2025 United Orthopedic Sustainability Report

UNITED ORTHOPEDIC®

CONTENTS

About This Report

This is the tenth sustainability report (hereinafter referred to as "the Report") published by United Orthopedic Corporation (hereinafter referred to as "United Orthopedic," "the Company," or "we"). Upholding the core values of corporate social responsibility and sustainable development, and guided by the three pillars of Environmental, Social, and Governance (ESG), we disclose through This Report the Company's efforts and achievements in environmental protection, social contribution, and corporate governance, thereby responding to stakeholders' concerns on various topics and further conveying the Company's commitment and actions in pursuit of sustainable development.

Reporting Scope and Boundaries

This Report discloses United Orthopedic Corporation's management policies across the economic, social, and environmental dimensions for 2025 (from January 1 to December 31, 2025) and presents its focus and achievements regarding material issues. The content and performance data are limited to United Orthopedic Corporation as a standalone entity; any integrated information involving the consolidation of multiple entities within the Group is noted accordingly. All financial data is presented in New Taiwan Dollars (NTD). There were no significant changes to the organization's scale or structure during the reporting period.
Statement of Information Restatement: To enhance information consistency and comparability, certain disclosure data from previous sustainability reports have been restated in This Report. The related adjustments were made following the completion of internal data verification and review procedures. Restated items and their impacts have been explained in the footnotes to the Global Product Portfolio and Operating Performance sections of the About United Orthopedic chapter, as well as Section 4.1 Workforce Overview (Employee Distribution by Region) and Section 5.1 Environmental Management (Energy Consumption and Percentage over the Past Two Years). Unless otherwise specified, all other historical data and information follow the original disclosure standards and statistical methods.

Company Name	Reporting Boundary	Address
United Orthopedic Corporation	Taipei Operations Headquarters	12F., No. 80, Sec. 1, Cheng-gong Rd., Yong-he Dist., New Taipei City
	Hsinchu Plant	No. 57, Yuanqu 2nd Rd., Hsinchu Science Park, Hsinchu City
	Kaohsiung Plant	No. 16, Luke 1st Rd., Luzhu Dist., Kaohsiung City
A-SPINE Asia Co., Ltd.	Headquarters	20F., No. 80, Sec. 1, Cheng-gong Rd., Yong-he Dist., New Taipei City
	Xindian Plant	1F., No. 43, Fuxing Rd., Fuxing Vil., Xindian Dist., New Taipei City

Basis of Report Preparation

This Report has been prepared in accordance with the GRI Standards 2021 issued by the Global Reporting Initiative (GRI). It also references the United Nations Sustainable Development Goals (SDGs) and the Sustainability Accounting Standards Board (SASB) standards for the Medical Equipment & Supplies industry. Furthermore, the report assesses and discloses climate-related risks while fully considering the feedback and expectations of stakeholders. A content index is provided in the appendix.

Report Assurance

This Report was compiled by the Sustainable Development Task Force, reviewed by the Sustainable Development Committee, and approved by the Board of Directors prior to publication. In addition, the Company engaged Ernst & Young, Taiwan to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information) and to issue a limited assurance report on whether there are any material misstatements in the subject matter information. The aforementioned assurance report is included in Appendix 5 of This Report.

Date of Publication

United Orthopedic Corporation publishes an annual sustainability report, which is also made available on its official website.
Current version: Issued in August 2026
Previous version: Issued in August 2025
Next version: scheduled for August 2027

Contact Information

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Sustainable Development Contact Website: https://tw.unitedorthopedic.com/esg/stakeholders/

Message from the CEO

Each Step We Care

Rooted in Governance, Guided by Responsibility, Growing Sustainably Together

At United Orthopedic Corporation, we have always believed that corporate management is more than just pursuing growth and performance; more importantly, it is about whether we can balance our responsibilities toward patients, employees, society, and future generations in every business decision we make. For us, sustainability is not an add-on task; rather, it is a business philosophy that has naturally evolved through our long-term focus on our core business and our steadfast commitment to our founding purpose. This attitude stems from our understanding of the essence of healthcare and our aspiration to continue creating value for human well-being.

Since its establishment in 1993, United Orthopedic Corporation has focused on the design, manufacturing, and global distribution of artificial joint products, dedicated to helping patients alleviate pain, restore mobility, and improve their quality of life. Driven by clinical needs, we respond to the expectations of physicians and patients for safety, reliability, and long-term trust through rigorous process management, a stable quality system, and continuous advancement in R&D capabilities. "Each Step, We Care" is more than just a brand philosophy; it serves as a reminder that only by moving forward steadily in every detail can we truly fulfill our responsibilities as a medical device enterprise.

Over the years, United Orthopedic Corporation has upheld "Integrity, Accountability, Innovation, and Happiness" as its core values, integrating them into all aspects of its operations, including governance, R&D, manufacturing, talent development, value chain management, and social participation. We believe that sustainability is not the responsibility of a single department, but a shared commitment practiced across the entire organization. Accordingly, the Company has established a governance structure comprising the Board of Directors, the Sustainability Committee, and the Sustainability Task Force. This framework gradually integrates ESG principles into operational decision-making and management processes as we continue to strengthen key areas such as information transparency, risk management, workplace safety, talent cultivation, and environmental management.

Looking back at 2025, United Orthopedic Corporation continued to achieve tangible results in its pursuit of sustainable development. The Company received an A rating in the TIP Taiwan Sustainability Assessment, elevating its status to ESG investment grade. In the environmental dimension, we continued to implement energy-saving measures at our Hsinchu and Kaohsiung plants, achieving annual electricity savings of approximately 263,613 kWh. On the social front, we extended our corporate expertise to create a broader social impact through international medical cooperation and philanthropic initiatives. These advancements are not merely part of operational achievements; they also reflect our determination to progressively translate our sustainability principles into concrete action.

Looking ahead, in response to the increasing global demands for sustainable governance, climate change action, and information disclosure, United Orthopedic Corporation will continue to refine its sustainability management system, strengthen its governance foundations, and enhance its capacity to identify sustainability risks and opportunities while gradually aligning with international disclosure trends. We will continue to maintain Taiwan as our core base for R&D and manufacturing, steadily advance our global presence, strike a balance among innovative healthcare, responsible governance, and sustainable value, and grow together with our partners. United Orthopedic Corporation will continue to uphold its core belief of "Each Step, We Care," striving to be a trusted international medical device enterprise that creates long-term value for patients, society, and the future.

C.E.O., Calvin Lin

Highlights and Performance

United Orthopedic Corporation has been dedicated to the joint replacement industry for 30 years. From 2021 to 2025, the industry's compound annual growth rate was approximately 6%, while the Company maintained an annual growth rate of over 20% during the same period. This operating performance not only benefited from market demand growth driven by an aging population, but also stemmed from market share gains, market recognition of new products, and the ongoing effectiveness of channel expansion and promotion strategies. As a brand dedicated to independent R&D and design in Taiwan, United Orthopedic Corporation has successfully competed alongside world-class manufacturers on the international stage. Over the past 30 years of deep cultivation, the Company has not only gradually built competitive advantages in product quality and functionality but has also developed three core competencies:

- **Global Direct Sales Channels:** Establish direct sales subsidiaries in high-income markets worldwide to engage directly with physicians and customers, building a self-managed marketing network.
- **Vertical Integration Advantage:** Leverages a vertically integrated system spanning R&D and design, manufacturing, and end-market sales.
- **Globalized Services:** Providing real-time and localized services through a direct-operation network spanning Europe, the Americas, Asia, and Australia.

Building on this solid foundation, United Orthopedic Corporation has continued to accumulate long-term momentum for growth and has established a robust cornerstone for corporate sustainability.

Economic Governance

- **Awarded the "34th Taiwan Excellence Gold Award - United U2 PF+ Knee System".**
- **In 2025, UOC received an A rating in the TIP Taiwan Sustainability Assessment and was promoted to "ESG Investment Grade."**

Environmental

- **In response to climate change, the Company continues to plan and adopt appropriate adaptation measures and implement resource management to build sustainable operational resilience. Various energy-saving measures will be implemented in phases at the Hsinchu and Kaohsiung plants in 2025, which are expected to save approximately 263,613 kWh of electricity per year.**

Social Responsibility

- **Collaborated with CURE International UK to support the MSK bone tumor training course to be held in Zimbabwe in February 2025. Twenty-eight medical professionals from across Zimbabwe received training in the diagnosis and multidisciplinary integrated care of bone tumors.**

- **Under the GODA program, 235 hip and knee replacements, 25 spinal surgeries, and 34 sports medicine procedures were completed across three cities in Pakistan within seven days.**

Awards and Recognition

2016

- Awarded the “Outstanding Biotechnology Industry Gold Award”

2017

- Awarded the “International Leap Gold Award of the Taipei Biotech Awards”

2019

- Awarded the “National Innovation Award - Locking Cage”
- Awarded the “Medical Design Excellence Awards Bronze Award for The AiO Block and MDT”

2020

- Awarded the “National Innovation Award - Cellbrick Porous Knee Infection Control Spacer Set and RepliCase Hip Bone Cement Mold”
- Awarded the “Silver Award in the Research and Development Award for Medical Technology - Innovative Surgical Instruments for Artificial Knee Joints”
- Awarded the “Top Orthopedic Solution Providers in Europe”

2021

- Shortlisted for the “Pharmaceutical Technology Research and Development Award for the Novel Interlocking Acetabular Reinforcement Device”

2022

- Awarded the “Taiwan Excellence Gold Award - USTAR II System”
- Awarded the “National Innovation Award - Optimized Total Hip Implant Surgical Guidance System”

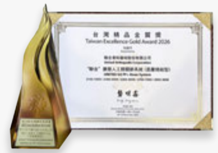
2023

- Awarded the “Silver Award in the International Breakthrough category of the Taipei Biotech Awards - USTAR II System”
- Awarded the “Hsinchu Science Park Innovative Product Award - USTAR II System”

2024

- A total of NT$5.92 million was invested in academic exchanges to advance the development of orthopedic healthcare
- Completed 2 cases of customized artificial joints in Taiwan, helping patients restore their quality of life
- Completed a humanitarian medical mission in Vietnam, successfully providing care to 57 patients

