-blowing related to ethical management. The Company shall keep the whistleblowers' identity and contents of information confidential and accept anonymous whistle-blowing. Upon completion of the investigation for the whistle-blowing case, the Company shall take subsequent countermeasures after discussion with responsible units and supervisors depending on the seriousness of the circumstance concerned. Additionally, the Company undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing. In 2024, BaaS Innovation did not receive any forms of whistle-blowing or complaints related to ethical management. We will continuously maintain our excellent record in the future.

2.3 Risk Management

2.3.1 Risk Management Framework and Responsibility

To enhance the capabilities of corporate governance and risk management, the Company adopts hierarchical management for different levels, stipulates various internal regulations, and carry out risk assessment and management. With these approaches we aim to address the everchanging external environment in hope of minimizing the impact level of risks, jump at the opportunities for future development, and realize the visions of sustainable development.

■ Risk Management Framework and Responsibility of BaaS Innovation

Name of Organization	Scope of Responsibilities
Board of Directors	The Board of Directors ensures the effective execution of risk management and bears the ultimate responsibility for risk management. Additionally, the Board is responsible for approving risk management regulations, deciding the approval hierarchy for each risk management regulation, and eventually, supervising the overall execution of the risk management system.
Audit Unit	The audit unit includes risk information in the annual audit plans, ensures a sustained and effective implementation of the internal control system, and assists the management in fulfilling their duties.
Relevant Departments within the Company	These departments serve as the units on the frontline for risk detection, assessment, and control.

2.3.2 Key Risks and Adaptation Strategies

Through the annual risk assessment unit, the Company gathers industry risk trends and holds regular risk management meetings with various departments within the Company to identify potential risks in current operations from different perspectives. Risk factors are also categorized and assessed alongside current adaptation strategies and conditions to ensure all potential risks are within reasonable control limits, preventing serious financial, reputational, or operational impacts on the Company. In 2024, BaaS Innovation identified 7 major operational risks, namely market risk, credit risk, operational risk, liquidity risk, legal risk, information security risk, and climate risk. The following table shows the Company’s management policies and adaptation strategies.

■ Risk Items and Future Adaptation Strategies in 2024

Risk Item	Risk Management Measure
Market Risk	Market risk refers to the potential for financial loss due to fluctuations in market prices, such as changes in interest rates, exchange rates, securities, or commodity prices. These price changes can lead to losses both on and off the balance sheet. In managing market risk, the Company considers several factors, including the authorization, structure, processes, and operational procedures associated with market risk management. It also defines the business and transaction scope the Company can engage in, the methods used to measure market risk, as well as the approval levels for setting market risk limits and the procedures to handle any breaches of these limits.
Credit Risk	Credit risk refers to the possibility of default on transactions caused by the deterioration of a counterparty’s financial position or other factors, leading to financial losses. When managing credit risk, the Company focuses on aspects such as the evaluation and management of suppliers related to procurement and sales, customer credit management, and cash flows; authorization limits for guarantees and loans; and the management of credit ratings and transaction limits for both suppliers and customers.

Risk Item	Risk Management Measure
Operational Risk	Operational risk refers to potential losses due to errors or failures in internal operations, personnel, or systems, or as a result of external events. In managing operational risk, the Company takes into account the authorization, processes, and operational content related to operational risk management. All planning must adhere to internal control systems, relevant management regulations, and operational procedures. The Company also ensures proper controls over operational risks and compliance with internal control policies.
Liquidity Risk	Liquidity risk comprises both market liquidity risk and funding liquidity risk. Market liquidity risk arises when a lack of market depth or market disarray leads to substantial price fluctuations when attempting to manage or offset holdings. Funding liquidity risk refers to the potential inability to liquidate assets or secure adequate funds to fulfill maturing obligations. When managing liquidity risk, the Company evaluates the nature of its various business activities and incorporates considerations such as the authorization, processes, and operational procedures related to funding liquidity, as well as control strategies concerning market liquidity.
Legal Risk	Legal risk refers to the possibility of non-compliance with relevant government regulations, which could lead to legal violations, or the risk that contracts may be invalid due to poorly drafted terms or other deficiencies, resulting in potential losses. In addition to adhering to applicable government laws, the Company ensures that contracts with external parties are carefully reviewed by the appropriate business units and submitted to the legal department for analysis or to external legal advisors for review before signing, in order to manage potential legal risks.

Risk Item	Risk Management Measure
Information Security Risk	<p>The Company places increasing emphasis on information security risks and has put in place internal controls and operational procedures to safeguard information security. These measures cover areas such as hardware, network usage, firewall configurations, antivirus software, user account settings, and record-keeping, all of which are regulated and overseen by dedicated personnel. Any irregularities are immediately reported, and periodic audits are conducted to ensure compliance with these standards. To date, no significant issues have been found.</p> <p>In terms of information confidentiality, the Company ensures the safe-keeping of all internal and external documents by the relevant departments. Non-disclosure agreements are required to prevent any potential information leaks, when necessary. At present, no significant risks have been identified in the Company's information security management. Moving forward, the Company will continue to review and optimize our overall information security management for its adequacy based on our actual operational needs.</p>
Climate Risk	<p>Due to intensified climate change and frequent extreme events, climate risk has become an emerging risk that the Company must address. Through the risk identification process, the primary transition risk currently faced by the Company is the increased GHG emissions pricing, while the physical risk is the increased severity and frequency of extreme weather events. Please refer to Chapter 3.1.3 Adaptation Strategies for Climate Change, for our adaptation strategies.</p>

2.4 Compliance with Laws and Regulations

Compliance with laws and regulations is the fundamental duty of an enterprise and an embodiment of an enterprise's accountable attitude. Upholding such principles, BaaS Innovation keeps abreast of regulatory changes proactively and makes timely adjustments to align with legal requirements. The Company has appointed legal specialists for legal consultations and contractual audits, in order to guarantee our compliance with the laws, regulations, and administrative ordinances promulgated by the government.

The Company manages our operating activities in accordance with the law. During the reporting period, the Company did not have significant instances of non-compliance or sanction, where administrative fines cumulatively reach NT\$1 million or more for a single event as set forth in the "Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEx Listed Securities".

Each department within BaaS Innovation shall be responsible for the following matters to ensure the Company's continuous compliance with the legal provisions.

1. Respective units shall establish a system for clear and adequate conveyance, consultation, coordination, and communication of rules and regulations to ensure effective conveyance of legal provisions and smooth information flow.
2. Respective units shall regularly review and update operating and management rules and procedures in line with relevant regulations to make sure all business activities comply with regulatory requirements.
3. Respective units shall conduct self-evaluation and the respective department head shall designate appropriate personnel to compile relevant regulatory information. Through the establishment of a regulatory summary table, regulatory content will be organized and compiled to enable each department to better understand the applicable regulatory requirements.

Chapter 3 Environmental Sustainability Management

3.1 Climate Change Adaptation

3.1.1 Climate Governance

Global climate change has become more severe with warmer temperatures, rising sea levels, and frequent extreme events, directly impacting corporate production and operation. The “Global Risk Report 2023”, issued by the World Economic Forum (the WEF), identified the “Failure to Mitigate Climate Change” as the most globally-significant long-term risk in ten years. Enterprises must be proactive in responding and take mitigating and adapting actions.

In the face of threats from the external environment, BaaS Innovation identified climate risks and opportunities this year and formulated management strategies as well as actions in response of the extreme weather in order to strengthen our resilience towards climate. Furthermore, we have planned our gradual operational transition to mitigate climate change and progress towards low-carbon operations.

Board of Directors

The Board of Director serves as the highest body for climate governance. It is in charge of deciding the climate-related strategic directions of the Company and overseeing the progress of the Company’s overall climate action. The Board of Directors has a subordinate “Sustainable Development Committee” , which is led by the Chairman as the convenor and the General Manager as the deputy convenor. In the future, the Company will present a report on the execution effectiveness of sustainability strategies and projects to the Board of Directors at least once a year. In 2024, the Company presented the tracking reports of GHG inventories and certification timeframe plans to the Board of Directors quarterly, totaling to 5 reports.

Sustainable Development Committee

To strengthen the management and identification of climate-related risk and opportunity issues, we established the Sustainable Development Committee in 2024. The Chairman serves as the convenor, and the General Manager serves as the deputy convenor. Together they are in charge of leading the four taskforces, i.e., Corporate Governance, Sustainable Environment, Social Welfare, and Information Security, formulating sustainability-related strategies, and implementing actions thereof.

In 2024, the Sustainable Development Committee identified the climate risks and opportunities faced by the Company, targeting which they also took inventories and formulated adaptation actions. Following the process, we will continue to supervise the achievement of climate response goals and actions of each subsidiary and assist in integrating the Group’s current climate governance status.

Sustainability Taskforces

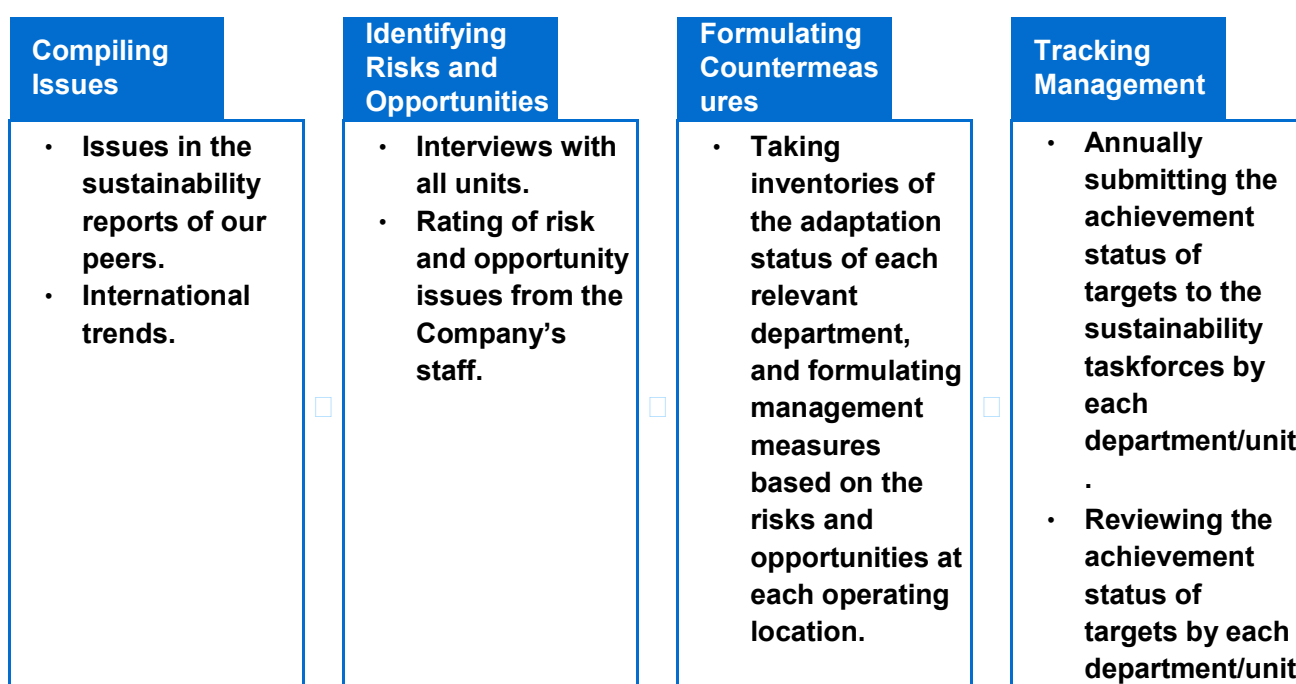
There are four taskforces of Corporate Governance, Sustainable Environment, Social Welfare, and Information Security established under the Committee, each of which are headed by the senior management in respective subsidiaries. The taskforces periodically discuss the impact of climate issues on their responsible businesses, follow up on the achievement progress of climate targets, and regularly propose recommendations to the Committee to enhance climate resilience.

■ Sustainability Governance Structure of BaaS Innovation



3.1.2 Climate Risk Management

To keep abreast of key current climate opportunities and risks, the Sustainable Development Committee gathers information from the sustainability reports of peers and convenes each sustainability taskforce every year. The sustainability taskforces collect the annual climate risk adaptation from all relevant departments and interview the relevant units regarding their insights on the impact and possibility of occurrence of each climate issue in order to organize and identify the annual key climate risks and opportunities. The results are submitted to the Sustainable Development Committee and later to the Board of Directors for resolutions and formulation of climate strategies.