2025



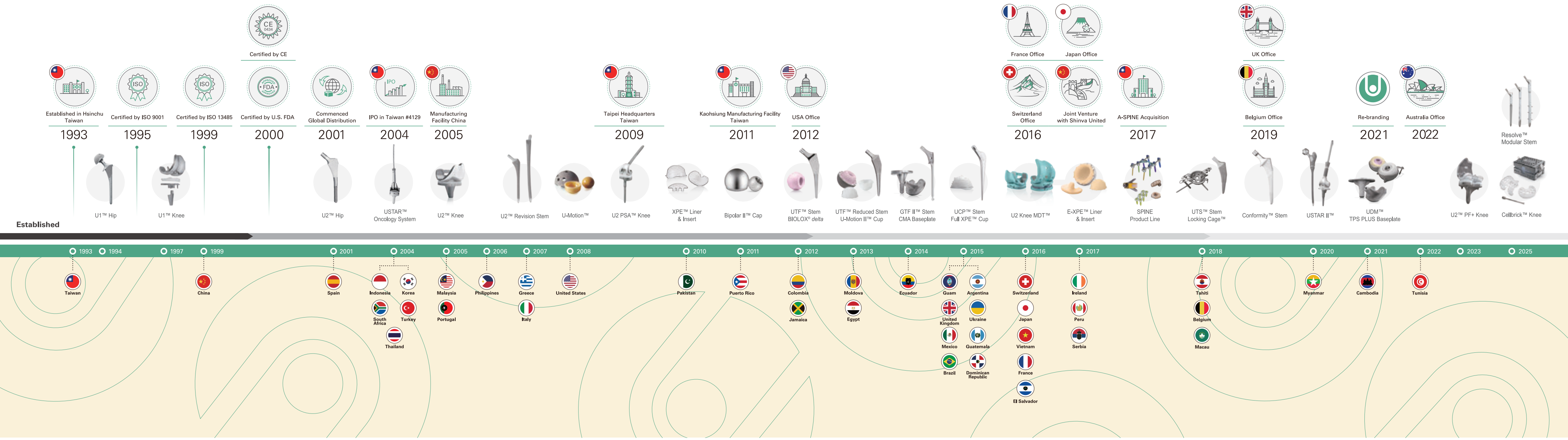
- Awarded the “34th Taiwan Excellence Gold Award - United U2 PF+ Knee System”

Company Profile

United Orthopedic Corporation was founded in 1993 and is a public company listed on the Taipei Exchange (stock code: 4129). Operating within the biotechnology and medical device industry, the Company specializes in the sale of orthopedic implants (artificial joints) and related surgical instruments. The Company has achieved full vertical integration, spanning from product design and manufacturing to global marketing. Its manufacturing facilities are located in the Kaohsiung Science Park (Luzhu) and the Hsinchu Science Park, with overseas operating bases in California (USA), Yokohama (Japan), Switzerland, France, the United Kingdom, Belgium, China, and Australia.

As Taiwan's first orthopedic implant manufacturer and one of the few Asia-based companies certified for the mass production of artificial joints, the Company is recognized by the government as one of the ten emerging high-tech industries. It has passed ISO 9001 and ISO 13485 quality assurance certifications. Furthermore, the Company has obtained market clearance from major regulatory bodies, including the Ministry of Health and Welfare (GMP) in Taiwan, the U.S. Food and Drug Administration (FDA), the European Union (CE Mark), and China's National Medical Products Administration (NMPA). The Company has received numerous product awards, including a Bronze Award in the Medical Design Excellence Awards (MDEA) and Gold Awards at the 30th and 34th Taiwan Excellence Awards.

The Company’s artificial joint production is dedicated to meeting the diverse surgical and medical needs of surgeons and patients. Our proprietary brand, "United," is marketed in over 50 countries across Europe, the Americas, Asia, and Africa. As of 2025, more than 800,000 successful implants have been performed worldwide, benefiting patients and their families by helping them reclaim a better quality of life.



Full Name of the Organization	United Orthopedic Corporation
Nature and Legal Form of Ownership	Legal entity
Headquarters and Countries of Operation	Taiwan
Date of Establishment	March 5, 1993
Stock Code	TPEx: 4129
Operating Locations Taipei Operational Headquarters: 12F., No. 80, Sec. 1, Chenggong Rd., Yonghe Dist., New Taipei City Hsinchu Plant: No. 57, Yuanqu 2nd Rd., Hsinchu Science Park, Hsinchu City Kaohsiung Factory: No. 16, Luke 1st Rd., Luzhu Dist., Kaohsiung City A-Spine Asia (a subsidiary in which the Company holds a 74.9% equity interest): 20F., No. 80, Sec. 1, Chenggong Rd., Yonghe Dist., New Taipei City A-Spine Asia Xindian Plant: 1F., No. 43, Fuxing Rd., Xindian Dist., New Taipei City Overseas subsidiaries: United States / Japan / Switzerland / France / Belgium / United Kingdom / China / Australia / Turkey	
GICS Global Industry Classification Standard	Health Care Equipment

Organizational Value Chain and Operations

United Orthopedic Corporation specializes in the R&D, manufacturing, and global distribution of orthopedic implants and surgical instruments. Through a vertically integrated model, the Company coordinates product design, manufacturing, quality control, regulatory compliance, and clinical support. It serves as a midstream provider of high-end orthopedic medical devices and comprehensive solutions within the medical device value chain. Beyond product supply, the Company provides clinical education and training for physicians and medical personnel, surgical technique and product application support, after-sales service, and product tracking. It also offers technical documentation and compliance support in accordance with regulatory requirements, continuously enhancing the service value throughout the product life cycle. Our products are sold in Taiwan and more than 50 markets worldwide. We employ diverse sales and market service models—including direct sales, overseas subsidiaries, and authorized distributors—tailored to regional regulatory requirements, medical institution protocols, and channel partner strategies to ensure compliance with national medical regulations and local clinical needs.

Value Chain Node	Target	Description	Management Focus
Upstream	Raw material suppliers, component suppliers, contractors, and manufacturing support partners	Provides raw materials, components, process support, and related services for orthopedic implants and surgical instruments. Product quality, regulatory requirements, and supply stability serve as the essential foundation for United Orthopedic Corporation's manufacturing and quality management.	We ensure supply chain quality, delivery, regulatory compliance, and sustainability performance while strengthening value chain resilience through a comprehensive supplier selection, evaluation, audit, and re-evaluation system.
Midstream	United Orthopedic Corporation	Responsible for product design and R&D, manufacturing, quality control, regulatory documents, clinical support, and global marketing and brand management for orthopedic implants and surgical instruments. United Orthopedic Corporation positions itself as a midstream medical device manufacturer and solution provider within the value chain.	Through our vertical integration model, we connect R&D, manufacturing, and market services to provide high-quality, internationally competitive products and solutions that comply with regulatory requirements.
Downstream	Distributors, overseas subsidiaries, medical institutions, and healthcare professionals	Promote and sell products, assist hospitals with the adoption of artificial joint products, and provide technical support and clinical application services throughout the preoperative, intraoperative, and postoperative phases.	We adopt various models—including direct sales, overseas subsidiaries, and authorized distributorships—tailored to market characteristics to address local regulatory requirements and clinical needs in each country.
Ultimate Beneficial Owner	Patients and their families	Alleviate patient pain and improve mobility through artificial joint implants and surgical instruments, enhancing their quality of life.	With product quality, safety, clinical value, and after-sales tracking as its core, the Company delivers on its brand promise of "Each Step, We Care."

Professional Services Summary

Service Dimensions	Service Description	Management Objective
Clinical Education and Training	Provide clinical education and training for physicians and healthcare professionals.	Assist medical professionals in familiarizing themselves with product design, indications, and clinical operations to enhance the quality of clinical applications.
Clinical Support	Provide clinical support for surgical techniques and product applications.	Assisted in product introduction and surgical applications while strengthening pre-, intra-, and post-operative support.
After-Sales Service	Providing customers with after-sales service and product traceability.	Strengthen customer relationship management to ensure robust product feedback and continuous improvement mechanisms.
Regulatory and Technical Support	Provide technical documentation and compliance support in accordance with regulatory requirements.	Comply with global medical device regulations to ensure that product launches and market services remain in full legal compliance.

Affiliates

The organizational chart of United Orthopedic Corporation and its affiliates is as follows; the primary business activities consist of the manufacture and sale of orthopedic implants and surgical medical devices.

United Orthopedic Corporation

- **UOC USA, Inc.**
  Ownership interest: 100%
  Actual investment amount (USD 10,860 thousand)
- **United Orthopedic Japan Inc.**
  Ownership interest: 96%
  Actual investment amount (JPY 419,725 thousand)
- **UOC Europe Holding SA**
  Ownership interest: 96%
  Actual investment amount (CHF 13,500 thousand)
  - **United Orthopedic Corporation (Suisse) SA**
    Ownership interest: 100%
    Actual investment amount (CHF 1,550 thousand)
    - **U2 ORTHO ORTOPEDİK ÜRÜNLER TİCARETİ ANONİM ŞİRKETİ**
      Ownership interest: 100%
      Actual investment amount (TRY 930 thousand)
  - **United Orthopedic Corporation (France)**
    Ownership interest: 100%
    Actual investment amount (EUR 8,782 thousand)
  - **United Orthopedic Corporation (Belgium) SA**
    Ownership interest: 100%
    Actual investment amount (EUR 900 thousand)
  - **United Orthopedics Limited**
    Ownership interest: 100%
    Actual investment amount (GBP 540 thousand)
- **United Orthopedic (Australia) Pty Ltd**
  Ownership interest: 100%
  Actual investment amount (AUD 1,300 thousand)
- **A-SPINE Asia Co., Ltd.**
  Ownership interest: 74.9%
  Actual investment amount (TWD386,481 thousand)
- **Xi'an Lianhao Technology Co., Ltd.**
  Ownership interest: 100%
  Actual investment amount (CNY 5,000 thousand)

Note: Data as of December 31, 2025

Core Values

INTEGRITY

United Orthopedic views integrity as the cornerstone of its business operations, fulfilling its commitment to addressing challenges honestly and delivering on its promises. At the corporate governance level, we have strengthened the ethical awareness and legal compliance of all employees through the formulation and implementation of the "Ethical Corporate Management Best Practice Principles" and related training mechanisms. By establishing a culture of trust and accountability toward internal and external stakeholders, we fulfill the sustainable spirit of ethical management.

INNOVATION

Innovation is the driving force behind corporate sustainability. United Orthopedic Corporation is dedicated to new product development, process optimization, and digital transformation, actively introducing green technology and intelligent equipment to enhance operational efficiency and minimize environmental impact. By driving R&D and continuous improvement, we create value for the benefit of society, demonstrating our corporate responsibility toward future generations and our commitment to human well-being.

INTEGRITY

Be true to yourself and your team members.
Create an honest and trustworthy environment.

ACCOUNTABILITY

Embrace the company missions.
Act proactively and responsively.

CORE VALUES

INNOVATION

Be original and creative.
Champion ideas that add value to the well-being of humankind.

HAPPINESS

Enjoy your life.
Together we dedicate to building a healthier community.

ACCOUNTABILITY

The Company values the professionalism and sense of responsibility of every employee, encouraging team members to take the initiative in problem-solving, remain accountable for results, and fulfill the corporate mission through teamwork. This core value is reflected in the two pillars of human resource management and social participation. Through a comprehensive performance evaluation mechanism, a clear division of responsibilities, and a goal-oriented system, we foster synergy between our employees and the organization to actively fulfill our social responsibilities.

HAPPINESS

United Orthopedic emphasizes a positive culture and team cohesion while promoting workplace happiness. The Company organizes regular employee trips, birthday parties, and club activities to encourage a healthy work-life balance and foster a culture of mutual appreciation and support, thereby enhancing workplace satisfaction. The Company also extends "Happiness" to communities and society by promoting volunteerism and public welfare initiatives, putting the philosophy of common good into practice.

Brand and Technological Advantages

United Orthopedic Corporation is dedicated to developing its proprietary brand and mastering core technologies in product R&D and manufacturing. With its R&D center and primary production lines based in Taiwan, the Company stands as the nation's only artificial joint manufacturer capable of vertically integrating key upstream and downstream processes. This integration enables the Company to respond swiftly to international market shifts and remain closely aligned with customer needs.

Brand Advantages

- **Vertical Integration:** The Company adopts a vertical integration strategy covering design, R&D, production, and marketing to ensure product quality and effectively control costs.
- **International Certifications:** The products have obtained multiple international certifications, including from the U.S. Food and Drug Administration (FDA), the European Union's CE mark, Japan's Pharmaceuticals and Medical Devices Agency (PMDA), China's National Medical Products Administration (NMPA), and the Taiwan Food and Drug Administration (TFDA) of the Ministry of Health and Welfare, ensuring compliance with global medical device standards.
- **Product Positioning:** With a clear international market positioning, the Company continues to provide premium-quality products and services at competitive prices. The brand's strong recognition and distinctiveness enable it to compete effectively with and stand out among leading global manufacturers.

Technical Advantages

- **Innovative R&D:** The Company has continued to invest in R&D and developed multiple innovative products, such as the Resolve Modular Femoral Stem, Shoulder Joint System, United U-Motion Acetabular System, and Revision Knee Joint Augmentation Implants. These advancements help enhance product competitiveness and gain recognition from customers in international markets.
- **Comprehensive Product Portfolio:** We offer a complete artificial joint product chain ranging from primary replacement and revision surgery to fracture treatment, catering to the diverse needs of different patients.
- **Precision Surgical Technology:** Collaborated with an Italian navigation system company to develop a knee joint navigation robotic surgery system, with plans for subsequent robotic surgery medical solutions. Additionally, worked with National Taiwan University to develop precision orthopedic medical technology. Furthermore, the Company continues to invest in R&D within the areas of personalized orthopedic implants, precision surgery, and accelerated recovery times, further enhancing surgical accuracy and reproducibility.

2025.12 Indonesian Surgeons' Delegation Factory Visit

2025.05 Filipino Surgeons' Surgical Visit at CMUH

2025.05 Hip & Knee Hands-On Cadaver Course

Operating Performance

United Orthopedic Corporation maintains steady operations and adheres to the philosophy of creating shared value with stakeholders. Through the transparent disclosure of financial information, the Company demonstrates its responsibility and commitment to shareholders, employees, the government, customers, and society.

2025 Consolidated Financial Information

Unit: NT$ thousand

Item	Basic Requirements	Year		
		2023	2024	2025
Direct Economic Value Generated	Operating Revenue *	3,929,887	4,653,130	5,655,418
Economic Value Distributed	Operating Costs *	893,517	1,030,809	1,255,883
	Employee Remuneration and Benefits * (Note 1)	1,086,383	1,141,893	1,384,978
	Payments to Providers of capital * (Note 2) (Current Year Dividends)	385,947	385,866	433,969
	Payments to Government * (Note 3)	126,857	126,679	143,590
	Community Investment (Note 4)	4,610	5,920	6,845
Economic Value Retained	Net Profit after Tax * (Note 5)	388,309	460,381	571,471

Item	2023	2024	2025
Net Profit after Tax (NT$ thousands)(Note 5)	388,309	460,381	571,471
Net Profit Margin %	9.88%	9.89%	10.10%
R&D Investment (NT$ Thousand)	185,029	220,493	262,542
Return on Equity %	11.62%	12.21%	14.02%
Cash Dividend Distributed %	88.90%	84.39%	77.19%
Earnings Per Share (NT$)	4.50	4.74	5.83

Note 1: Including personnel-related expenses such as salaries, bonuses, pensions, labor and health insurance, and employee benefits.

Note 2: Following internal sustainability information verification and review procedures, the 2023 data was corrected to ensure consistency with financial statement disclosures, as rounding differences had occurred.

Note 3: Income tax paid. In addition, through internal sustainability information verification and review procedures, it was identified that the data for 2023 and 2024 had been misstated as income tax expense (whereas it should have been the actual cash outflow for income tax paid); this has since been corrected.

Note 4: Expenditures for social participation, academic exchanges, and charitable activities.

Note 5: The 2023 data has been corrected following internal sustainability information verification and review procedures, which identified a clerical error.

Note 6: Financial data for 2023 through 2025 were audited and attested by Ernst & Young, Taiwan.

Global Product Portfolio

As the global population shifts toward an aging demographic, the demand for orthopedic diagnosis and treatment continues to rise, driving the market scale of orthopedic-related industries to US$61.93 billion in 2024. Among this, the artificial joint segment, as an essential part of the industry, accounts for approximately 37% with a market size of US$22.61 billion and is projected to grow to US$26.77 billion by 2028.

United Orthopedic's core products are artificial joint implants, which are high-end medical devices primarily used to replace patients' damaged joints and restore their mobility functions, with an expected product lifespan of 20 to 30 years. As these products directly affect patients' quality of life and treatment outcomes, physicians have extremely strict requirements for their quality, functionality, and compatibility. The company adheres to independent design and research and development in Taiwan, successfully launching its own brand products with technology and quality comparable to leading international manufacturers, securing a position in the global market.

With a vertically integrated structure from design to manufacturing, the Company has established direct operation sites in Europe, America, Asia, and Australia, providing comprehensive promotion and after-sales services. This global operation system not only strengthens the Company's immediate response to market demands but also gradually establishes a highly independent marketing and customer service system.

In terms of market deployment, the Company focuses on three main regions:

- **Asia-Pacific (APAC):** The largest source of revenue in 2025, demonstrating robust and continuous growth in regional demand.
- **Europe, the Middle East and Africa (EMEA):** Ranked second in performance, showing the most impressive revenue growth in 2025 and serving as the primary driver for future expansion.
- **Americas (AMERICA):** Revenue in 2025 continued to grow steadily, demonstrating that the Company's brand has gained high recognition in mature markets.

In 2025, all three main regions achieved near-double-digit or double-digit revenue growth, demonstrating the strong competitiveness of United Orthopedic products in the global market. This success reflects the effective implementation of the "**Local R&D, Global Presence**" strategy, laying a solid foundation for the Company's long-term sustainable operations.

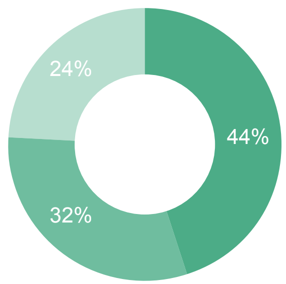
(NT$ million)	2024	2025	YoY%
Operating Revenue	4,653.10	5655.40	21.5%
APAC	2,054.40	2,443.80	19.0%
EMEA	1,481.70	1,985.50	34.0%
America	1,117.00	1,226.10	9.8%

Note: Due to a redefinition of regional classifications this year, operating revenue for relevant regions in prior periods has been restated based on the new classification criteria to ensure data comparability across periods; total operating revenue remains unaffected.

Revenue Proportion by Region

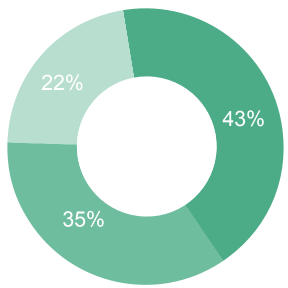
2024 NTD 4.653 Billion

- **APAC 44%**
- **EMEA 32%**
- **America 24%**



2025 NTD 5.655 Billion

- **APAC 43%**
- **EMEA 35%**
- **America 22%**



Product Introduction

Artificial joint replacement provides a critical medical solution for patients who, due to joint degeneration, severe injury, or disease, are unable to find relief through conservative treatments or traditional surgical repairs. Orthopedic surgeons utilize specialized surgical instruments to precisely resect damaged joint areas and replace them with precision artificial joint implants to relieve pain, restore joint function, and improve quality of life.

During the product development process, United Orthopedic Corporation works closely with clinical orthopedic surgeons. Starting from clinical needs and integrating expertise in research and development, regulatory affairs, process development, and quality assurance, the Company continuously optimizes product design and functionality. The Company also follows the ISO 13485 medical device quality management standard to ensure the rigor, compliance, and market-ready quality of its product development processes.

Driven by continuous technological progress, United Orthopedic actively invests in the innovation of surgical assistance technologies and implant materials. In terms of surgical applications, the Company has gradually introduced the development of technologies such as image navigation and robotic arms to enhance the precision and safety of artificial joint implantation. Regarding materials and manufacturing processes, the Company has also initiated research and development into hypoallergenic and antimicrobial materials, as well as advanced surface treatment technologies, to further improve the biocompatibility and durability of its implants.
For products with complex structures, United Orthopedic has introduced 3D printing technology for its latest artificial knee joint components and simultaneously established in-house production capacity, embodying the spirit of vertical integration in product development and manufacturing.

In addition, United Orthopedic has established a comprehensive product sales and clinical service network by integrating its sales team, domestic and international distributors, and medical institutions. The company actively participates in domestic and international orthopedic medical exhibitions and hosts its own artificial joint product training and orthopedic medical seminars to help users gain an in-depth understanding of and proficiency in United Orthopedic's products and applications.