3.1.3 Adaptation Strategies for Climate Change

To formulate the Company's key strategies for climate change, it is a priority for us to identify the annual key issues of climate risks and opportunities. In 2024, the Sustainable Development Committee held meetings with the four sustainability taskforces and referred to the peer reports and domestic/international trends to compile the climate issues specific for BaaS Innovation. Then, we discussed with various units about the situation issues where we actually encountered and required for response. At last, 3 key climate risks and opportunities were resolved, namely 1 transition risk, 1 physical risk, and 1 climate opportunity. The following table lists the 3 key climate issues and their period of occurrence, current situation, and future adaptation strategies as well as countermeasures.

Aspect	Issue	Impact Period	Current Status of Climate Risks and Opportunities	Adaptation Strategy and Management Measure
Transition Risk	Increase d GHG emission s pricing	Short-term (within 3 years)	Taiwan's "Climate Change Response Act" will levy carbon fees on the major carbon emission companies in Taiwan, whose annual carbon emissions exceed 25,000 tons starting from 2026, with the charging rate of NT\$300 per ton. Although BaaS Innovation is not included in the first wave, we still included this risk for assessment as the criteria may be gradually lowered in the future.	<ol style="list-style-type: none"> 1. Implementing the annual carbon inventory system and expecting to complete the individual GHG inventory by 2026 and the consolidated GHG inventory by 2027. 2. Conducting the third-party assurance of GHG inventories and expecting to complete the assurance of consolidated GHG inventories by 2029.
Physical Risk	Increase d severity and frequenc y of extreme weather events	Mid-term (3 to 10 years)	The major operations of BaaS Innovation are located in Taiwan. Considering the frequent occurrence of extreme weather events in Taiwan in recent years, natural disasters have increased the Company's risks of disrupted operations. Extreme climate may also result in losses of corporate assets and indirect losses such as supply chain disruption.	<ol style="list-style-type: none"> 1. Adopting the Uninterruptible Power Supply (UPS) to prevent the impact of reduced power supply at regions to equipment. 2. Reducing carbon emissions through daily electricity-saving measures, such as temperature control of air conditioning, timer setting for computer hibernation or shutdown, energy-saving by office areas, online meetings as a replacement of business trips, etc.

Aspect	Issue	Impact Period	Current Status of Climate Risks and Opportunities	Adaptation Strategy and Management Measure
Opportunity	Adaptation of low-carbon energy and energy-saving measures	Short-term (within 3 years)	Energy decarbonization is an important strategy of Taiwan's 2050 Net Zero. BaaS Innovation actively responds to governmental targets and is planning to adapt low-carbon energy and energy-saving projects in order to reduce the carbon emissions generated, lowering operating costs, and obtaining financing advantages.	<ol style="list-style-type: none"> 1. Reducing carbon emissions through daily electricity-saving measures, such as temperature control of air conditioning, timer setting for computer hibernation or shutdown, energy-saving by office areas, online meetings as a replacement of business trips, etc. 2. Reinforcing the promotion of energy conservation in office areas to achieve a low-carbon operation.

3.1.4 Metrics and Targets

To actively address the impact of climate change, BaaS Innovation is planning on GHG inventories and the setup of reduction timeframe as well as targets. Also, the Sustainable Development Committee supervises the annual achievement of each operating location, revises the climate targets on a rolling basis, and submits reports to the Board of Directors every year to confirm the effectiveness and suitability of the targets. The following are the climate-related targets set by BaaS Innovation and the achievement status thereof:

Target Type	Target Description	Achievement Status
Carbon	To complete the individual GHG inventory	In progress
Reduction	by 2026.	
Target	To complete the consolidated GHG inventory by 2027.	In progress
	To complete the setting of reduction targets, strategies, and action plans by 2027 (with 2026 as the baseline year).	In progress
	To complete the verification/assurance of individual GHG inventory by 2028.	In progress
	To complete the verification/assurance of consolidated GHG inventory by 2029.	In progress

3.2 Energy and Greenhouse Gases Management

3.2.1 Energy and Greenhouse Gases Management

Climate change has resulted in many extreme weather events around the world. The EU's earth observation programme indicates that 2024 was the warmest year on record to exceed 1.5°C. The data has shown that governments and enterprises must take more active actions to mitigate the impact brought by climate change.

As a member of the global village, BaaS Innovation regards carbon reduction and energy conservation as the focus of our current management. At present, we have reinforced the promotion of energy conservation and carbon reduction and strengthened the energy-saving measures in office areas in our daily operations. In the future, we plan to finalize the carbon inventories at our earliest to get hold of the sources and amounts of our carbon emissions, set the targets for carbon management, and demonstrate our determination to reduce carbon emissions to customers and stakeholders.

3.2.2 Overview of Energy Consumption

In 2024, the total energy consumption of BaaS Innovation was 378.05 GJ. The gasoline used in company cars accounted for 21.35% of the total energy consumption. The purchased electricity used in operating locations, mainly for computers and air conditioning in offices, accounted for 78.65% of the total energy consumption. The utilization ratio of renewable energy was 0%. The energy intensity (GJ/revenue in million) for 2024 was 0.0058, which remained constant compared to the previous year. The reason was that the operations of BaaS Innovation are mostly in office environment instead of manufacturing. In the future, we will continue to track the consumption trends of various energy categories on an annual basis and persist in producing energy-saving solutions.

■ Total Annual Energy Consumption

Item	Unit	2023			2024		
		Total	Gigajoule	Ratio	Total	Gigajoule	Ratio
		Consumptio	(GJ)	(%)	Consumptio	(GJ)	(%)
		n			n		
Gasoline	Liter	2,863.67	91.23	21.99%	2,533.41	80.71	21.35%
Purchased Non-renewable Electricity	kWh	89,862.48	323.56	78.01%	82,580.40	297.34	78.65%
Total Energy Consumption		414.79			378.05		
(GJ)							
Revenue for Current Year		65,414			65,002		
(NT\$ Thousand)							
Intensity		0.0063			0.0058		
(GJ/Revenue in Thousand)							

Note 1: The scope of energy consumption statistics covers: BaaS Innovation Co., Ltd. (headquarters in New Taipei City and office in Neihu), Baasid International Lab Co., Ltd., and CroxLink Inc.

Note 2: Calorific value of gasoline = 7,609 kcal/L; calorific value of diesel = 8,642 kcal/L; calorific value of electricity = 860 kcal/kWh. The factors are derived from the “Carbon Emissions Factors” announced in the Letter No. 1139101231 by the Ministry of Environment of R.O.C on February 5, 2024.

Note 3: The intensity denominator is the total revenue of the consolidated financial report; whereas the statistics of revenue is derived from the consolidated annual financial statements attested by accountants.

3.2.3 Greenhouse Gases Management

As the world is placing increasing emphasis on GHG emissions, BaaS Innovation takes the initiative to support the global trend in carbon reduction. We have brought GHG inventories into the crucial implementation matters of operational management to measure GHG emissions more accurately and formulate carbon reduction plans. We have scheduled to complete the individual GHG inventory by 2026 and the consolidated inventory by 2027. Additionally, we expect to complete the consolidated verification through an independent third party by 2029 and simultaneously plan on the most feasible carbon reduction measures to reduce GHG emissions.

BaaS Innovation has estimated the GHG emissions between 2023 and 2024. The total GHG emissions in 2024 were 44.7388 tons of CO₂e. Scope 1 (Direct Emissions) accounted for 12.51% of the total, mainly from fuels used in company vehicles; whereas Scope 2 emissions accounted for 87.49% of the total, mainly from electricity used in offices and common areas. The emission intensity of Scope 1 and 2 was 0.0007 tons of CO₂e/Revenue in NT\$ thousand. The GHG emission intensity in 2024 decreased by 12.50% compared to that in 2023, mainly because the most used energy in BaaS Innovation was electricity. In addition, the electricity carbon emission factor in 2024 showed a decrease from that in the previous year.

■ Annual GHG Emissions and Intensity

	2023		2024	
Unit	tonCO ₂ e	Ratio (%)	tonCO ₂ e	Ratio (%)
Scope 1 (tonCO ₂ e)	6.3252	12.47%	5.5957	12.51%
Scope 2 (tonCO ₂ e)	44.3921	87.53%	39.1431	87.49%
Total Consumption of Scope 1 and 2 (tonCO ₂ e)	50.7172	100.00%	44.7388	100.00%
Total Intensity of Scope 1 and 2 (tonCO ₂ e / Revenue in NT\$ thousand)	0.0008		0.0007	
Increase/Decrease (%) in Intensity Compared to the Previous Year	-		(12.50%)	

Note 1: The Scope of GHGs: BaaS Innovation Co., Ltd. (headquarters in New Taipei City and office in Neihu), Baasid International Lab Co., Ltd., and CroxLink Inc.

Note 2: The citation of GHG coefficients: The Greenhouse Gas Emission Factor Management Table Version 6.0.4 by the Ministry of the Environment.

Note 3: The scope of GHG inventory: A total of 7 GHGs, namely carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NH₃).

Note 4: The GHG inventory was conducted using the operational control approach.

Note 5: Emission intensity = (Scope 1 + total Scope 2 CO₂)/total annual revenue.

Note 6: BaaS Innovation has not completed the inventory based on GHG Protocols; therefore, has not yet set the baseline year.

3.3 Waste Management

3.3.1 Waste Management System

As BaaS Innovation does not have our own factories, the majority of waste are domestic waste, which are further categorized into general garbage, recycled waste, and leftovers. We appoint property management operators to dispose the waste by a qualified third-party. In 2024, BaaS Innovation did not have any penalties related to waste disposal.

3.3.2 Waste Generated

BaaS Innovation primarily operates in offices and does not have our own operating factories and production lines. Hence, the categories of waste are limited to general waste, with no general industrial waste or hazardous industrial waste. The total weight of waste in 2024 was 16.54 metric tons, whereas the waste intensity was 0.0003. The waste intensity this year increased compared to that in the previous year due to the growth of corporate scale and the rising number of employees.

General waste are treated off-site, and the final treatment is incineration or landfill. In the future, we will continue to track the trends and changes of various types of waste and gradually increase the resource recycling rate to minimize the impact of our operations on the external environment.

■ Annual Waste Generated

Fiscal Year	2023	2024
General Domestic Waste (tons)	14.21	16.54
General Industrial Waste (tons)	-	-
Hazardous Industrial Waste (tons)	-	-
Total Waste (tons)	14.21	16.54
Waste Intensity (tons/consolidated revenue)	0.0002	0.0003

Note1: The Scope of total waste generated: BaaS Innovation Co., Ltd. (headquarters in New Taipei City and office in Neihu), Baasid International Lab Co., Ltd., and CroxLink Inc.

Note 2: The Ministry of Environment announced that the average amount of general waste generated per capita per day was 1.359 KG/day in 2023 and 1.373 KG/day in 2024. The results were based on the calculation of the said statistics, the number of employees, and the number of working days. (The number of employees was 42, and the number of working days was 249 in 2023; the number of employees was 48, and the number of working days was 251 in 2024.)

Note 3: Intensity = Total Weight of Waste (tons) / consolidated annual revenue (NT\$ thousand)

3.4 Water Management

3.4.1 Evaluation of Water Risks

The worsening of extreme weather events in recent years has caused drastic changes to the water environment. Natural disasters around the globe are becoming more frequent with the increasing severity of torrential rains, droughts, and floods. These impacts not only affect ordinary people's livelihoods, but also increase the risks of corporate operations. Water risks management has now become an issue of concern for stakeholders.

To effectively manage the water risks and impacts of the operating locations of BaaS Innovation, we adopted the Aqueduct Water Risk Atlas in 2024, a water resource online assessment tool of the World Resources Institute (the WRI), for the identification of water stress in each operating site. The results show that the operating sites of BaaS Innovation are not located in areas with high water stress. In the future, we will continue to track and evaluate the water stress of each location year by year to prevent potential impacts of our water consumption on local residents and the ecology.

■ Destinations of Water Withdrawals and Effluents at Each Operating Site

Operating Site	Main Water Source	Water Withdrawal and Catchment Area	Treatment Level of Water Discharge	Final Destination of Water Discharge	Water Stress
Headquarters of BaaS Innovation	Third-party water	Feitsui Reservoir	Initial treatment	Taiwan Strait	Medium low (10-20%)
Neihu Office of BaaS Innovation	Third-party water	Feitsui Reservoir	Secondary treatment	Keelung River	Medium low (10-20%)
Baasid International Lab Co., Ltd.	Third-party water	Feitsui Reservoir	Initial treatment	Taiwan Strait	Medium low (10-20%)
CroxLink Inc.	Third-party water	Feitsui Reservoir	Secondary treatment	Tamsui River	Medium low (10-20%)

3.4.2 Water Withdrawal and Water Consumption

The Company's operating sites are at offices of joint lease with the water withdrawal sourced from third-party water supply companies. There is no discharge of industrial wastewater as the Company does not have our own factories. The wastewater discharge at all operating sites is general domestic wastewater, which is discharged through the sewerage system in the city. Therefore, the quality of effluents follows the regulations.