Trauma and other orthopedic products

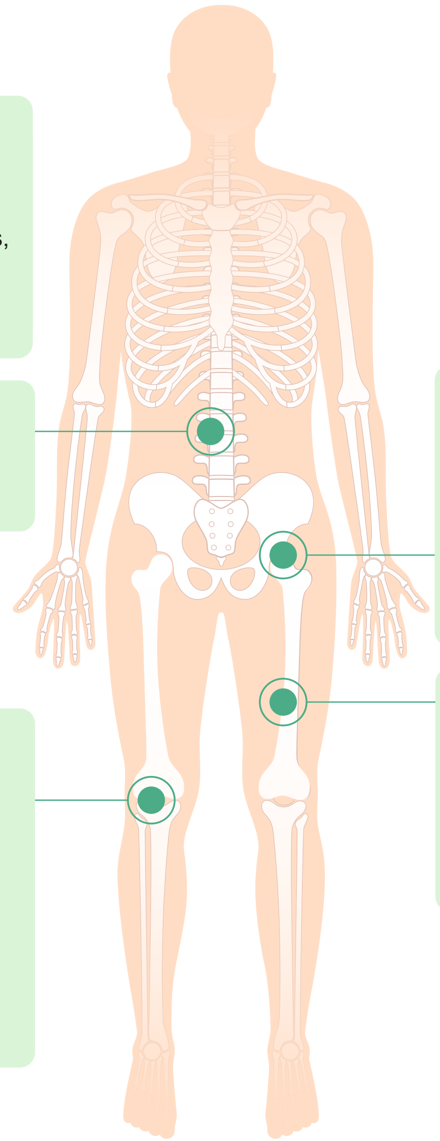
- Intramedullary nail
- Bone screws, bone plates, and bone pins
- Needle holders and other auxiliary products

Spinal products

Spinal internal fixation devices

Knee replacement products

- Total Knee Replacement System
- Revision total knee prosthesis
- Constrained Total Knee Arthroplasty
- Tumor-type prosthetic knee joint



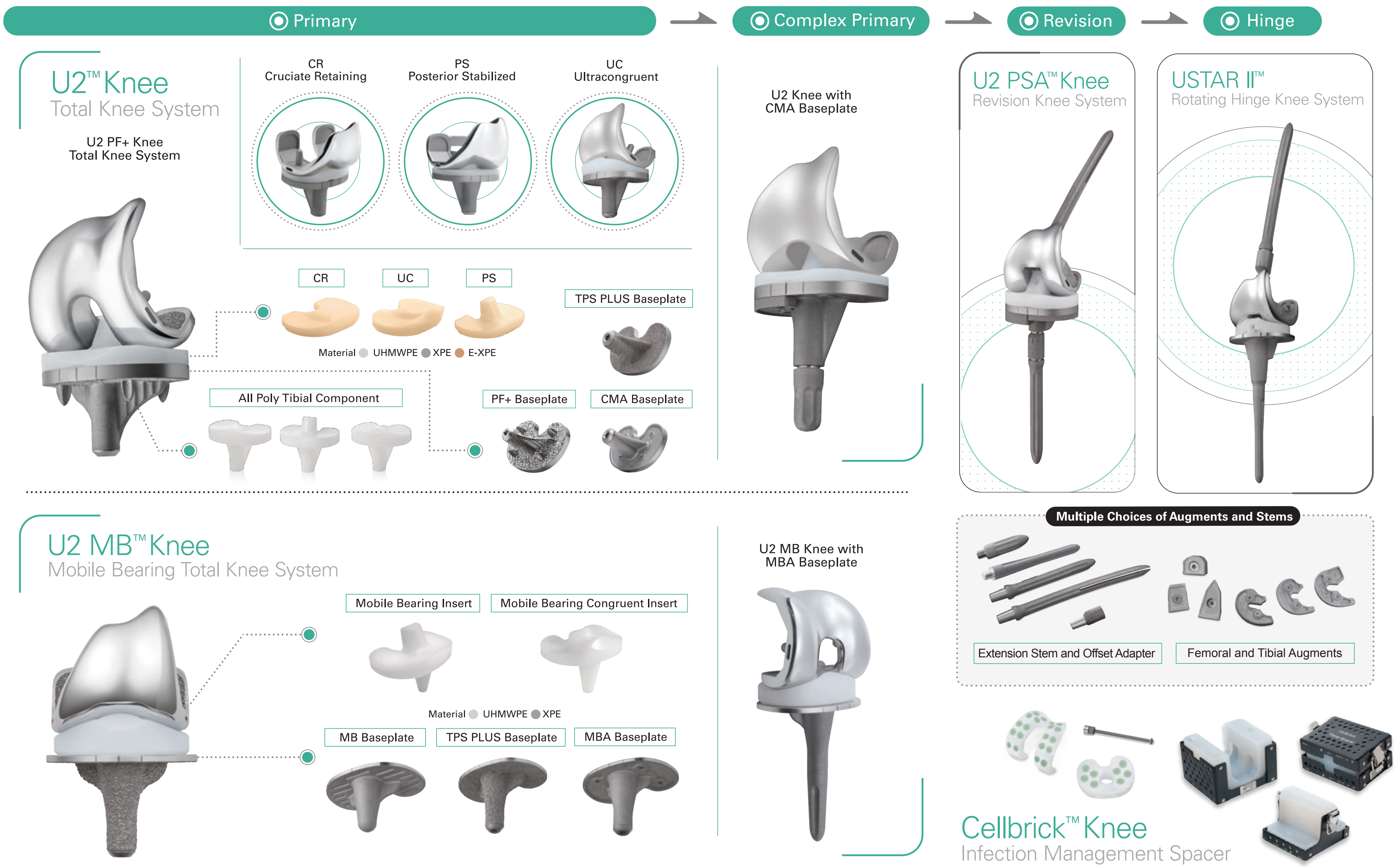
Artificial hip joint products

- Artificial hip joints
- Hemiarthroplasty
- Joint prosthesis for greater trochanteric fractures
- Tumor hip prosthesis

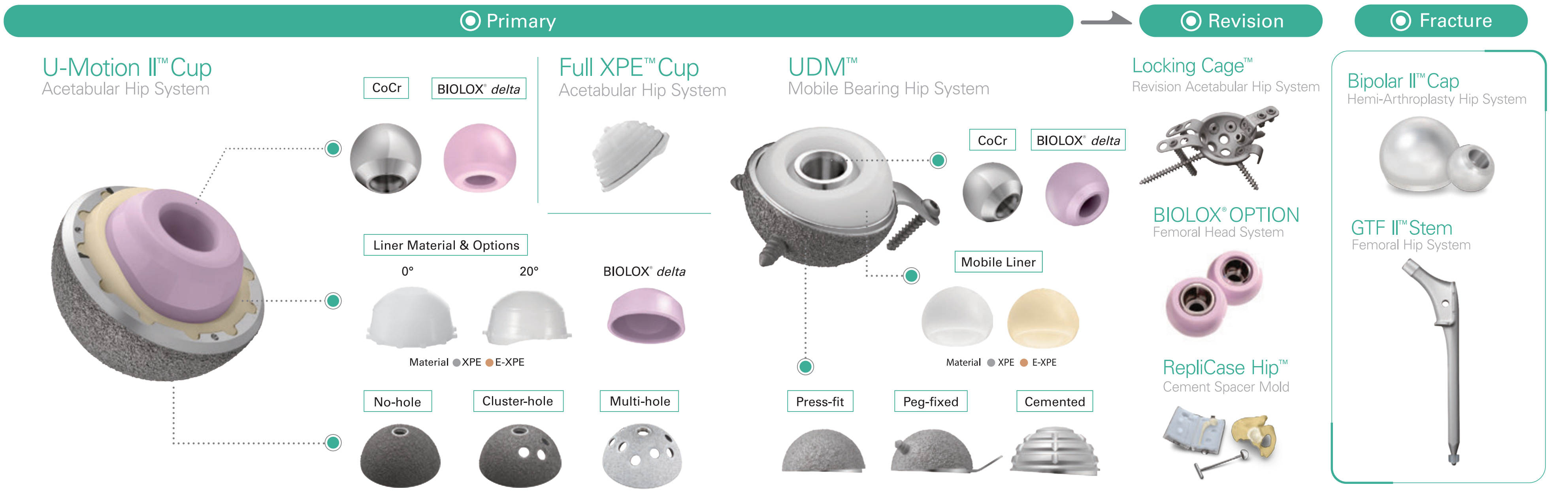
Customized/Massive Joint Products

- Patient-specific tumor prostheses
- Total Hip Replacement System

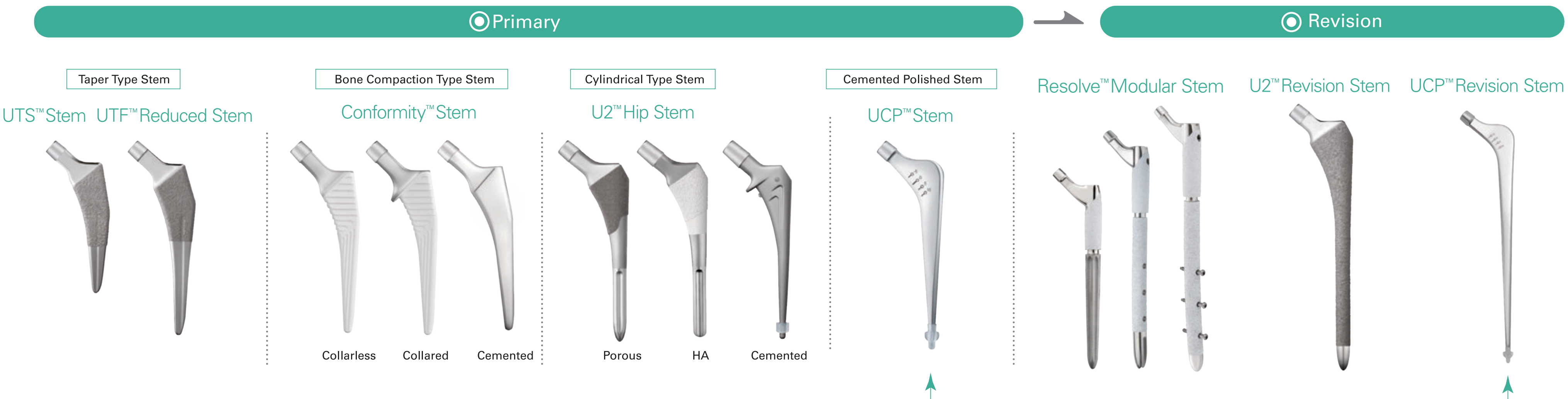
Global Product Portfolio



Acetabular Systems



Femoral Systems



*BIOLOX® is a registered trademark of the CeramTec Group, Germany

Associations Memberships

In addition to maintaining strong and close interaction with stakeholders, United Orthopedic actively participates in external associations and activities, engaging in the exchange of industry and technology-related information. Below is a summary of the external organizations in which the Company participates.

Institution Name	2025 Membership Status
New Taipei City Medical Device Commercial Association	Member
Taiwan Medical and Biotech Industry Association	Member
Institute for Biotechnology and Medicine Industry	Member
Taiwan Bio Industry Organization	Member
Taiwan Society for Computer Assisted Orthopedic Surgery	Member
The Allied Association for Science Park Industries	Member
Taiwan Foundry Society	Member

01

Sustainable Governance

Sustainable Governance

As the highest governance body of United Orthopedic, the Board of Directors recognizes that sustainable development is critical to the Company's long-term success and has been progressively integrating sustainability into business decisions and operations. The Board of Directors oversees the Company's development and sustainability goals, periodically evaluating progress in environmental, social, and governance (ESG) initiatives at every stage. Senior management is responsible for driving sustainability policies and ensuring the effective allocation of resources and the execution of plans.

Our sustainability strategy encompasses environmental protection, social responsibility, and corporate governance (ESG). We are committed to publishing an annual sustainability report and undergoing regular third-party verification to enhance transparency and reliability. Furthermore, through the Sustainability Committee, we review the information compiled in the sustainability report alongside external assurance and verification results, and submit the relevant content to the Board of Directors for formal approval. We remain committed to collaborating with our stakeholders to create long-term value.

1.1 Sustainable Governance

Sustainability Blueprint

United Orthopedic holds the advancement of human well-being as its core sustainable vision, striving to be the most professional manufacturer of high-end orthopedic medical devices in Asia. Through high-quality, internationally competitive products and services, we continuously enhance patient quality of life and create long-term value for society. Guided by its core values of "Integrity, Accountability, Innovation, and Happiness," the Company deeply integrates environmental, social, and governance (ESG) principles into its operational decision-making. By strengthening corporate governance, prioritizing employee development and workplace safety, and advancing innovative R&D alongside sustainable value chain management, we actively address climate change and environmental issues. We strive to balance economic growth, social responsibility, and environmental sustainability, creating a long-term sustainable blueprint for the shared prosperity of all stakeholders.

Core Values	Value Proposition	Sustainability Commitment	Key Actions	Corresponding Chapters
Integrity	Be true to yourself and your team members. Create an honest and trustworthy environment	Establishing a Foundation for Sustainability through Ethical Governance	Strengthen Board governance, business integrity, risk management, information transparency, and grievance mechanisms.	1.1 Sustainable Governance 2.1 Corporate Governance and Integrity
Accountability	Embrace the company missions. Act proactively and responsively.	Accountability to Employees, the Environment, and Society	Implement occupational safety and health management, carbon inventory, energy conservation, carbon reduction, and waste and water resource management	4.4 Occupational Health and Safety 5.1 - 5.3 Sustainable Environment
Innovation	Be original and creative. Champion ideas that add value to the well-being of humankind.	Driving Sustainable Growth Through Innovation	Invest in innovative R&D, precision medicine, smart surgery, and value chain upgrades to enhance global competitiveness	3.1 Innovation, Research and Development 3.3 Value Chain Management
Happiness	Enjoy your life. Together we dedicate to building a healthier community.	People-Centric, Realizing Inclusion and Mutual Prosperity	Strengthen talent development, employee benefits, social engagement, and philanthropic partnerships to build a prosperous and inclusive society	4.3 - 4.5 Social Inclusion

Sustainable Development Committee

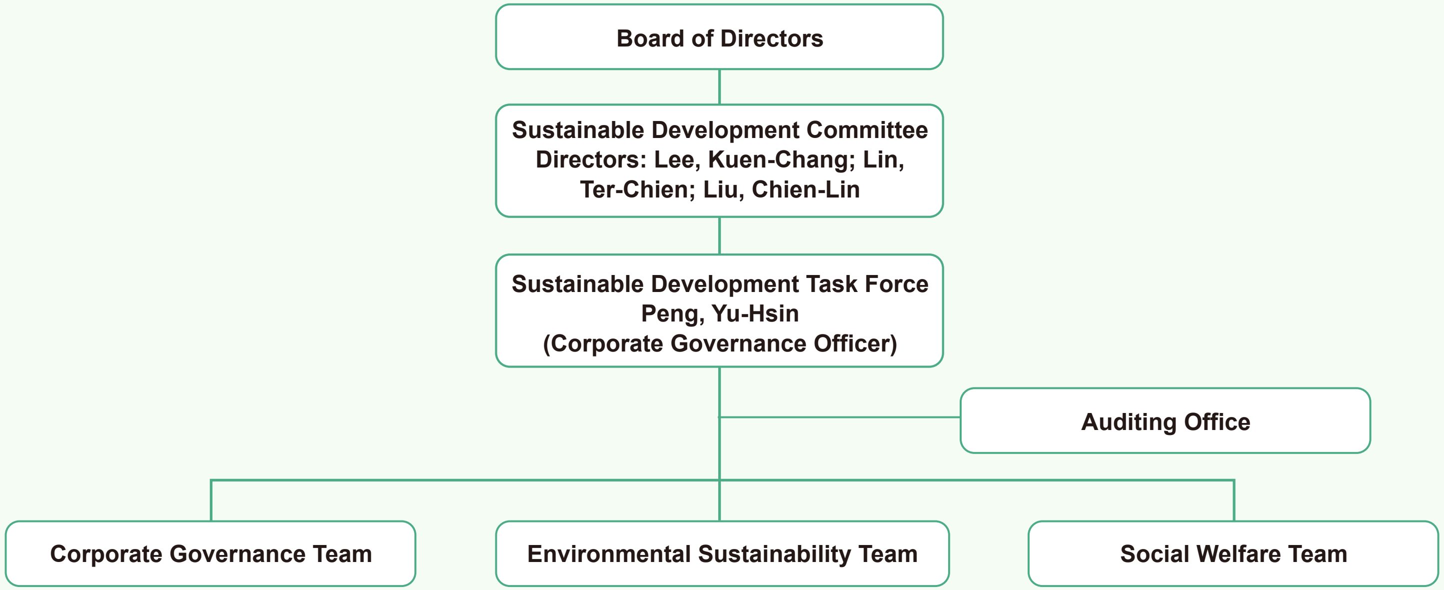
The Board of Directors of United Orthopedic serves as the highest governance body. To integrate ESG principles into business operations and respond to stakeholder expectations for sustainable development, the Board established the Sustainable Development Committee in 2023. This committee serves as the core unit for coordinating sustainability policies and strategies, and is responsible for reviewing and supervising the development of sustainability initiatives. In 2024, the Board of Directors approved the "Sustainability Information Management Operating Guidelines," establishing a formal framework for sustainability information disclosure and internal management. These guidelines designated the Board as the highest decision-making body for sustainability information governance, responsible for driving the achievement of sustainability management goals. Furthermore, the Board regularly evaluated the design and operational effectiveness of internal control systems to ensure that information remained transparent, accurate, and compliant with all relevant regulations. Senior executives are appointed to lead the Sustainable Development Task Force in executing board decisions, formulating specific strategies, and implementing relevant plans. They are responsible for managing the assessment and procedures regarding the impacts of company operations on the external economy, environment, and people, and reporting to the Board of Directors on a regular basis.

The Sustainable Development Committee has established a "Sustainable Development Task Force" comprising representatives from the President Office, operations, R&D, IT, administration, and finance departments. This team is divided into three specialized sub-groups—Corporate Governance, Environmental Sustainability, and Social Welfare—responsible for driving sustainability initiatives, data collection, and reporting. The team ensures compliance with domestic and international regulations and frameworks (such as GRI and TCFD) to enhance information transparency and accountability. The Audit Office has incorporated sustainability information operations into its annual audit plan, conducting compliance and performance reviews and providing recommendations for improvement to strengthen sustainability governance mechanisms.

In 2025, the Sustainability Committee held two meetings (2025/08/11; 2025/12/18) to establish mid- to long-term sustainable development plans, identify sustainability issues critical to company operations and stakeholder concerns, formulate corresponding strategies and guidelines, allocate budgets for sustainable development, plan and execute annual programs, and track performance results. Key material events communicated with the Board of Directors included: assessment of the impact of the EU Carbon Border Adjustment Mechanism (CBAM), review of the 2024 greenhouse gas inventory report and assurance statement, and the 2024 sustainability report and the limited assurance report provided by CPAs, as well as the appointment of CPAs for the assurance of the 2025 sustainability report.

Date	Event
2025 / 08 / 11	EU Carbon Border Adjustment Mechanism Impact Assessment
	Reviewed the 2024 GHG Inventory Report and Assurance Statement
	2024 Sustainability Report and CPA Limited Assurance Report
2025 / 12 / 18	Appointed CPA to provide assurance for the 2025 Sustainability Report

Organizational Chart of the Sustainable Development Committee and the Sustainable Development Task Force



Sustainability Governance Framework

Unit	Responsibilities
Board of Directors	As the highest governing and decision-making body, the Board of Directors is responsible for approving the Company's sustainable development policies, strategies, and goals, and supervising the promotion and implementation of the sustainability information management system. It bears ultimate oversight responsibility for material sustainability issues, risks and opportunities, sustainability reports, and related disclosures, while periodically evaluating the design and operating effectiveness of the internal control system for sustainability.
Sustainable Development Committee	Assists the board of directors in executing and reviewing sustainability information disclosures, formulates and promotes the Company's sustainable development policies and strategies, and oversees the review and supervision of the sustainability report.
Auditing Office	Reporting to the Board of Directors, this unit is responsible for incorporating sustainability information processes into the annual audit plan, ensuring the compliance and effectiveness of the information, and providing recommendations for improvement.
Sustainable Development Task Force	The task force under the Sustainable Development Committee is responsible for the practical management and disclosure of sustainability information, ensuring compliance with relevant regulations and international standards to enhance information transparency and reliability.