The Company's operating sites are at offices of joint lease. As we are not charged for water fees, we are unable to gather statistics of water withdrawal. The data for water consumption is calculated with reference to the domestic consumption of water issued by the Water Resources Agency of the Ministry of Economic Affairs.

■ Statistics on Annual Water Consumption (Unit: Megaliters)

Category of Water Consumption	Classification of Water Withdrawal/Discharge Destinations	2023	2024
Water Consumption	Total Water Consumption	3.00	3.48

Note 1: The Scope of water consumption statistics: BaaS Innovation Co., Ltd. (headquarters in New Taipei City and office in Neihu), Baasid International Lab Co., Ltd., and CroxLink Inc.

Note 2: The water consumption follows the reference of the daily domestic consumption of water per person in 2023 and 2024 issued by the Water Resources Agency of the Ministry of Economic Affairs. The daily domestic consumption of water per person is 287 liters in 2023 and 289 liters in 2024. The results were based on the calculation of the said statistics, the number of employees, and the number of working days. (The number of employees was 42, and the number of working days was 249 in 2023; the number of employees was 48, and the number of working days was 251 in 2024.)

Chapter 4 Product Innovation and Customer Service

4.1 Product Introduction and Value Chain of BaaS Innovation

BaaS Innovation Co., Ltd. was established in 2003 and was previously known as IROC Co., Ltd., a dealer of NAND-Flash controller chips. At the end of 2016, we joined a new operating team, ADATA Technology Co., Ltd., and extended our reach to the biomedical field. While actively developing industrial-academic collaboration and recruiting global professionals with biotechnology expertise, we changed our name to BaaS Innovation Co., Ltd. in 2023. In August 2023, BaaS Innovation acquired a blockchain technology company, Baasid International Lab Co., Ltd., to provide solutions on “supply chain management and supply chain finance”.

Currently, the main products of BaaS Innovation are the wholesale and trading of electronic IC components, biotech products, and software development. In recent years, the Company has been restructuring our product offerings in line with market trends to improve the breadth of our revenue streams through diversified operations. Following the merger with Baasid International Lab Co., Ltd., the revenue of software development products has gradually grown, leading to a corresponding change in the composition of major customers. In 2024, the revenue from wholesale and trading of electronic IC components accounted for 30.30%, biotech products accounted for 1.90%, and software development accounted for 67.80%.

Since the end of 2023, our biotech brands have been licensed to LIWANLI Innovation Co., Ltd., with royalties collected on a quarterly basis. A very few portions of ODM/OEM orders are transferred to LIWANLI for sales. The software development business has marked a growth of 173.70% in 2024, compared to the previous year. It is expected that the ratio of this business will see a rapid growth.

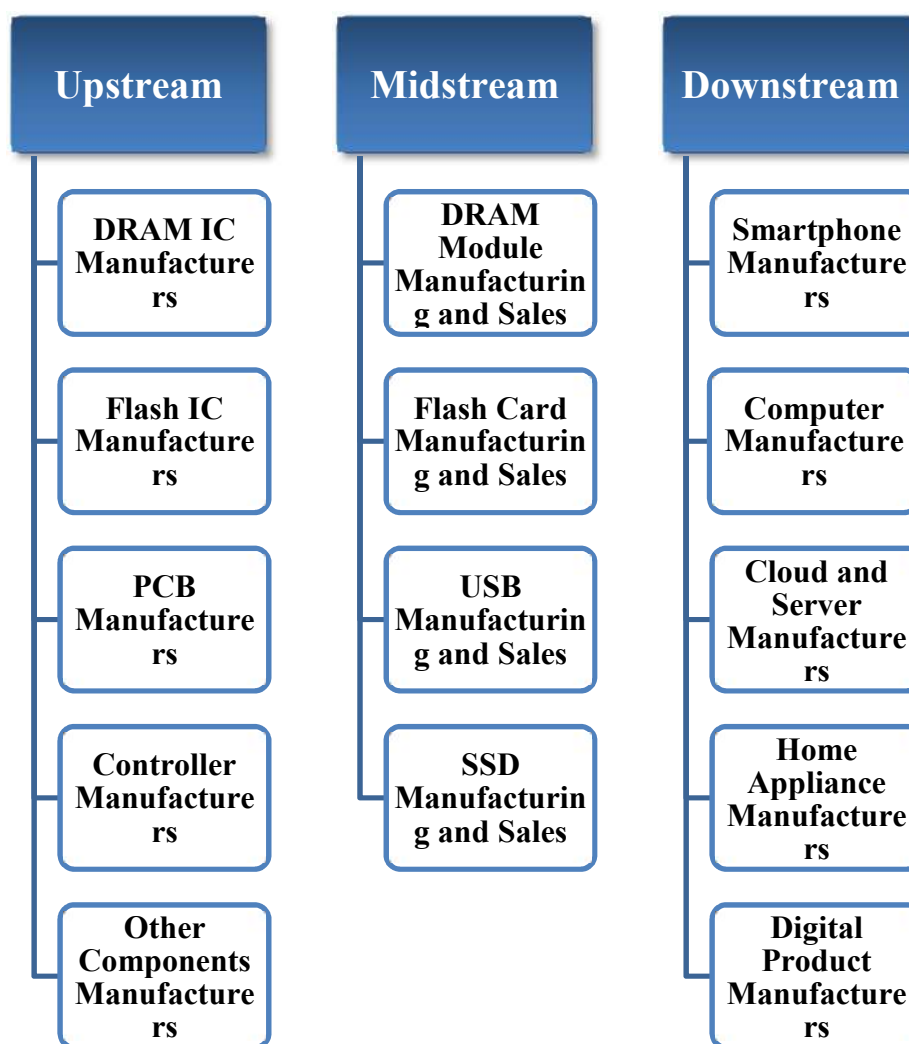
■ Main Products/Services

Type	Description	Ratio in 2023 to Total Revenue (%)	Ratio in 2024 to Total Revenue (%)
Electronics	The Company's electronic products are mainly the sales of DRAM ICs and Flash ICs. They are currently purchased in spot market instead of self-manufacturing.	58.97%	30.30%
Biotech Products	The Company's biotech products include functional health and nutritional supplements, such as chicken essence, krill oil, and deep ocean water. The production of all biotech supplementary products is outsourced.	16.41%	1.90%
Software Development	Building upon our current suite of blockchain-based solutions—including secure data storage, decentralized identity (DID), and supply chain application platforms—the Company has commenced developing and upgrading the DID underlying technology of digital consent forms, DID certification platform, and on-chain solutions for corporate carbon footprints.	24.62%	67.80%

■ Value Chain of Main Products

(1) Electronics

The memory industry as a whole involves raw material suppliers in the upstream segment who provide essential components such as DRAM ICs, NAND Flash ICs, Controller ICs, PCBs, and other passive and mechanical parts. The midstream consists of manufacturers and traders engaged in the production and sale of DRAM modules, Flash Cards, USBs, SSDs, and similar products. The downstream involves the manufacturers of various end-user electronic products, including smartphones, computers, cloud computing infrastructure, servers, home appliances, digital devices, and consumer electronics.



(2) Biotechnology Products

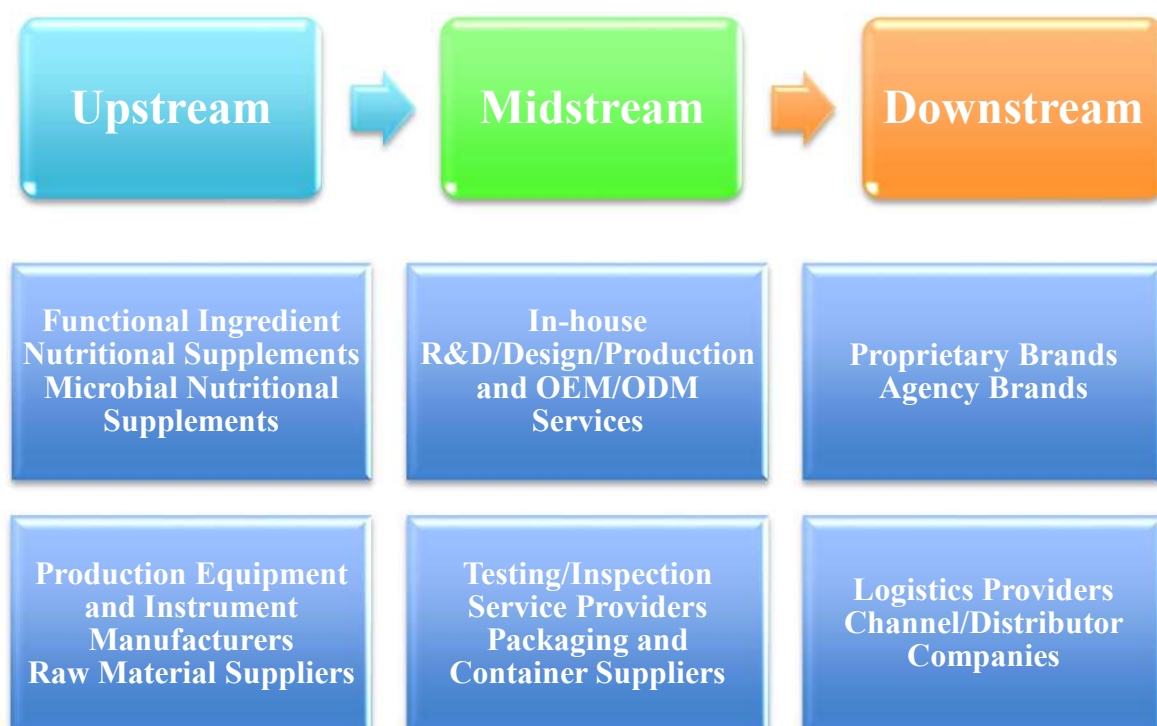
The food biotechnology sector involves the application of biotechnology for the research, development, and production of food products. In Taiwan, the primary focus of food biotechnology products is on nutritional supplements designed to support bodily functions or provide nutritional supplementation. These include both functional ingredients and microbial-based nutritional supplements. Based on information from the Biotechnology Center's Industry Information Division, the 2018 Applied Biotechnology Industry Yearbook, and the Taiwan Institute of Economic Research, the main product categories of the food biotechnology industry are defined as follows:

1. Functional Ingredient Nutritional Supplements:

These products primarily leverage biotechnology techniques such as fermentation, purification, and molecular biology to develop functional ingredients with health benefits. The nutritional supplements made from these ingredients contain substances like omega-3 fatty acids, catechins, lutein, and astaxanthin.

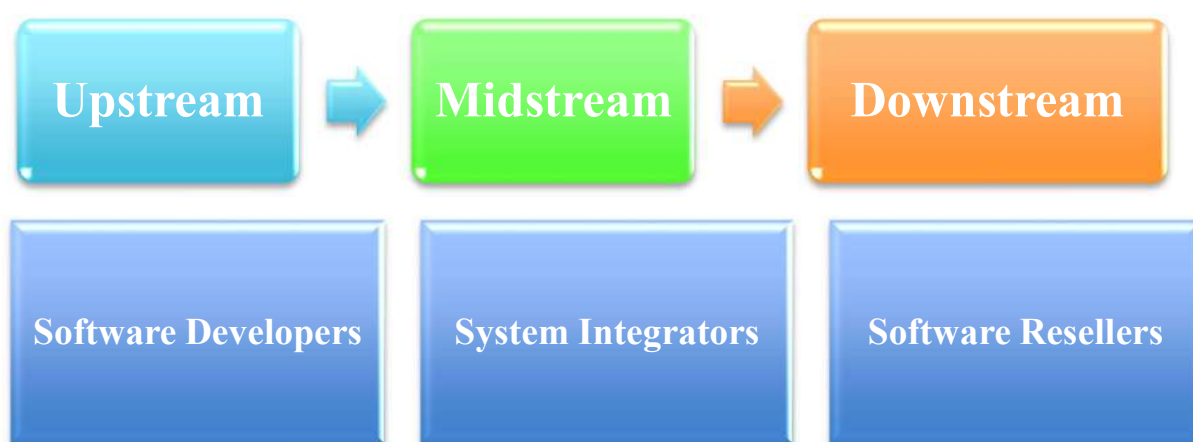
2. Microbial Nutritional Supplements:

These supplements are produced using biotechnology methods like fermentation, microbial cultivation, and molecular biology, leading to the development of beneficial microorganisms. The supplements made from these microorganisms include ingredients such as lactobacillus, yeast, and cordyceps. According to the Taiwan Institute of Economic Research's industry classification, the structure of Taiwan's food biotechnology industry chain (illustrated below) is divided into: Upstream: Involves the production and development of active ingredients, which are categorized into functional ingredient nutritional supplements and microbial nutritional supplements, depending on the type and source of the ingredients. Midstream: Encompasses product development and manufacturing, divided into self-design/production and ODM/OEM based on the company's operational direction. Downstream: Focuses on brand management, which includes both proprietary brands and agency brands. Food biotechnology companies tailor their involvement in different segments of the industry chain according to their core technologies and business strategies.



(3) Software Development Products:

Unlike industries with well-defined upstream and downstream relationships, the software development industry operates with greater independence. Based on the categorization of products by the software development company, these products are either solutions designed for integration with other systems or standalone systems that operate independently. From the perspective of business partnerships, the upstream and downstream relationships within the software development industry are generally as illustrated in the diagram below:



The Company's blockchain technology products cover key areas such as data security storage, identity verification, and data on-chain solutions. The primary target users are in the financial sector, focusing on data storage and identity recognition. Over time, our applications are expected to expand into the biomedical field (e.g., digital consent forms), corporate carbon auditing (data on-chain), and other sectors. We are actively pursuing collaborations with relevant government agencies and aim to combine our blockchain expertise with actual market needs to develop scalable products and further refine our existing offerings.

4.2 Product Technology and Innovation

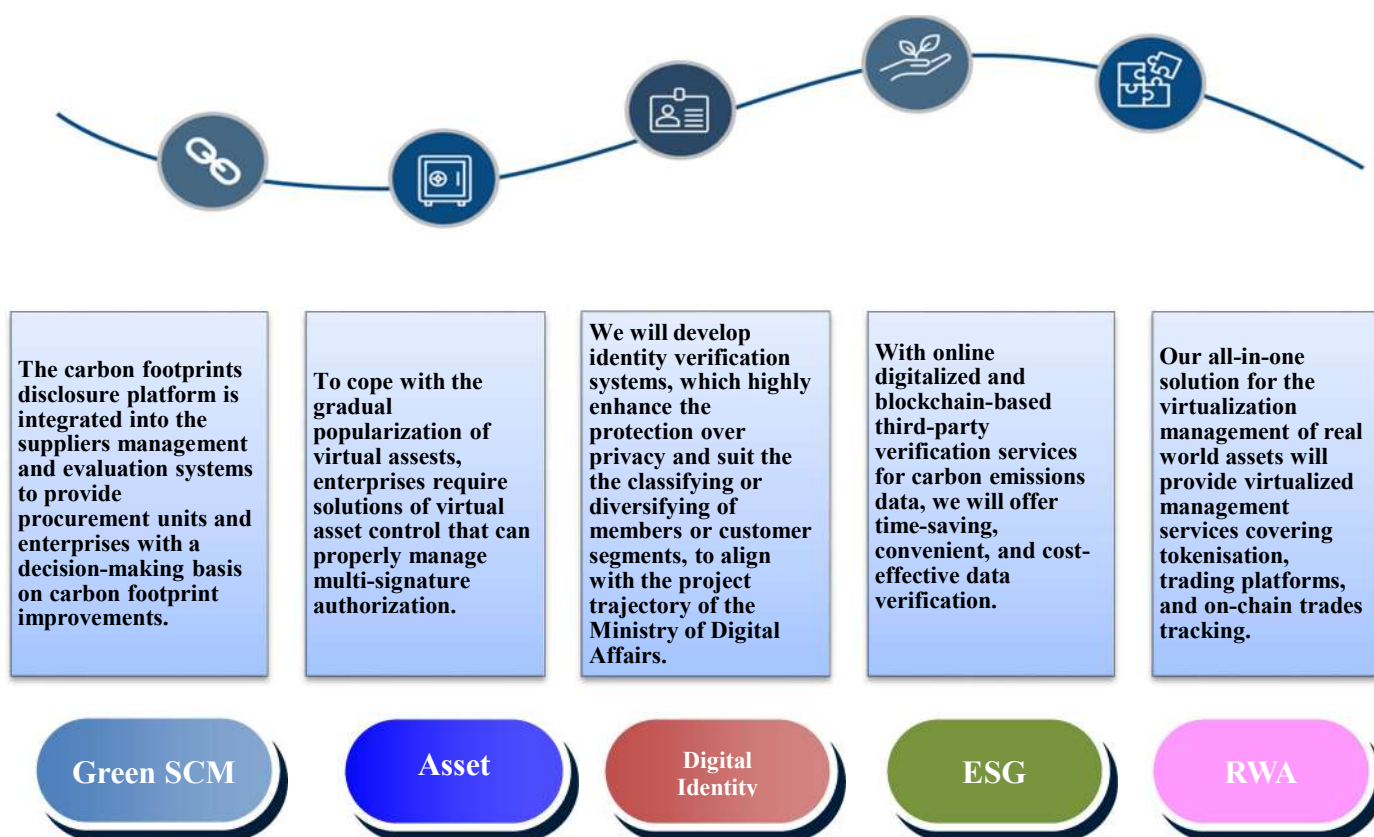
Items	Contents
Policies, Commitments, and Materiality	Innovative product R&D is crucial for corporate growth. BaaS Innovation engages in the R&D of software application services from the perspective of customers' needs. We continue to expand our applications and service qualities to strengthen our competitive edges and customer satisfaction and further enhance the operational performance.
Responsible Units	Digital Development Section
Short-, Mid-, and Long-term Goals	<ul style="list-style-type: none"> • Short-term: Participating in various blockchain projects of the competent authority (the Ministry of Digital Affairs). • Mid- and Long-term: Providing corporate customers with blockchain technology products or solutions, including services of information security, supply chain management, or carbon data management and verification.
Action Plans	<ol style="list-style-type: none"> 1. We will proactively seize the opportunities of blockchain-related project development led by the government or develop government programs in collaboration with partners. 2. Based on the application trajectory of the Taiwanese government regarding blockchain technology, we will seek proper entry points to develop new products or promote existing products and solutions while improving the mature technologies the Company has mastered.
Performance in 2024	<ol style="list-style-type: none"> 1. Building upon our current suite of blockchain-based solutions in 2024—including secure data storage, decentralized identity (DID), and supply chain finance platforms—we expanded our existing service areas by adding the DID underlying technology of digital consent forms, DID certification platform, and on-chain solutions for corporate carbon footprints. 2. BaaS Innovation's revenue in software application products in 2024 accounted for 67.80% of the total revenue, marking a growth of 173.70% from the previous year. 3. We continuously strengthened our R&D team in 2024 and provided a total of 1,251 hours of education and training for the 27 members in the R&D team.

Items	Contents
Grievance Mechanisms	The Company assigns corresponding colleagues or product managers to all of our customers. Customers can make inquiries to the relevant colleagues should they have any doubts about products or project development.

4.2.1 Policy for New Product Development

In recent years, the Company's development highlights for new products are focused on software development products. With the rapid growth of technology and its potential in the market, BaaS Innovation has spanned our innovative techniques to blockchain technology and relevant corporate applications. We hope to deepen and expand the core techniques and promote blockchain technological applications to offer customers more comprehensive products and services. The visions for new product development of BaaS Innovation are as follows:

■ Visions for New Product Development of BaaS Innovation






4.2.2 Specific Achievements of Product Development

BaaS Innovation participates in innovation and sustainable development actively and, with the recruitment of professional talents and the encouragement of internal innovation, fortifies our innovation energy. Initially, our R&D achievements were centered around the field of biotech products. In recent years, we have aggressively

entered the product R&D of supply chain management and supply chain finance, as well as the software application of blockchain in hope of offering customers more valuable and sustainable products and services. The recent R&D achievements of the relevant applications and products are listed as below.

■ Recent R&D Achievements of New Products

Year	Name of Products	Description	Highlight of Product R&D	Picture of Products
2023	Blockchain Technology Digital Consent Forms	An application service which provides administrators with a variety of consent forms or questionnaires and sends them to users for digital signatures.	The contents of user consent forms are stored on the blockchain to enhance their evidential value.	
2023	Blockchain Technology Multi-signature Backup System	Different from the centralized management of traditional backup software, this system allows backup data owners to go through a pre-designed approval process when restoring data, preventing data administrators from restoring backup files without permission.	The blockchain is used to verify the completeness and confidentiality of backup files. Multiple signatures are required for approval of file restoration.	
2024	Supply Chain Finance	The ERP information of central manufacturers are integrated to this system and stored on the blockchain. When central manufacturers have financing demands, such integration can expedite the approval procedures at the financing bank to achieve quick granting of loans.	With the blockchain data of the central manufacturers' ERP as the assurance basis, the personnel at lenders' end is able to expedite the clearance of financing payments.	

Year	Name of Products	Description	Highlight of Product R&D	Picture of Products
2024	Green SCM (Green Supply Chain Management)	The system adds a feature of carbon data login to the existing ERP systems currently used by enterprises. Suppliers may input the carbon emissions data of their products or raw materials for quick integration at central manufacturers' side.	The feature can be integrated into the existing ERP systems currently used by enterprises, allowing them to quickly input the carbon data of various products. This feature can also be extended to the verification application of carbon credits and carbon inventories.	As this is an integration service, the images are usually the ERP screens of enterprise users.

4.2.3 Investment in New Product Development

In line with the promotion of the Ministry of Digital Affairs and the Financial Supervisory Commission (the FSC), applications extended from blockchain technology have received attention. Therefore, we integrated the R&D resources of the Company and our subsidiaries to commence a variety of development of new products based on the estimated future directions of the market. Our major trajectory is the core applications of the DID technology, the centralized management of carbon data on the blockchain, and the virtualized management of corporate Real World Assets (RWA). To prevent the increasing costs due to the rapid expansion of the Company's R&D personnel, the manpower expansion will be flexibly adjusted depending on the overall demand for R&D resources and the growth of software business.

■ Percentage of R&D Personnel

Fiscal Year	R&D Personnel (No. of Person)	Percentage of R&D Personnel to Total Employees (%)
2023	22	52.38%
2024	27	56.25%

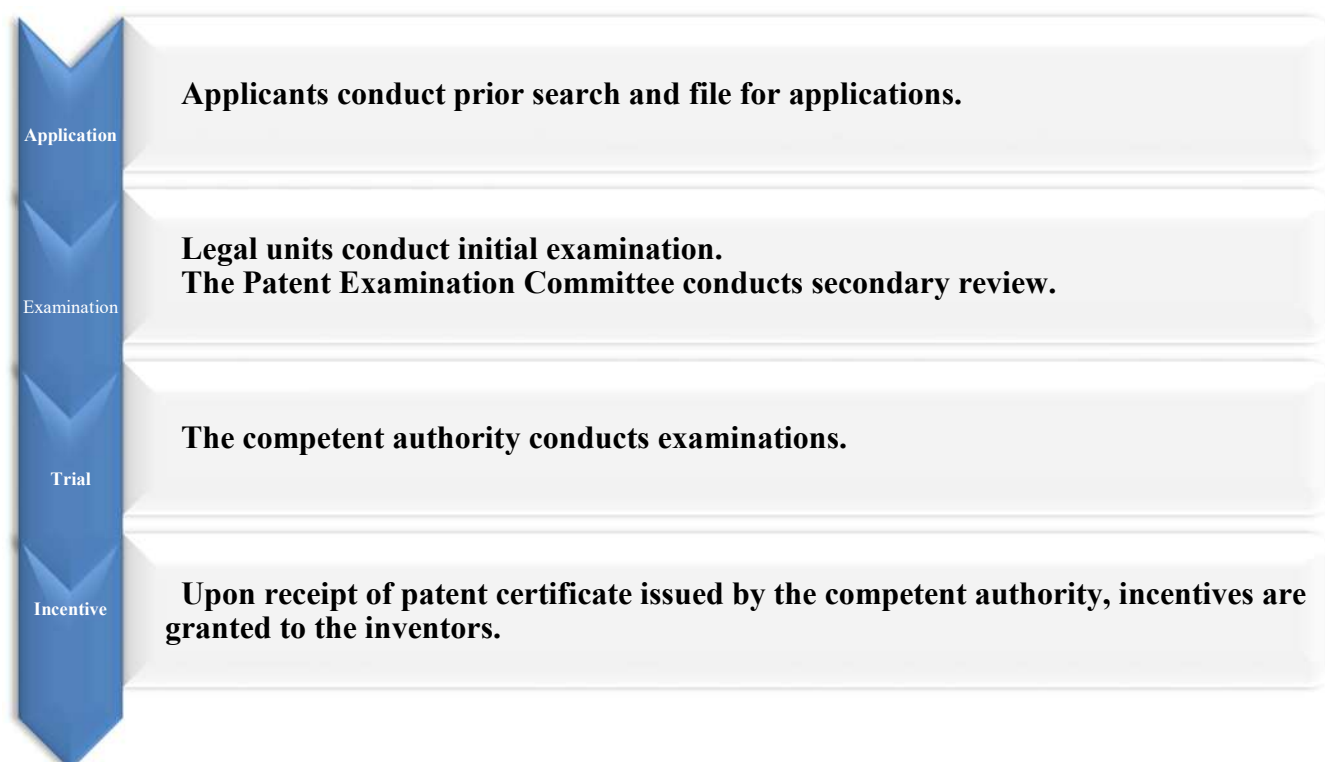
■ R&D Expenditures and Percentages

Fiscal Year	R&D Expenditure (NT\$ Thousand)	Percentage of R&D Expenditures to Annual Revenues (%)
2023	3,927	6.00%
2024	3,932	6.05%

4.2.4 Intellectual Property Protection and Patent Deployment

Through the intellectual property management system, BaaS Innovation adopts an operation mode that creates Company values in order to improve corporate competitiveness, protect the Company's operating results, and strengthen our competitive advantages. BaaS Innovation has delegated the Legal Department to serve as the internal unit for initial patents examination and the Patents Examination Committee to conduct patent approval, assessment, and application. The Company has a patent incentive system in place to encourage internal innovation. As of the end of 2024, BaaS Innovation has obtained 2 patent rights.