Dedicated Functional Groups	Primary Responsibilities (Material ESG Issues)
Environmental (E)	1. Greenhouse Gas Inventory, Energy Efficiency, and Carbon Reduction 2. Climate Change Mitigation and Adaptation 3. Energy Management 4. Water Resource Management 5. Waste and Hazardous Substance Management
Social (S)	1. Talent Cultivation and Development 2. Remuneration and Benefits 3. Occupational Health and Safety 4. Social Care and Engagement
Corporate Governance (G)	1. Corporate Governance 2. Economic Performance 3. Risk Management 4. Information Security Management 5. Compliance with Laws and Regulations 6. Customer Relationship Management 7. Supply Chain Management

Implementation of Material Sustainability Regulations and Information Disclosure

In response to global climate change and the trend toward sustainable governance, United Orthopedic will continue to refine its sustainability management system. Looking ahead, we will gradually adopt IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) in compliance with regulations to strengthen our assessment of the financial impacts of sustainability and climate-related risks and opportunities. To align with sustainable finance standards, the Company will also evaluate and refer to the "Reference Guidelines for the Identification of Sustainable Economic Activities" issued by the Financial Supervisory Commission. We will inventory the correlation between various operational activities and sustainable economic categories to serve as a foundation for future investment and operational strategy planning, guiding the allocation of resources toward business areas that deliver genuine environmental and social benefits. We also recognize the growing importance of nature-related risks, opportunities, and biodiversity. Moving forward, we will align with the Taskforce on Nature-related Financial Disclosures (TNFD) to assess our nature-related dependencies and impacts, thereby responding to global demands for ecological protection and natural capital stewardship.

1.2 Stakeholder Engagement

Stakeholder Communication and Response Mechanisms

In accordance with its "Sustainability Information Management Operating Guidelines" and with reference to the AA1000 Stakeholder Engagement Standards, United Orthopedic continued to adopt the five categories of stakeholders identified in 2024 based on characteristics such as dependency, influence, and communication frequency, which include: employees, suppliers, shareholders, government agencies, and customers. The Company prioritizes stakeholder communication and has established diverse and transparent engagement mechanisms tailored to the needs of corporate governance and sustainability management. These mechanisms allow us to understand the concerns of all parties regarding the Company's economic, environmental, and social impacts, serving as a vital reference for business decision-making and continuous improvement. We collect stakeholder feedback through regular and ad hoc communication channels. Relevant departments respond to, track, and make necessary internal reports on these matters to strengthen two-way communication, enhance information transparency, and continue to meet stakeholder expectations.

01 Regular Communication and Diverse Channels

We engage with shareholders, employees, customers, suppliers, and government agencies through diverse channels—including shareholders' meetings, investor conferences, labor-management meetings, customer satisfaction surveys, supplier audits, dedicated website sections, emails, and designated contact windows. These interactions enable us to understand their concerns and suggestions, which serve as essential references for our operational management and sustainable development strategies.

02 Two-Way Communication and Grievance Mechanism

Senior executives oversee relevant departments in establishing transparent and accessible communication and grievance channels, such as customer satisfaction surveys, employee grievance mailboxes, and dedicated stakeholder consultation sections. Depending on the nature of the issue, these departments provide immediate responses or refer matters to the responsible units for processing, ensuring that stakeholder feedback is properly received, addressed, and tracked.

03 Reporting and Coordination of Material Topics

When stakeholders raise issues involving significant impacts, cross-departmental coordination, or potential effects on the rights and interests of specific stakeholders, the Company evaluates these matters in accordance with internal governance procedures. Where necessary, such issues are reported to management, the Sustainable Development Committee, or the Board of Directors for deliberation to facilitate resource allocation, risk control, and effective communication and coordination.

04 Information Disclosure and Feedback Collection

Financial, operational, and sustainability-related information is regularly disclosed through annual reports, sustainability reports, the Market Observation Post System (MOPS), and the corporate website. Stakeholder feedback on these disclosures is collected as needed to serve as a basis for subsequent issue management and the refinement of information.

05 Third-Party Verification and Credibility Enhancement

To enhance the transparency and credibility of disclosed information, the Company has engaged an independent third party to verify or assure the procedures and contents of the sustainability report. The results are included in the report's appendix to strengthen stakeholders' trust in the Company's sustainability management and information disclosure.

Employees

An excellent management team and talented workforce are the foundation of our business, enabling the pursuit of corporate sustainability and growth. Employees are our most valuable asset; therefore, we are committed to fostering an exceptional and supportive work environment where we can shape the future alongside our people.

Topics Focused

- Protection of Labor Rights
- Occupational Health and Safety
- Career Development and Training
- Employee Communication and Engagement Mechanis

Corresponding Chapters
1. Sustainable Governance
4. Social Inclusion

Guiding Principles

- Comply with the Occupational Safety and Health Act and relevant labor safety regulations to mitigate the risk of occupational accidents
- Establish effective communication mechanisms between the plant and headquarters to strengthen the safety culture
- Promote labor education, training, and skill upgrading
- Provide diverse career paths and fair compensation mechanisms to improve talent retention

Communication Channels

- Labor-management meeting
- Environmental Health and Safety Training
- Opinion Boxes and Communication Apps
- HR Care Interviews
- Occupational Health and Safety Committee
- Website Announcements and Emails
- Department Meeting
- Employee Performance Appraisal Interview

Communication Frequency

- Quarterly
- Ad hoc/Real-time
- Arranged as needed
- Quarterly
- Real-time
- Beginning of Year/Mid-Year/End of Year
- Quarterly or on an ad hoc basis
- Meetings are convened as necessary

2025 Communication Performance

- A total of 4 labor-management meetings were held
- Occupational Safety and Health Committee meetings were convened Internal environmental health and safety training, with a total of 1,994 participants
- A total of 22 participants attended external environmental health and safety training.
- A total of 329 instances of HR care were provided
- 100% completion rate for employee performance interviews

Suppliers

United Orthopedic's provision of diverse products and services relies on suppliers delivering high-quality products and labor that comply with legal regulations.

Topics Focused

- Compliance with Laws and Regulations
- Product Safety Liability
- Supply Chain Management
- Environmental, Health, and Safety Management
- Sustainability Statement

Corresponding Chapters
1. Sustainable Governance
3.3. Value Chain Management

Guiding Principles

- Incorporate sustainability clauses into raw material procurement and production outsourcing contracts to strengthen supply chain management oversight.
- Work with suppliers and outsourced production partners to implement product quality standards, workplace safety, and environmental regulations
- Gradually introduce eco-friendly raw materials and energy-efficient equipment, provided that medical regulations and product quality requirements are met.
- Establish a sustainable audit and performance evaluation system to enhance transparency in bilateral cooperation

Communication Channels

- Supplier Audits and Mentorship
- Procurement Contact Window
- Video conferencing
- Company website contact email
- Telephone, E-mail

Communication Frequency

- Arranged as needed
- Real-time
- Real-time
- Real-time, periodic, and ad hoc
- Real-time

2025 Communication Performance

- On-site audits were conducted for 16 suppliers
- A total of 47 suppliers underwent documentary audits

Shareholders

Shareholders and investors provide the capital necessary for the Company's long-term development and serve as the essential foundation for our journey toward sustainable operations. United Orthopedic remains dedicated to building market competitiveness and rewarding shareholders and investors with strong operating performance.

Topics Focused

- Financial Performance
- Transparency and Timeliness of Information Disclosure
- Risk Management and Compliance
- Sustainable Governance

Corresponding Chapters
Operating Performance
1. Sustainable Governance
2. Corporate Governance

Guiding Principles

- Financial, operational, and sustainability-related information is fully disclosed through annual reports, sustainability reports, material information, and the Company website to ensure shareholders' right to know.
- Regularly hold investor conferences and maintain two-way communication with shareholders through a dedicated office to address their concerns.
- Communicate the Company's long-term development strategies, risk management, and sustainability goals to shareholders to build consensus and enhance overall corporate value and shareholders' equity.

Communication Channels

- Shareholders' Meeting
- Regular Financial Report Announcements
- Major Information Disclosure on Market Observation Post System
- Institutional Investor Conference
- Annual Publication of Annual Reports and Sustainability Reports
- Company website contact email

Communication Frequency

- Annually
- Annually
- Arranged as needed
- Published as Needed
- Quarterly
- Real-time

2025 Communication Performance

- Held one shareholders' meeting
- Release of 2025 quarterly financial reports
- Released the 2024 Annual Financial Report and the 2024 Sustainability Report
- A total of 86 material announcements were published in both Chinese and English on the Market Observation Post System
- Monthly publication of 12-month unaudited consolidated revenue information
- Invited to attend 2 in-person investor conferences and uploaded video or audio recordings of these conferences twice
- The Company's official website features a dedicated investor relations section that discloses information regarding shareholders' meetings, financial and operational status, and investor conferences

Government Agencies

The respective competent authorities are responsible for overseeing the Company's various business operations. United Orthopedic is committed to maintaining open lines of communication with each authority to ensure full compliance and strive to exceed the requirements of relevant laws and regulations.

Topics Focused

- Compliance with Laws and Regulations
- Product Safety Liability
- Labor Rights and Workplace Safety Protection

Corresponding Chapters
1. Sustainable Governance
2. Corporate Governance

Guiding Principles

- Strictly comply with relevant laws and regulations issued by medical device regulatory authorities in various countries and the supervisory authorities for publicly listed companies in Taiwan
- Enhance EHS management processes and occupational safety recordkeeping to ensure audit compliance
- Align with the competent authorities to promote carbon accounting, energy management, and energy-saving measures across plant sites
- Actively participate in medical device industry associations to communicate industry perspectives and policy recommendations

Communication Channels

- Official correspondence
- Audit by Competent Authorities
- E-mail
- Meetings (Awareness Sessions/Lectures/Courses)

Communication Frequency

- Exchanged as needed
- Arranged as needed
- Real-time,
- Arranged as needed

2025 Communication Performance

- Processed a total of 1,398 incoming and outgoing documents
- Held over 10 teleconferences and exchanged more than 100 emails with medical device regulatory authorities in Taiwan, the U.S., and the EU
- Authorities for environmental health and safety and fire safety conducted a total of 12 site inspections and guidance sessions
- Participated in a total of 13 seminars, lectures, and courses organized by environmental, health, safety, and fire safety authorities

Customer

- Gain an understanding of customers' needs and expectations regarding product quality, safety, clinical efficacy, and services.
- Establish long-term partnerships with medical institutions, physicians, and distribution partners to enhance customer satisfaction and trust.
- Market and clinical feedback is collected to serve as a vital basis for product development, quality improvement, and service optimization.
- Promote medical education and professional exchange to enhance the quality of medical care and patient outcomes.

Topics Focused

- Product Quality and Patient Safety
- Stable Supply and Delivery Lead Time Management
- Product Education and Professional Training
- Innovative Technology and Clinical Value
- Regulatory Compliance and Business Ethics
- After-Sales Service and Technical Support

Corresponding Chapters
About United Orthopedic
1. Sustainable Governance
3. Embracing Innovation and Change

Guiding Principles

- Regularly identify customer needs and gather feedback through customer satisfaction surveys, clinical feedback, product education and training, and academic exchange activities.
- Established cross-departmental communication and grievance redressal mechanisms to provide timely responses to product quality and service-related issues.
- We continue to invest in product innovation and clinical education resources to help healthcare professionals enhance their surgical techniques and clinical application capabilities.
- Strengthen regulatory compliance, quality management, and supply chain management to ensure product safety and a stable supply.