■ Flowchart of Intellectual Property Rights/Patent Management



4.3 Product Quality and Customer Relationship Management

4.3.1 Quality Control of Biotech Products

The Company's flagship products in the biotechnology category are the DDDrops Chicken Essence series. Food security has always been one of our most fundamental values. To safeguard product safety and quality, we integrate the data of raw material control, shipping/dispatching, storage/logistics, and test reports into verified product traceability reports for all our products and adhere to international and domestic standards of food safety.

BaaS Innovation produces biotech products in collaboration with OEMs, who show their strengths in technology. The OEMs hold valid factory registration certificates and certificates of company registration. A majority of them are qualified in the Food Safety System Certification (ISO 22000), the Hazard Analysis and Critical Control Points (HACCP), and the SGS National Food Accreditation.

Starting from 2024, the biotech brands of BaaS Innovation have been licensed to LIWANLI Innovation Co., Ltd. for manufacturing and distribution, with royalties collected.

Food Safety Laboratory

BaaS Innovation currently does not have a factory registration as all products are manufactured by outsourced factories equipped with food safety laboratories. To further guarantee product quality and safety, the outsourced factories regularly go through analysis by independent third-parties on the items of preservatives, metals, plasticizers, microorganisms, veterinary drug residues, hydrolyzed amino acids, and more.

Product Marketing and Labelling

We comply with applicable laws and regulations strictly regarding product marketing and labelling to ensure the accuracy and completeness of all product information. All of our product packaging is clearly labelled with ingredients, nutrition facts, instructions, and preserving methods, allowing full knowledge and peace of mind for consumers. With our consumer-oriented marketing strategy, we strive to provide true and transparent product information and regularly gather market surveys as well as consumer feedback to continuously improve our products and services. In 2024, BaaS Innovation had 0 incidents of non-compliance concerning the health and safety impacts of products and services and 0 incidents of non-compliance concerning product and service information and labeling.

4.3.2 Customer Relationship Management

(1) Electronic Products

To manage and solve customer complaints in an effective manner, BaaS Innovation has established an effectual set of customer complaints management procedures for our continuous improvement and enhanced customer satisfaction. In addition to understanding customers' demands through customer satisfaction surveys, the Company has a comprehensive tracking procedure in place based on industrial characteristics and practical requirements for the events of customer complaints or suggestions. We are able to receive valuable feedback from customers' end via case analysis and improvement in order to upgrade product quality and service levels and to further prevent the occurrence of similar complaints. The Company did not have instances of significant customer complaints in 2024.

(2) Software Application Products

Customers fall in one the categories of BaaS Innovation's important stakeholders. To ensure a sustained corporate growth and improve customer satisfaction, we keep close contact with our customers during the process of software development projects. First of all, we maintain intent communication with customers and gain a better understanding of their needs during the proposal stage, so as to pinpoint the product specifications in line with customers' expectations. Then, the status of projects is shared in a timely manner through regular meetings, unscheduled emails, or telephone calls during the course of project development. Finally, at the acceptance stage, products delivered are inspected by customers to confirm the alignment with their expectations. In 2024, we did not have any financial losses resulting from customer complaints.

4.4 Information Security and Customer Privacy

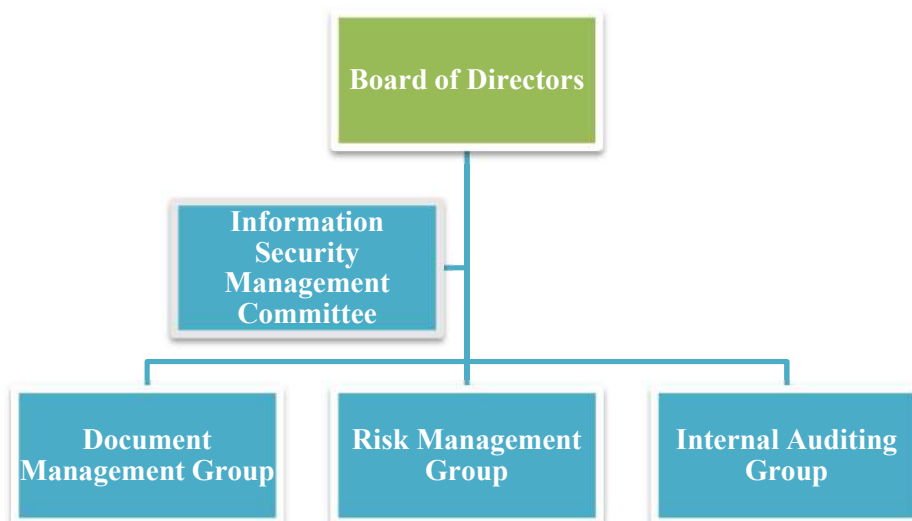
Items	Contents
Policies, Commitments, and Materiality	To implement information security management and protect customer privacy, the Company has established the confidentiality, integrity, and availability of our information security management system in accordance with the international standard, namely ISO 27001: 2022 Information Security Management. Additionally, we make constant improvement and optimization through the management system to enhance information security, strengthen customers' trust, minimize risks of data leak, and raise employees' awareness.
Responsible Units	Digital Development Section
Short-, Mid-, and Long-term Goals	<ul style="list-style-type: none"> • Short-term: Completing the certification of ISO 27001:2022 Information Security Management Systems by 2024. • Mid- and Long-term: Constantly improving the quality of the Company's information security while maintaining the validity of ISO 27001:2022 certification.
Action Plans	<ol style="list-style-type: none"> 1. Internet Security Control <ul style="list-style-type: none"> • Install and maintain a firewall. • Perform routine virus scans on computer systems and data storage media. • Network services should be utilized according to the Company's information security policies. • Regularly review system logs of network services to monitor for unusual activities. 2. Data Access Management <ul style="list-style-type: none"> • Computer equipment should be securely stored by designated personnel, with account and password. • Access permissions should be assigned based on job functions. • Revoke access rights for transferred employees. • Prior to decommissioning equipment, ensure the removal or overwriting of confidential, sensitive data, and licensed software. • Remote access to information systems should be granted only with proper authorization. 3. Disaster Recovery and Contingency Plan <ul style="list-style-type: none"> • Regularly review the emergency response and disaster recovery plans. • Conduct annual system recovery drills. • Establish and maintain a system backup procedure, with offsite backups implemented. • Continuously assess and update computer network security measure. 4. Awareness and Audits <ul style="list-style-type: none"> • Promote ongoing information security awareness to enhance employee understanding and compliance. • Conduct annual information security audits, with reports submitted to the Chairman.
Performance in 2024	<ol style="list-style-type: none"> 1. In 2024, the Company adopted the ISO27001 : 2022 Information Security Management Systems certification for the first time. 2. In 2024, the Company did not have instances of customer data leak.

Items	Contents
	3. The Company conducted education and training on information security where employees receive 54 hours of training annually. In 2024, 64% of full-time employees participated in the training sessions.
Grievance Mechanisms	The Company assigns corresponding colleagues or product managers to all of our customers. Customers can make inquiries to the relevant colleagues should they have any doubts about products or project development.

4.4.1 Information Security Management Framework and Responsibility

In 2023, the Company appointed an Information Security Officer. In 2024, the Company adopted the ISO 27001:2022 Information Security Management System (ISMS) and formed the Information Security Management Committee. The General Manager serves as the Committee leader, with subgroups dedicated to Risk Management, Internal Auditing, and Document Management. Internal documents for the ISMS have been established. The Information Security Team is responsible for planning, implementing, and overseeing all aspects of information security, including conducting risk assessments, classifying systems, establishing security controls, and managing ongoing security matters. The Internal Audit Group, appointed by the General Manager, evaluates the execution of the ISMS and provides recommendations for improvements to ensure its continuous effectiveness. The Audit Office conducts annual audits of internal controls related to the Company's information systems to assess their effectiveness.

■ Organizational Chart and Duties of Information Security



Name of Units	Duties	Representative and Members
Information Security Management Committee	<ol style="list-style-type: none"> 1. Regularly holding management review meetings with the representative of each group. 2. Approving and publishing the first and second level documentation related to information security policies and regulations. 3. Approving and announcing the membership changes in the Information Security Management Committee. 4. Examining the information security management system. 5. Reviewing the results and risk countermeasure plans of risk assessments. 6. Delegating, coordinating, and overseeing the information security affairs. 	<p>The General Manager takes the position of Committee convenor and appoints management representative.</p>
Document Management Group	<ol style="list-style-type: none"> 1. Taking charge of document management, including the formulation of document regulations, documentary amendments, and document publication. 2. Promoting information security messages internally; and announcing relevant protection awareness and training. 3. Collecting, receiving, and updating external regulations as well as standards; and timely providing internal colleagues with crucial information that may 	<p>Internal staff of the Company.</p>

Name of Units	Duties	Representative and Members
	affect Company operation and information security.	
Internal Auditing Group	<ol style="list-style-type: none"> 1. Discussing and devising the operations of annual internal audit plans with the decision-making of audit highlights and approaches. 2. Completing audit plans; and submitting the plans for the approval of the information security management representative prior to conducting audit operations. 3. Executing information security audits; and presenting audit reports as well as relevant recommendations to the information security management representative. 4. Reporting on audit results; and following up on improvement status. 	The Company's personnel, who have passed the internal auditor training; or external personnel, who are qualified for the lead auditor by ISO/IEC 27001:2022.
Risk Management Group	<ol style="list-style-type: none"> 1. Ensuring appropriate management for the right of ownership and control of information assets; and their alignment with the policies and procedures of information security risk management. 2. Leading risk assessment campaigns. 3. Planning for the treatment of information security risks. 4. Devising, coordinating, coaching, and assisting in the implementation of security 	Internal staff of the Company.

Name of Units	Duties	Representative and Members
	<p>control mechanisms and measures.</p> <p>5. Developing and conducting the reporting mechanisms of information security incidents.</p> <p>6. Implementing the reporting and executing of the emergency response procedures after the occurrence of contingencies.</p> <p>7. Implementing the construction, evaluation, and periodic drills of business continuity planning.</p> <p>8. Establishing crisis management procedures.</p>	

4.4.2 Strategies for Information Security Management and Privacy Management

■ Policy of Information Security Management

The Company has established information security policies and management actions in accordance with ISO27001:2022. We adhere to the specifications outlined in the various levels of documents within our ISO 27001:2022 Information Security Management Systems (ISMS) to ensure the implementation of management practices related to data centers, network security, system development and software modifications, data security, information confidentiality, and information outsourcing. The policy is established to avoid improper use or intentional damage to the information system by internal or external personnel, or, in the event where such incidents have occurred, to respond quickly and return to normal operation in the shortest possible time and to reduce possible damage or business interruption. BaaS Innovation continues to set higher standards for information security and has fulfilled our goal by successfully obtaining the ISO27001:2022 certification in 2024.

Moreover, the Company is dedicated to the following specific management plans:

- (1) Strengthening network and webpage security (firewall and intrusion detection systems, VPN connection, and webpage vulnerability scanning).

- (2) Fortifying endpoint security (endpoint control system, anti-virus software protection, website control, instant messaging control, and windows updates).**
- (3) Data leak protection (classified and authorized access to documents, and control over portable storage devices).**
- (4) Email security (spam, virus, or phishing mail filtering, and email backup system).**
- (5) Enhancing IT fundamental framework (establishment of servers and network hubs, and offsite data backups).**
- (6) Recovery drills (restoration of files, database, and system abnormalities).**
- (7) Raising information security awareness (regular promotion, education and training based on a credit system, and social engineering drills).**
- (8) Fully executing the regulations at all stages of the ISO27001:2022 ISMS and maintaining regular inspections of ISO27001:2022.**

In addition to the above enhancement projects, the Company also implements the existing information policies, including participating in information security seminars from time to time to be updated with the latest information security issues, trends, and related enhancement measures, so as to continuously reinforce and improve information security management.