Communication Frequency

- Sales and Customer Service Contact - Real-time
- Customer Satisfaction Survey - Annual
- Product briefings - scheduled regularly or as needed
- User training - scheduled and ad hoc sessions arranged as needed
- Meetings - Held on both a regular and ad hoc basis as required
- On-site customer audits - scheduled as needed on an irregular basis
- Academic exchange activities - arranged as needed on an ad hoc basis
- Telephone and email Instantaneous
- Company Website Contact E-mail - Real-time

Communication Channels

- Sales and Customer Service Contacts
- Customer Satisfaction Survey
- Product Launch Event
- User education and training
- Customer On-site Factory Audit
- Academic Exchange Activities
- Telephone, E-mail
- Company website contact email
- Conferences and Events (medical exhibitions, user conferences, dealer conferences)

2025 Communication Performance

- Completed 1 customer satisfaction survey
- A total of 21 product seminars were held
- A total of 24 user education and training sessions were held
- A total of 4 clinical dissection workshops were held
- Held 1 user conference
- Held 1 distributor conference
- A total of 110 customer visits to the factory
- Participated in a total of 23 professional medical exhibitions
- Organized a total of 8 academic exchange sessions

1.3 Management of Material Topics

Material Topic Identification

In accordance with the GRI Standards, United Orthopedic identifies material sustainability issues through a four-step process. In addition to responding to the concerns of internal and external stakeholders, the Company develops its sustainability strategies and actions based on these issues. Under the supervision of the Board of Directors, the Company continuously identifies the impacts on the external economy, environment, and people during its operations.

Material Topic Identification Process

1 Reviewing Organizational Context and Prior Material Topics

Based on the AA1000 principles of dependency, responsibility, tension, influence, and diverse perspectives, five categories of stakeholders have been defined, namely: employees, suppliers, shareholders, government agencies, and customers.
In 2025, the 6 material topics identified in 2024 will be maintained, with their applicability to the Company's current operations, stakeholder concerns, and sustainability trends further reviewed.

Sustainability Issue Research and Identification Reference

- Stakeholder Communication and Material Topics Over the Years.
- International sustainability ratings, sustainability-related standards (GRI, SASB), and material topics of industry peers.
- Taking into account the Company's current operations, its sustainable development context, and the sustainability issues identified as significant over the years.

2 Confirm the Continuity and Relevance of Material Topics

- The Sustainable Development Task Force, in collaboration with independent directors and senior internal executives, convened a meeting to review the identified issues.
- For the 6 material topics identified in 2024, the Company reviewed whether they continued to reflect its significant impacts on the economy, environment, and people.
- At the same time, we have confirmed that the six issues remain material, taking into account 2025 operating conditions, management actions, and changes in regulations and the market.

3 Assessing Impacts and Changes

Assess the extent of positive and negative impacts on the economy, environment, and people for the 6 material topics that were carried over.

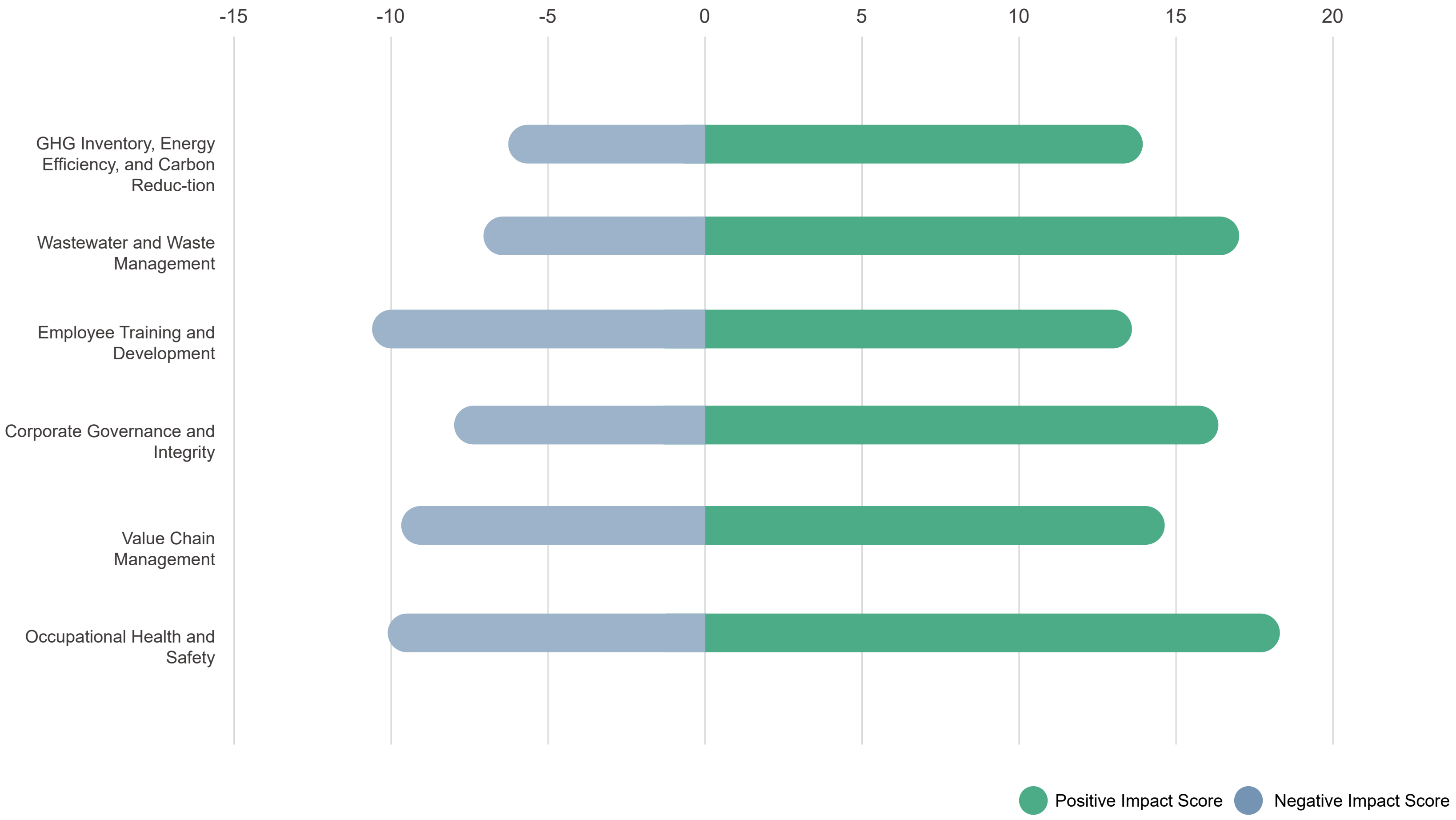
- Department heads completed impact assessment questionnaires, which integrated the "degree of positive and negative impact" and the "likelihood of occurrence" to evaluate whether the impact of each issue had changed.
- Adjust the prioritization of material topics or management focus based on assessment results as necessary.

4 Prioritization Updates and Management Responses

Based on the impact assessment results and internal discussions, the ranking of the 6 material topics for 2025 was reviewed.

- Material topics are mapped to the GRI Topic Standards, based on which management approaches, action plans, and disclosure contents have been updated.
- The review results serve as the basis for disclosures in this 2025 sustainability report and for subsequent sustainable development strategies, resource allocation, and management refinements.
- The results of the material topic review are reported to the Sustainable Development Committee and the Board of Directors, and are integrated into the management of sustainability governance and information disclosure.

Sustainability Issues Impact Level



Material Topics Ranking

The material topics for 2025 continue the same 6 topics identified in 2024; therefore, the ranking results for this year are comparable to those of the previous year. Overall, no material topics were added or removed for 2025; instead, the same topics were maintained to reflect changes in management's focus and the perceived impact for the current year.

Compared to the previous period, occupational health and safety rose from 4th to 1st place, value chain management from 6th to 2nd place, and corporate governance and integrity from 5th to 3rd place. This shift reflects the Company's increased focus on internal safety management, supply chain collaboration, and governance transparency. Conversely, the rankings for employee training and development, wastewater and waste management, and greenhouse gas inventory-related issues shifted downward compared to the previous period. This shift does not imply a decrease in the importance of these issues; rather, it reflects adjustments in the relative impact and management focus of each issue for the current year, while these 6 material topics continue to receive ongoing management and attention. It is worth noting that "carbon emission inventory" has been further evolved into "greenhouse gas inventory, energy conservation, and carbon reduction" this year, reflecting that the Company has gradually extended its focus from foundational inventory work to active energy conservation and carbon reduction management.

2025 Material Sustainability Topics Ranking

1. Occupational Health and Safety
2. Value Chain Management
3. Corporate Governance and Integrity
4. Employee Training and Development
5. Wastewater and Waste Management
6. Greenhouse Gas Inventory, Energy Efficiency, and Carbon Reduction[Note]

Material Topics Ranking in the Previous Period

1. Employee Training and Development
2. Wastewater and Waste Management
3. Carbon Emission Inventory
4. Occupational Health and Safety
5. Corporate Governance and Integrity
6. Value Chain Management

Note: This material topic has been evolved from "Carbon Emission Inventory," identified in the previous year, to "Greenhouse Gas Inventory, Energy Efficiency, and Carbon Reduction" to strengthen the establishment of related goals and performance tracking.