4.4.3 Procedures for Reporting and Responding to Information Security or Privacy Incidents

BaaS Innovation has established a set of preventive procedures for information security incidents. With the procedures, we hope to minimize the impact of information security incidents on the Company and manage potential information security incidents in a timely manner. The Company adopts a hierarchy of controls for information security incidents, where incidents are categorized into Level A, B, and C and are treated depending on their severity. The levels of management, the parties to be notified, and the deadline for closing cases are outlined below. In 2024, BaaS Innovation did not have instances of material information security, not did we receive complaints related to customer privacy.

■ Hierarchy of Controls for Information Security Incidents

Level of Information Security Incidents	Party to be Notified	Time Slot of Reporting	Reporting Method	Deadline for Closing Cases (Target)	Reporting Method for Closing Cases
Level C	Head of Unit	24/7	Telephone (Email)	Within 72 hours upon receipt of report	Telephone (Email) Corrective Action Request
Level B	Head of Unit			Within 48 hours upon receipt of report	
	Representative of Information Security Management				
Level A	Head of Unit			Within 24 hours upon receipt of report	
	Representative of Information Security Management				

4.4.4 Information Security Education and Training

To enhance the safety awareness and professional knowledge regarding information security and privacy protection for our employees, BaaS Innovation organizes relevant education and training every year with contents covering promotion courses for new employee hires and full-time employees. In 2024, 64% of full-time employees participated in the promotion of information security.

■ Status of Information Security Education and Training in 2024

No.	Item	Frequency	Participant	Implementation Result
1	Education and Training for Full-time Employees	More than 3 hours a year	Full-time Employees	48 hours
2	Education and Training for Professional Employees	Once every year	Professional Employees	6 hours
3	Promotion of Information Security	3 times a year	Full-time Employees	3 times

4.5 Procurement Practices

To facilitate the sustainability of external environment as well as the society, we insist on a community procurement policy. With a priority given to local suppliers, we not only decrease the carbon emissions during the course of transportation substantially and reduce the impact to the environment, but also effectively support the regional economy in Taiwan. Through these efforts, BaaS Innovation has fulfilled our own sustainable development goals and has further brought considerable benefits to external environment and the society.

In 2024, the total procurement amount of Baas Innovation was NT\$20 million; and the local procurement was NT\$20 million, accounting for 100% of the total. Looking ahead, we will still prioritize procurement from local suppliers or purchase products with Sustainability Labels or Green Marks. These marks represent high standards in line with environmental protection, ecological friendliness, and social responsibility that can encourage transparency and accountability in the supply chains.

■ Percentage of Local Procurement

Fiscal Year	Total Net Amount of Procurement (NT\$ thousand)	Total Net Amount of Procurement from Local Suppliers (NT\$ thousand)	Percentage of Local Procurement (%)
2023	37,624	37,624	100%
2024	20,348	20,348	100%

Note: The term “Local” refers to suppliers located in Taiwan.

Chapter 5 Harmonious and Healthy Workplace

5.1 Human Rights Security for Employees

Items	Contents
Policies, Commitments, and Materiality	The Company treats employees with the principles of fairness, inclusiveness, and respect and creates a working environment free of discrimination and harassment to fulfill corporate social responsibility and commit to protecting employees' basic human rights. Viewing employees as the foundation that drives the continuous operation of the Company, we endeavor to provide an open and diverse workplace with competitiveness. Additionally, we do not discriminate against any employees or job applicants, who are protected under the law, on the basis of any characteristics (including gender, color, race, ethnicity, nationality, religion, age, marital status, sexual orientation, gender identity and expression, disability, pregnancy, military service, and political stance) in hope of attracting various excellent talents and unlocking a brand-new chapter.
Responsible Units	Heads of responsible units; and the Administration Department
Short-, Mid-, and Long-term Goals	We ensure that employees have sufficient resources to understand the diverse aspects of human rights from the workplace to the global environment. Short-term: Organizing training courses on anti-discrimination and gender equality annually. Mid- and Long-term: Increasing the ratio of female senior executives.
Action Plans	<ol style="list-style-type: none"> 1. Arranging multiple courses on employee rights protection, workplace safety, and diversity in inclusion. 2. Not treating recruitment and salaries differently based on factors such as gender, age, race, religion, political stance, marital status, or association participation. 3. Coaching colleagues to understand and respect different cultures, backgrounds, and beliefs through internal promotional literature and orientation training to boost teamwork and growth.
Performance in 2024	<ol style="list-style-type: none"> 1. We guaranteed equal treatment free from discrimination and harassment to our employees at the workplace. 2. We offered fair and reasonable remunerations as well as employee benefits. 3. We provided a safe and healthy work environment to employees and prevented work injuries as well as health problems. 4. We established a diverse and inclusive corporate culture, from which employees with different backgrounds experienced respect.
Grievance	Our colleagues can raise grievances through multiple

Items	Contents
Mechanisms	channels, such as dedicated hotlines, emails, and representatives of labor-management meetings. We will respond to employee grievance cases and the relevant positive/negative feedback through regular labor-management meetings. Then, each department will propose improvement practices or preventive measures.

5.1.1 Promotion of Human Rights Security at Workplace

Regarding human rights issues at the workplace, BaaS Innovation Co., Ltd. has established the “Processing System for Employee Sexual Harassment Complaints” and the relevant propaganda to prevent incidents of sexual harassment and discrimination. Our colleagues can raise grievances through multiple channels, such as dedicated hotlines and representatives of labor-management meetings. Grievance cases are handled by dedicated personnel, of which the complainant and the relevant information of the process will not be revealed in order to protect the rights and interests of employees.

In 2024, BaaS Innovation Co., Ltd. did not receive any complaints related to human rights, nor incidents of discrimination due to race, gender, religion, political affiliation, sexual orientation, sexual harassment, or workplace bullying. In the future, we will continue to focus and promote relevant education and training to enhance our colleagues’ awareness toward human rights security and to minimize the risks of occurrence.

5.1.2 Labor Structure and Diverse Workplace

In 2024, there were a total of 48 employees in BaaS Innovation Co., Ltd., all of which were full-time employees. In terms of gender distribution, males account for 62.5% and females account for 37.5%. In terms of age distribution, employees aged under 40 years old account for 58.33%, which is the largest proportion of all employees. Followed by that are the employees aged between 41 and 50 years old, accounting for 22.92% of all employees. In terms of rank distribution, there are 10 senior executives, including 1 female executive accounting for 10% of all senior executives.

BaaS Innovation values multiculturalism and workplace inclusion. In 2024, there were 2 employees with disabilities, with an average of 2.5 years of service. In 2024,

the Company did not receive or find after investigations any reports related to discrimination, use of child labor, forced or compulsory labor.

■ Employee Composition

Region	Gender	Category		Fiscal Year	
				2023	2024
BaaS Innovation	Male	Non-fixed Term Contract	Full-time	7	8
	Female	Non-fixed Term Contract	Full-time	5	4
	Subtotal			12	12
Baasid International	Male	Non-fixed Term Contract	Full-time	13	15
	Female	Non-fixed Term Contract	Full-time	6	7
	Subtotal			19	22
CroxLink	Male	Non-fixed Term Contract	Full-time	6	7
	Female	Non-fixed Term Contract	Full-time	5	7
	Subtotal			11	14
Total	Male	Non-fixed Term Contract	Full-time	26	30
	Female	Non-fixed Term Contract	Full-time	16	18
	Subtotal			42	48

Note 1: The number of employees at the end of the reporting period on December 31.

Note 2: Fixed/Non-fixed Term Contracts: Please refer to the definition set forth in Article 9 of the “Labor Standards Act”.

Note 3: Full-time/Part-time: In accordance with the definition of the Ministry of Labor, the term “part-time” (also known as workers with indefinite work hours) refers to full-time laborers within the organization with shorter work hours, of which the terms are jointly negotiated by the labor and management.

■ Diverse Manpower Composition

Region	Employee Category	Under 40 Years Old		41 - 50 Years Old		Over 51 Years Old		Total
		Male	Female	Male	Female	Male	Female	
BaaS Innovation	Senior Executive	0	0	1	1	4	0	6
	Entry-level Executive	0	1	1	1	1	1	5
	General Employee	0	0	0	0	1	0	1
	Total	0	1	2	2	6	1	12
Baasid International	Senior Executive	1	0	1	0	1	0	3
	Entry-level Executive	0	0	0	1	0	0	1
	General Employee	9	5	3	1	0	0	18
	Total	10	5	4	2	1	0	22
CroxLink	Senior Executive	0	0	0	0	1	0	1
	Entry-level Executive	1	0	0	0	0	0	1
	General Employee	4	7	1	0	0	0	12
	Total	5	7	1	0	1	0	14
Total	Senior Executive	1	0	2	1	6	0	10
	Entry-level Executive	1	1	1	2	1	1	7
	General Employee	13	12	4	1	1	0	31
	Total	15	13	7	4	8	1	48
	Percentage of Total Employees (by Gender)	31.25 %	27.08 %	14.58 %	8.33 %	16.67 %	2.08 %	100.00 %
	Percentage of Total Employees (by Age)	58.33%		22.92%		18.75%		100.00 %

Note: Senior Executives: Chairman, Vice Chairman, General Manager, heads of divisions, and senior managers (in business and technical units).

Note 2: Entry-level Executives: Technical managers, project managers, and project assistant managers.

■ **Diverse Manpower Composition**

Region	Category	No. of Employees
BaaS Innovation	People with Disabilities	0
	(Headcount)	
	Indigenous People (Headcount)	0
	Foreigners (Headcount)	0
	Average Service Periods (Year)	0
	Total (Headcount)	0
Baasid International	People with Disabilities	1
	(Headcount)	
	Indigenous People (Headcount)	0
	Foreigners (Headcount)	0
	Average Service Periods (Year)	1.57
	Total (Headcount)	1
CroxLink	People with Disabilities	1
	(Headcount)	
	Indigenous People (Headcount)	0
	Foreigners (Headcount)	0
	Average Service Periods (Year)	2.92
	Total (Headcount)	1
Total	People with Disabilities	2
	(Headcount)	
	Indigenous People (Headcount)	0

Region	Category	No. of Employees
	Foreigners (Headcount)	0
	Average Service Periods (Year)	2.25
	Total (Headcount)	2

5.1.3 Smooth Communication Channels

Any adjustments to the labor conditions of BaaS Innovation Co., Ltd. require the approval of labor-management meetings. All of the Company's operating activities comply with local laws and regulations. In accordance with the provisions set forth in the "Labor Standards Act", the minimum period of advanced notice based on the service period of employees are as follows: Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance. Where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance. Where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance. Where an employer terminates the contract without serving an advance notice within the time limit prescribed in the preceding paragraph, he/she shall pay the worker wages for the advance notice period.

5.2 Talent Attraction and Retention

5.2.1 Status of New Employee Hires and Turnover

In 2024, BaaS Innovation recruited a total of 19 new employees, with an approximate hiring rate of 39.58%. A total of 13 employees resigned, with an approximate turnover rate of 27.08%. After analysis and investigation, the reasons for resignation were mainly personal career development planning. Hence, we will reinforce the description of the job contents during interviews in the future to ensure that job applicants' understanding is consistent with the actual situation. Additionally, we will provide relevant assistance such as unpaid parental leave and subsidies for continuing education to support our employees in every way and increase the retention rate of outstanding talents.

Statistics of New Employee Hires

Region	Gender	Age	2023		2024	
			No. of New Employee Hires	Rate of New Employee Hires (%)	No. of New Employee Hires	Rate of New Employee Hires (%)
BaaS Innovation	Female	<40 Years Old	1	2.38%	2	4.17%
		41 - 50 Years Old	2	4.76%	2	4.17%
		>51 Years Old	0	0.00%	0	0.00%
	Male	<40 Years Old	0	0.00%	0	0.00%
		41 - 50 Years Old	1	2.38%	1	2.08%
		>51 Years Old	2	4.76%	1	2.08%
Baasid International	Female	<40 Years Old	1	2.38%	2	4.17%
		41 - 50 Years Old	1	2.38%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%
	Male	<40 Years Old	3	7.14%	3	6.25%
		41 - 50 Years Old	0	0.00%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%
CroxLink	Female	<40 Years Old	3	7.14%	5	10.42%
		41 - 50 Years Old	0	0.00%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%
	Male	<40 Years Old	1	2.38%	3	6.25%
		41 - 50 Years Old	0	0.00%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%

Region	Gender	Age	2023		2024	
			No. of New Employee Hires	Rate of New Employee Hires (%)	No. of New Employee Hires	Rate of New Employee Hires (%)
Total	Female	<40 Years Old	5	11.90%	9	18.75%
		41 - 50 Years Old	3	7.14%	2	4.17%
		>51 Years Old	0	0.00%	0	0.00%
	Male	<40 Years Old	4	9.52%	6	12.50%
		41 - 50 Years Old	1	2.38%	1	2.08%
		>51 Years Old	2	4.76%	1	2.08%
	Subtotal		15	35.71%	19	39.58%

Note 1: Hiring rate: [(No. of new employee hires by category in the year)/(Total number of employees at the end of the year)]*100%

■ Statistics of Employee Turnover

Region	Gender	Age	2023		2024	
			No. of Employee Turnover	Rate of Employee Turnover (%)	No. of Employee Turnover	Rate of Employee Turnover (%)
BaaS Innovation	Female	<40 Years Old	2	4.76%	1	2.08%
		41 - 50 Years Old	3	7.14%	4	8.33%
		>51 Years Old	1	2.38%	0	0.00%
	Male	<40 Years Old	0	0.00%	1	2.08%
		41 - 50 Years Old	1	2.38%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%
Baasid International	Female	<40 Years Old	0	0.00%	1	2.08%
		41 - 50 Years Old	0	0.00%	0	0.00%
		>51 Years Old	0	0.00%	0	0.00%
	Male	<40 Years Old	0	0.00%	1	2.08%
		41 - 50 Years	0	0.00%	0	0.00%

Region	Gender	Age	2023		2024		
			No. of	Rate of	No. of	Rate of	
			Employee Turnover	Employee Turnover (%)	Employee Turnover	Employee Turnover (%)	
CroxLink	Female	Old					
		>51 Years Old	1	2.38%	0	0.00%	
		<40 Years Old	0	0.00%	3	6.25%	
		41 - 50 Years Old	0	0.00%	0	0.00%	
	Male	>51 Years Old	0	0.00%	0	0.00%	
		<40 Years Old	0	0.00%	2	4.17%	
		41 - 50 Years Old	0	0.00%	0	0.00%	
		>51 Years Old	0	0.00%	0	0.00%	
		Total	<40 Years Old	2	4.76%	5	10.42%
			41 - 50 Years Old	3	7.14%	4	8.33%
>51 Years Old	1		2.38%	0	0.00%		
Male	<40 Years Old		0	0.00%	4	8.33%	
	41 - 50 Years Old		1	2.38%	0	0.00%	
	>51 Years Old	1	2.38%	0	0.00%		
Subtotal		8	19.05%	13	27.08%		

Note 1: Turnover rate: [(No. of new employees by category in the year)/(total number of employees at the end of the year)]*100%

5.2.2 Comprehensive Remuneration System

BaaS Innovation is committed to providing a transparent and fair remuneration system. The salary level is checked and approved based on the employees' education, experience, professional knowledge and skills, seniority, and personal performance. The remuneration of all employees is not subject to their gender, age, ethnic group, nationality, religion, political stance, or gender orientation.

In 2024, the average salary of full-time employees in non-management positions of BaaS Innovation Co., Ltd. was NT\$1,174 thousand, and the median salary was NT\$1,173 thousand. Compared with 2023, the average salary increased by 36.51%,

and the median salary increased 39.48%. The reason was that the salary of new employee hires had increased.

■ Ratio of Remuneration of Women to Men

	2023	2024
	Remuneration of Women : Remuneration of Men	Remuneration of Women : Remuneration of Men
Senior Executive	1:1.23	1:0.89
Entry-level Executive	1:1.17	1:1.6
General Employee	1:1.13	1:1.2

Note 1: Senior Executives: Chairman, Vice Chairman, General Manager, heads of divisions, and senior managers (in business and technical units). (Grading of 11-20)

Note 2: Entry-level Executives: Technical managers, project managers, and project assistant managers. (Grading of 7-10)

Note 3: Remuneration including: Basic salary + overtime + meal allowance + compensation for unused leaves + quarterly bonus + holiday bonus + year-end bonus + dividend + director remuneration

■ Average and Median Salaries of Full-Time Employees in Non-management Positions

(Unit: NT\$ thousand)

Item	2023	2024	Description of Differences
Full-Time Employees in Non-management Positions (Headcount)	5	6	-
Average Salaries of Full-Time Employees in Non-management Positions	860	1,174	Increase in the salary of new employee hires.
Median Salaries of Full-Time Employees in Non-management Positions	841	1,173	Increase in the salary of new employee hires.

■ **Ratio of Highest-level Managerial Officers and Median Salaries**

Ratio of Highest-level Managerial Officers and Median Annual Salaries	Ratio of Highest-level Managerial Officers and Median Salaries Adjustment Range
2.56	0.09

Note 1: Annual total compensation includes: Basic salaries and bonuses (for Dragon Boat Festival, Mid-autumn Festival, and Year-end).

Note 2: Annual total compensation ratio: Annual total compensation for the organization's highest paid-individual / Median annual total compensation for all of the organization's employees excluding the highest-paid individual

Note 3: The change in the annual total compensation ratio: Percentage increase in annual total compensation for the organization's highest-paid individual / Median percentage increase in annual total compensation for all of the organization's employees excluding the highest-paid individual

5.2.3 Diverse Employee Benefits

BaaS Innovation provides employees with reasonable rights and benefits and comply with the local laws and regulations of the operating sites to give employees the basic rights and interests they deserve, including insurance, pensions, and leave. Our diverse welfare policies include the subsidies for weddings, funerals, and celebrations, regular trips, and special incentive for senior staff. With these approaches, we aim to unite employees and build harmonious labor relations. In 2024, the total expense on employee benefits of BaaS Innovation reached NT\$129,350, with NT\$10,779^{Note} of average amount of employee benefits.

Note: The employee benefit expense referred here are calculated based on the individual statistics only.

■ Employee Benefits of BaaS Innovation Co., Ltd.

Item	Content
Benefits and Allowances	<ul style="list-style-type: none">■ Employee welfare and holiday bonus■ Childbirth subsidy■ Marriage subsidy■ Funeral subsidy■ Bonuses for senior staff■ Pension withdrawal and payment■ Employee emergency assistance and compensation
Insurance and Health	<ul style="list-style-type: none">■ Employee insurance■ Group insurance■ Massage service■ Gym
Flexible Working Hours and Leave	<ul style="list-style-type: none">■ Special leave■ Seven days of paid sick leave■ Three days of paid personal leave■ Volunteer leave■ Honorary leave
Professional Consultation	<ul style="list-style-type: none">■ Legal consultation
Recreational Subsidies	<ul style="list-style-type: none">■ Affiliated employee discounts■ Affiliated store discount■ Movie appreciation■ Year-end party

5.2.4 Parental Leave

In order to encourage and support employees to nurture the next generation with peace of mind, BaaS Innovation Co., Ltd. allows employees to enjoy the right to unpaid childcare leave in accordance with the law. In addition to specifying the application means in the “Procedures for Resignation and Unpaid Parental Leave” of the employees work rules, we also provide a consultant to help employees comply with the “Gender Equality in Employment Act” and the “Regulations for Implementing Unpaid Parental Leave for Raising Children”.

Item	No. of Males	No. of Females	Total
2024 – Employees Who Were Entitled to Unpaid Parental Leave (A)	1	0	1
2024 – Employees Who Took Unpaid Parental Leave (B)	0	0	0
2024 – Employees Who Were Expected to Return from Unpaid Parental Leave (C)	0	0	0
2024 – Employees Who Actually Returned from Unpaid Parental Leave (D)	0	0	0
2023 – Employees Who Actually Returned from Unpaid Parental Leave (E)	0	0	0
2023 – Employees Who Retained 12 months After Returning to Work Following a Period of Unpaid Parental Leave (F)	0	0	0
Application Rate of Unpaid Parental Leave (B/A)	0	0	0
Return to Work Rate (D/C)	0	0	0
Retention Rate (F/E)	0	0	0

5.3 Talent Cultivation and Development

5.3.1 Talent Development Management

For different levels and positions, BaaS Innovation Co., Ltd. plans corresponding education and training courses to enhance employees' professional competencies and management capabilities, achieve the Company's operational goals, and strengthen corporate competitiveness. In 2024, BaaS Innovation provided diverse training methods, such as courses within the Group and external project training, so that our employees were able to keep up with the times and learn new knowledge. In 2024, employees receiving training and education totaled to 94 persons, with 16.88 of average training hours.

■ Average Training Hours of Employees

Gender	Employee Category	2023			2024		
		No. of Employees	Total Training Hours	Average Training Hours	No. of Employees	Total Training Hours	Average Training Hours
Male	Senior Executive	1	2	2.00	15	141	9.40
	Entry-level Executive	0	0	0.00	2	116	58.00
	General Employee	0	0	0.00	14	630	45.00
Female	Senior Executive	9	41	4.56	15	105	7.00
	Entry-level Executive	10	38	3.80	36	106.5	2.96
	General Employee	1	18	18.00	12	488	40.67
Total		21	99	4.71	94	1,586.5	16.88

5.3.2 Performance Evaluation Mechanism

In accordance with the “Performance Evaluation Management Procedures”, BaaS Innovation conducts regular evaluations and performance reviews with employees every six months. The evaluation focuses on measuring the implementation of past work tasks and setting work goals for the future. The performance evaluation results will be used as the basis for salary adjustment, promotion, and career development planning. Every year, we refer to the evaluation of the previous year for personnel promotion and other operations. By taking this approach, we ensure that the promotion channel is transparent, impartial, and complete.

The evaluation process starts with the employees’ self-evaluation followed by a re-evaluation performed by their supervisor based on the employees’ performance and goal achievement. Through a two-way communication management method, both parties can achieve a common understanding of the Company and goals. In 2024, 100% of all full-time employees of BaaS Innovation Co., Ltd. completed the annual performance evaluation. All employees were evaluated, except for those who were in probation period and those who returned from unpaid leave in the year (less than three months).

■ Performance Evaluation Items of BaaS Innovation Co., Ltd.

Evaluation Item	Evaluation Detail
Annual Work Plan	The operating chief of the highest level sets the objectives, which are then discussed with members within the organization to establish departmental objectives and various key performance indicators for the coming year. These departmental objectives and indicators are communicated to the units of the next level as the basis for setting their respective objectives. Once these units complete their objective setting, the objectives are subject to the review and approval by the responsible manager. The contents then are communicated to the next level in the same manner until they reach individuals, who shall complete the objective setting for the year.
Work Performance and Development	Supervisors score employees regarding their work status and career development.
Attendance and Discipline	The Human Resources Department calculates the statistics of the attendance and discipline records during the evaluation period.

5.4 Occupational Safety and Health

5.4.1 Occupational Safety and Health Policy and Training

BaaS Innovation Co., Ltd. is committed to providing all employees with a safe work environment. The Company adheres to occupational safety and health regulations and has established the “Safety and Health Work Guidelines”. The Company’s work environment are simple and low-risk office space. We have also designated first aid personnel in the office buildings in compliance with the law.

In 2024, the Company conducted two fire emergency evacuation drills to actively promote the safety awareness and response capabilities of employees, and also to ensure that employees understand the correct evacuation routes and proceed to safe areas. During the drills, employees demonstrated excellent contingency response capabilities and gained a deeper understanding of the safe evacuation procedures.

In the future, we will continue to improve and strengthen employee safety training to ensure that every employee remains calm in the event of an emergency and safeguard their life safety.

5.4.2 Occupational Health Services and Promotion Activities

In order to build a friendly, healthy, and safe workplace, BaaS Innovation Co., Ltd. continues to promote a variety of health services and promotion programs. With our employees receiving comprehensive physical, mental, and spiritual care, we further enhance employees’ sense of identity and cohesion and continue to create competitive advantages for the Company.

BaaS Innovation values the physical and psychological health of our employees and provides employees with health check-ups in compliance with the law. We administer comprehensive health-check items, so that employees understand their own health status and prepare for self-care or medical treatment. In 2024, a total of 22 individuals completed the health check-up, accounting for 45.83% of the total employees. Moreover, we send out newsletters regarding health promotion to all employees monthly to facilitate the relevant health propaganda.

5.4.3 Work-related Injuries and Ill Health

To ensure the effectiveness of occupational safety and health management measures, BaaS Innovation Co., Ltd. uses the statistical data of work-related injuries and diseases as indicators to measure occupational safety and health management performance. By doing this, we are able to track down the root cause of problems, and continuously optimize the management policy. In the past two years, BaaS Innovation did not experience any serious occupational diseases. Among the recordable work-related injuries, the majority are caused by cuts and bumping injuries. In response to these identified problems, the Company has formulated corresponding management measures, such as improving the design of the work environment. It included inspecting the work environment, ensuring aisles unhindered, and removing obstruction to prevent employees from being injured due to a poor-designed work environment. In the future, BaaS Innovation will continue to improve the supporting measures related to occupational injuries and ill health, achieve regular review and dynamic optimization, and maintain the goal of zero occupational hazards.

■ Statistics on Occupational Ill Health

Year	Total Hours Worked ^{Note 1}	Work Days Lost ^{Note 2}	Recordable Work-related Injuries		Serious Work-related Injuries		No. of Occupational Diseases	No. of Work-related Fatalities ^{Note 5}
			Amount	Ratio ^{Note 3}	Amount	Ratio ^{Note 4}		
2023	81,312	0	0	0	0	0	0	0
2024	95,616	0	0	0	0	0	0	0

Note 1: Sum of actual hours worked of all employees: For all personnel except the employer (including employees and non-employees), the total number of days worked per year multiplied by the number of hours worked per day.

Note 2 : Work days lost: The number of days during which the injured person was temporarily unable to return to work. The total number of days lost does not include the day of injury and the day of return to work. However, it shall include the number of days elapsed in the interim (including Sundays, holidays, or days when the business unit is suspended) and the number of whole days during which workers are unable to work due to the disaster after resumption of work.

Note 3: Percentage of recordable work-related injuries = [Number of recordable work-related injuries (number of people suffering from work-related injuries + number of fatalities caused by work-related injuries) x 10⁶]/total hours worked.

Note 4: Percentage of serious work-related injuries = [Number of serious work-related injuries (excluding the number of deaths) x 10⁶]/total working hours.

Note 5: Including the number of deaths due to occupational injuries and diseases.

5.5 Social Welfare

BaaS Innovation believes that corporate success is not only reflected on the financial performance, but also our contribution and responsibility to the society. Our profound understanding is that the Company must take proactive initiative to participate in and give back to the society to facilitate the overall social harmony as well as advancement. With this philosophy in mind, we dedicate ourselves to diversified activities of social welfare spanning education, environmental protection, and community development with a purpose of improving the livelihood of citizens and encouraging social sustainability.

We are deeply convinced that true sustainable development can only be achieved through the joint efforts of every party in the society. In the future, BaaS Innovation will continue to keep the faith of implementing social welfare, and promote as well as extend our scope of welfare projects, so as to contribute our part to construct a more harmonious, healthy, and sustainable society.

Beach Clean-up Event at the Green Bay

On October 19, 2024, BaaS Innovation invited our employees to participate in the 2024 Autumn Joint Coastal Cleanup event at the Green Bay, Wanli District hosted by the Environmental Protection Department, New Taipei City Government. There were 8 employees who participated in this event, with a total of 5 hours. Through this campaign, BaaS Innovation hopes to connect with the future with our employees and together contribute to the beautiful ocean.





**Taiwan Fund for Children and Families, New Taipei City Branch
2024 Year-end Gratitude Charity, “Gratitude for the 55th Anniversary, Sharing Happiness Together”**

On December 1, 2024, BaaS Innovation invited our employees to participate in the “Gratitude for the 55th Anniversary, Sharing Happiness Together” campaign of the 2024 Year-end Gratitude Charity held at Banqiao Stadium by Taiwan Fund for Children and Families. There were 7 employees who participated in this event, with a total of 5 hours. Through this campaign, BaaS Innovation hopes to donate employees’ new and unused items at home for charity sale, giving back to the society with greatest love.



Appendix I Index for GRI Standards

Statement of Use	BaaS Innovation Co., Ltd. prepared this Sustainability Report in accordance with the GRI Standards. The scope of data and information is from January 1 to December 31, 2024.
GRI 1 Version	GRI 1: Foundation 2021
Application of GRI Industry Standards	None

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
GRI 2: General Disclosures (2021)			
GRI 2: General Disclosures (2021)	2-1 Organizational details	4	1.1.1 Company Profile
	2-2 Entities included in the organization's sustainability reporting	1	About This Report
	2-3 Reporting period, frequency and contact point	1-2	About This Report
	2-4 Restatements of information	-	This is the first year where BaaS Innovation prepared our first sustainability report.
	2-5 External assurance	-	An external assurance has not yet been conducted.
	2-6 Activities, value chain and other business relationships	42-43	4.1 Product Introduction and Value Chain of BaaS Innovation
	2-7 Employees	58	5.1.2 Labor Structure and Diverse Workplace
	2-8 Workers who are not employees	58	5.1.2 Labor Structure and Diverse Workplace

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
GRI 2: General Disclosures (2021)	2-9 Governance structure and composition	9 ~ 16	1.2 Corporate Sustainable Governance Framework 2.1.1 Company Structure and Board Composition
	2-10 Nomination and selection of the highest governance body	22	2.1.2 Nomination and Selection of Board Members
	2-11 Chair of the highest governance body	16	2.1.1 Company Structure and Board Composition
	2-12 Role of the highest governance body in overseeing the management of impacts	9	1.2 Corporate Sustainable Governance Framework
	2-13 Delegation of responsibility for managing impacts	9	1.2 Corporate Sustainable Governance Framework
	2-14 Role of the highest governance body in sustainability reporting	11	1.3 Identification and Analysis of Significant Issues
	2-15 Conflicts of interest	22	2.1.2 Nomination and Selection of Board Members
	2-16 Communication of critical concerns	9-11	1.2 Corporate Sustainable Governance Framework 1.3 Identification and Analysis of Significant Issues

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
GRI 2: General Disclosures (2021)	2-17 Collective knowledge of the highest governance body	17	2.1.1 Company Structure and Board Composition
	2-18 Evaluation of the performance of the highest governance body	24-25	2.1.4 Performance Assessment
	2-19 Remuneration policies	26	2.1.5 Remuneration Policy
	2-20 Process to determine remuneration	26	2.1.5 Remuneration Policy
	2-21 Annual total compensation ratio	64	5.2.2 Comprehensive Remuneration System
	2-22 Statement on sustainable development strategy	3	Message from Chairman
	2-23 Policy commitments	5 、 45 、 51-52 、 57	Management approach to material topics
	2-24 Embedding policy commitments	5 、 45 、 51-52 、 57	Management approach to material topics
	2-25 Processes to remediate negative impacts	14-15 、 5 、 45 、 51-52 、 57	1.4 Stakeholder Engagement and Communication Management approach to material topics
	2-26 Mechanisms for seeking advice and raising concerns	28 、 5 、 45 、 51-52 、 57	2.2.3 Whistle-blowing System Management approach to material topics

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
	2-27 Compliance with laws and regulations	32	2.4 Compliance with Laws and Regulations
	2-28 Membership associations	6-8	1.1.3 Participation in Associations
	2-29 Approach to stakeholder engagement	14-15	1.4 Stakeholder Engagement and Communication
	2-30 Collective bargaining agreements	-	The Company has not entered into any bargaining agreements. Nonetheless, the Company still hold labor-management meetings periodically.
Material Topics			
GRI 3: Material Topics (2021)	3-1 Process to determine material topics	11	1.3 Identification and Analysis of Significant Issues
	3-2 List of material topics	12-13	1.3 Identification and Analysis of Significant Issues
Operational and Financial Conditions			

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
3-3 Management of material topics		5	1.1.2 Operational and Financial Conditions
GRI 201 (2016): Economic Performance	201-1 Direct economic value generated and distributed	6	1.1.2 Operational and Financial Conditions
Human Rights, Diversification, and Equality			
3-3 Management of material topics		57	5.1 Human Rights Security for Employees
GRI 402 (2016): Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	60	5.1.3 Smooth Communication Channels
GRI 405 (2016): Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	16 、 58-59	2.1.1 Company Structure and Board Composition 5.1.2 Labor Structure and Diverse Workplace
	405-2 Ratio of basic salary and remuneration of women to men	63	5.2.2 Comprehensive Remuneration System
GRI 406 (2016): Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	58	5.1.1 Promotion of Human Rights Security at Workplace
Innovative Products and Techniques			
3-3 Management of material topics		45	4.2 Product Technology and Innovation
Information Security and Customer Privacy			

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
3-3 Management of material topics		51-52	4.4 Information Security and Customer Privacy
GRI 418 (2016): Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	54	4.4.3 Procedures for Reporting and Responding to Information Security or Privacy Incidents
Other Topics			
GRI 200: Economy			
GRI 201 (2016): Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	35	3.1.3 Adaptation Strategies for Climate Change
GRI 204 (2016): Procurement Practices	204-1 Proportion of spending on local suppliers	56	4.5 Procurement Practices
GRI 205 (2016): Anti-corruption	205-3 Confirmed incidents of corruption and actions taken	27	2.2.1 Anti-corruption Policy
GRI 300: Energy			
GRI 302 (2016): Energy	302-1 Energy consumption within the organization	37	3.2.2 Overview of Energy Consumption
	302-3 Energy intensity	37	3.2.2 Overview of Energy Consumption

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
GRI 303 (2018): Water and Effluents	303-1 Interactions with water as a shared resource	40	3.4.1 Evaluation of Water Risks
	303-5 Water consumption	40	3.4.2 Water Withdrawal and Water Consumption
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions	38	3.2.3 Greenhouse Gases Management
	305-2 Energy indirect (Scope 2) GHG emissions	38	3.2.3 Greenhouse Gases Management
	305-4 GHG emissions intensity	38	3.2.3 Greenhouse Gases Management
GRI 306 (2020): Waste	306-2 Management of significant waste related impacts	39	3.3.1 Waste Management System
	306-3 Waste generated	39	3.3.2 Waste Generated
	306-4 Waste diverted from disposal	39	3.3.2 Waste Generated
	306-5 Waste directed to disposal	39	3.3.2 Waste Generated
GRI 400: Society			
GRI 401 (2016): Employment	401-1 New employee hires and employee turnover	61-63	5.2.1 Status of New Employee Hires and Turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	65	5.2.3 Diverse Employee Benefits
	401-3 Parental leave	66	5.2.4 Parental Leave

GRI Standards	Disclosure Items	Page	Corresponding Chapter/Supplementary Description
GRI 403 (2018): Occupational Health and Safety	403-3 Occupational health services	69	5.4.2 Occupational Health Services and Promotion Activities
	403-5 Worker training on occupational health and safety	69	5.4.1 Occupational Safety and Health Policy and Training
	403-6 Promotion of worker health	69	5.4.2 Occupational Health Services and Promotion Activities
	403-9 Work-related injuries	70	5.4.3 Work-related Injuries and Ill Health
	403-10 Work-related ill health	70	5.4.3 Work-related Injuries and Ill Health
GRI 404 (2016): Training and Education	404-1 Average hours of training per year per employee	67	5.3.1 Talent Development Management
	404-3 Percentage of employees receiving regular performance and career development reviews	68	5.3.2 Performance Evaluation Mechanism

Appendix II Index for Climate-related Information of TWSE/TPEX Listed Company

We comply with the Table 2 Climate-Related Information of TWSE/TPEX Listed Company, which is set forth in Article 4-1 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies”.

No.	Disclosure Content	Corresponding Chapter	Page
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	3.1.1 Climate Governance	33
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	3.1.3 Adaptation Strategies for Climate Change	35
3	Describe the financial impact of extreme weather events and transformative actions.	3.1.3 Adaptation Strategies for Climate Change	35
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	3.1.2 Climate Risk Management	34
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Planning in progress	-
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Planning in progress	-
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Planning in progress	-
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable	Planning in progress	-

No.	Disclosure Content	Corresponding Chapter	Page
	energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.		
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	3.1.4 Metrics and Targets	36

Appendix III Sustainability Disclosure Indicators for the Preparation and Filing of Sustainability Reports by TPEX Listed Companies

We comply with Table 1-8 Sustainability Disclosure Indicators—Semiconductor Industry, which is set forth in Article 4 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies”.

No.	Disclosure Content	Corresponding Chapter/Notes	Page
1	Total energy consumed; percentage grid electricity; and percentage renewable	3.2.2 Overview of Energy Consumption	37
2	Total water withdrawn; and total water consumed	3.4.2 Water Withdrawal and Water Consumption	40-41
3	Amount of hazardous waste from manufacturing; and percentage recycled	The Company did not generate any hazardous waste in 2024; therefore, the weight and percentage recycled were 0.	-
4	Description of the types of, the number of employees in, and the rate of occupational accidents	5.4.3 Work-related Injuries and Ill Health	70
5	Product Lifecycle Management Disclosure: Weights of scraps and electronic waste; and percentage recycled	Not applicable for BaaS Innovation.	-
6	Description of the management of risks associated with the use of critical materials	Not applicable for BaaS Innovation.	-

No.	Disclosure Content	Corresponding Chapter/Notes	Page
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	0	-
8	Production by product category	1.1 About BaaS Innovation	4