Material Topics Boundary

Occupational Health and Safety - Topic Boundary: Internal to the Organization

Impact Description	Relevant Policies and Commitments	Actions Taken	Effectiveness Tracking Indicators for Actions
Robust occupational health and safety management reduces work-related injuries and accidents, eases the burden on public healthcare systems, and enhances industrial productivity. Furthermore, it mitigates the environmental risks posed by chemical leaks or accidents while safeguarding the health, safety, and dignity of workers. Inadequate occupational health and safety management may lead to increased industrial accidents and medical costs, disrupting industrial stability and socio-economic activities. Furthermore, such deficiencies could trigger pollution or safety incidents that cause environmental impacts, posing significant risks to the health, safety, and human rights of workers and surrounding communities.	The Company is committed to building a zero-accident workplace by implementing preventive management and enhancing the health and safety of our employees.	• Strictly comply with occupational safety and health regulations, regularly conduct safety education and training, and invest in facility improvements. Furthermore, we have appointed dedicated occupational safety and environmental protection personnel to perform regular environmental testing and risk management. • Provide employees with health screenings and health promotion activities to safeguard their physical and mental well-being and mitigate the occurrence of occupational diseases.	• Number of Occupational Injuries **Corresponding Chapters** 4.4 Occupational Health and Safety

Value Chain Management - Topic Boundary: Upstream / Internal to the Organization / Downstream

Impact Description	Relevant Policies and Commitments	Actions Taken	Effectiveness Tracking Indicators for Actions
Robust value chain management enhances supply chain efficiency and industrial competitiveness while optimizing resource use, reducing environmental footprints, and strengthening requirements for supplier labor conditions and human rights protection. Inadequate value chain management can lead to supply chain imbalances and reduced market efficiency, resulting in pollution, increased waste, or low resource utilization, while allowing labor rights and human rights risks to spill over throughout the supply chain.	The Company ensures quality, safety, and regulatory compliance through supply chain governance, audits, and professional empowerment of its partners. We are committed to building a resilient value chain system and safeguarding the health and rights of patients by upholding product safety as our standard, thereby fulfilling our corporate mission of sustainable development.	• Establish rigorous supplier selection, evaluation, audit, and re-assessment systems to ensure quality and risk control. • Continue to provide training and education for distributors and customers to enhance professional expertise and market competitiveness.	• Supplier Regular Evaluation and Audit Results • Customer Satisfaction Survey **Corresponding Chapters** 3.3 Value Chain Management

Material Topics Boundary

Corporate Governance and Integrity - Topic Boundary: Upstream / Internal to the Organization / Downstream

Impact Description	Relevant Policies and Commitments	Actions Taken	Effectiveness Tracking Indicators for Actions
Sound corporate governance and robust integrity systems enhance market transparency and transaction trust, promote fair competition, and strengthen oversight and expectations regarding environmental and human rights issues. Weak governance and a lack of integrity undermine market order, resulting in unfair competition and the misallocation of resources. Furthermore, these deficiencies heighten the likelihood of environmental violations, labor rights infringements, and the spillover of human rights risks.	• Corporate Governance Best Practice Principles • Procedures for Ethical Management and Guidelines for Conduct • Opinion Box Management Measures	• Formulate Corporate Governance Best Practice Principles and establish functional committees, including the Remuneration Committee, Audit Committee, and Sustainable Development Committee, to strengthen the functions of the Board of Directors. • Strengthen information disclosure by establishing a dedicated stakeholder section on the Company's website and appointing dedicated personnel to disclose material information, thereby enhancing transparency. • Implement internal control and audit systems and establish the "Procedures for Handling Internal Material Information and Preventing Insider Trading" to strengthen risk management and promote continuous education for directors and a culture of integrity.	• Internal and External Audit Evaluations • Number of Whistleblowing Cases Accepted **Corresponding Chapters** 2.1 Corporate Governance and Integrity

Employee Training and Development - Topic Boundary: Internal to the Organization

Impact Description	Relevant Policies and Commitments	Actions Taken	Effectiveness Tracking Indicators for Actions
Comprehensive employee training and development enhance the quality and productivity of industrial talent, promote employment and economic growth, and strengthen corporate expertise in environmental management and sustainable manufacturing. Furthermore, these initiatives expand career opportunities for workers while safeguarding their right to work and human rights. Insufficient employee training and development will limit industry skill advancement and reduce market competitiveness. This weakens the Company's environmental management capabilities and carbon reduction efficiency while increasing the likelihood of workplace risks, unequal treatment, or infringement of employee rights and interests.	The Company is dedicated to providing systematic training and career planning to support the continuous growth and competency development of our employees.	• Annual internal and external training programs are curated to cover a diverse range of topics, including professional competencies, management, quality, and regulations, to foster employees' professional development. • Establish a functional training and job rotation system to help employees develop diverse skills and cross-departmental collaboration experience. • Implement professional quality and safety education to strengthen quality control capabilities and regulatory compliance, ensuring product and workplace quality.	• Training Hours • Course Completion Rate **Corresponding Chapters** 4.2 Employee Training and Development

Material Topics Boundary

Wastewater and Waste Management - Topic Boundary: Internal to the Organization / Downstream			
Impact Description	**Relevant Policies and Commitments**	**Actions Taken**	**Effectiveness Tracking Indicators for Actions**
Effective wastewater and waste management can reduce environmental remediation costs for society and industry, enhance resource circulation and waste treatment efficiency, mitigate the damage of pollution to ecosystems, and protect community health and vulnerable groups from exposure to environmental risks.	The Company has formulated the "Waste Management Regulations" and is committed to complying with environmental laws and regulations, promoting waste recycling and reuse, conserving energy and reducing carbon emissions, and continuously optimizing resource utilization efficiency.	Implement the principle of "Source Reduction and Resource Recycling" to minimize raw material usage and waste generation. Strictly ensure that qualified contractors are commissioned for waste removal and recycling in accordance with regulations, while continuously improving facility infrastructure to strengthen pollution prevention and resource recovery.	• Wastewater generation • Volume of recycled resources **Corresponding Chapters** 5.3 Wastewater and Waste Management

Greenhouse Gas Inventory, Energy Efficiency, and Carbon Reduction - Topic Boundary: Internal to the Organization / Downstream			
Impact Description	**Relevant Policies and Commitments**	**Actions Taken**	**Effectiveness Tracking Indicators for Actions**
A comprehensive carbon emission inventory enhances industrial decarbonization efficiency and green competitiveness, facilitates energy transition and emissions reduction, and helps mitigate the impacts of climate change on the health and livelihoods of vulnerable groups and communities. The lack of effective carbon emission inventories weakens market trust in corporate environmental disclosures, delays the green transition, and exacerbates greenhouse gas emissions and climate risks. Furthermore, it intensifies the disproportionate impact of extreme weather on workers and socially vulnerable groups.	The Company is committed to continuously promoting carbon footprints and further formulating countermeasures in line with climate-related regulations and international standards to move toward the goal of environmental sustainability.	• Conduct a greenhouse gas inventory according to ISO 14064-1: 2018 with 2023 as the base year, and complete internal verification in 2025, passing LRQA external assurance. • The Sustainability Committee coordinates climate strategies and carbon reduction initiatives to drive energy conservation and resource optimization.	• Total greenhouse gas emissions **Corresponding Chapters** 5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction

Implementation of United Nations Sustainable Development Goals (SDGs)

In 2015, the United Nations established 17 Sustainable Development Goals (SDGs) to guide global enterprises in collectively addressing multifaceted social, economic, and environmental challenges. United Orthopedic aims to align its sustainability strategies with international trends, leveraging its core industrial advantages to actively respond to the United Nations' sustainable development philosophy. The company continues to promote the following SDG priority areas, with relevant achievements as follows:

3 Good Health and Well-being

- We regularly organize employee health checkups, health consultations, health education seminars, and physical fitness tests, while providing on-site health services by medical professionals to enhance the overall well-being of our colleagues.
- The United Orthopedic Corporation Employee Welfare Committee was established to manage various benefit programs in accordance with the law. These measures include birthday bonuses, subsidies for weddings and funerals, employee travel, group dining and recreational activities, and club events, all designed to enhance employee well-being and corporate cohesion.

4 Quality Education

- We regularly organize domestic and international training sessions on product updates and professional skills, and hold thematic seminars to enhance the professional expertise of our employees.
- Actively participate in and support domestic and international orthopedic medical research and academic activities to help elevate Taiwan's standards of orthopedic care and industry competitiveness.

5 Gender Equality

- The Company adheres to the principle of equality, determining compensation based on employees' educational backgrounds, professional expertise, and performance. We strictly prohibit discriminatory treatment based on factors such as gender, marital status, religion, race, or political affiliation, thereby fostering a diverse and inclusive work environment.

7 Affordable and Clean Energy

- In alignment with the government's "Renewable Energy Development Act," UOC aims to support the national energy transition policy through concrete actions. Since 2018, the Kaohsiung Plant has collaborated with Feng Zhao Power Co., Ltd. by signing the "Solar Photovoltaic Power Plant Project Building Roof Lease Agreement" to install a solar power generation system. In 2025, the plant assisted the government in generating 477,797 kWh of electricity.
- The plant is also equipped with wastewater and rainwater recovery systems, effectively improving water recycling efficiency.

8 Decent Work and Economic Growth

- We recruit talent based on business needs and are committed to establishing diverse recruitment channels, implementing the principle of meritocracy, and strictly prohibiting the employment of child labor.
- We strictly comply with the Labor Standards Act, the Gender Equality in Employment Act, the Occupational Safety and Health Act, and other relevant regulations. Furthermore, we hire employees with disabilities and those of indigenous status in accordance with the People with Disabilities Rights Protection Act and the Indigenous Peoples Employment Rights Protection Act to ensure equitable employment opportunities.

9 Industry, Innovation and Infrastructure

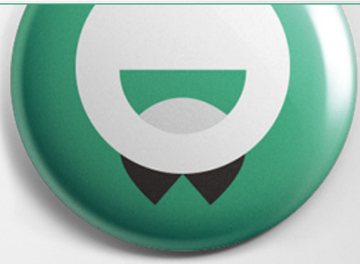
- Air pollutants generated during manufacturing processes are properly collected and treated based on the characteristics of the pollution source. Furthermore, equipment operation records are maintained in accordance with the relevant permits to ensure that emissions comply with regulatory standards.
- In 2025, a total of NT$7.48 million was invested in environmental protection, of which approximately NT$1.66 million was directly related to the operation and maintenance of air pollution prevention.

12 Responsible Consumption and Production

- All products must comply with domestic and international regulations, standards, and quality requirements. We strictly execute product testing and risk control procedures to ensure product safety and stable performance.
- In alignment with national net-zero emissions policies and global sustainability initiatives, the Company has established a Sustainable Development Committee to advance greenhouse gas inventory and assurance processes, building a green supply chain and a sustainable operational framework.

02

Corporate Governance



Corporate Governance

United Orthopedic has long upheld its core corporate values of "**Integrity**," "**Accountability**," "**Innovation**," and "**Happiness**." The implementation of corporate integrity and ethical standards remains the cornerstone of sustainable governance. Through a structured corporate governance framework and an effective Board of Directors, the Company efficiently manages governance-related affairs. Furthermore, the Company has established a Remuneration Committee to formulate reasonable compensation policies and safeguard employee welfare through a robust performance evaluation system. Coupled with the rigorous implementation of internal control systems and the accurate disclosure of material information, the Company has established seamless communication channels to effectively address stakeholders' expectations regarding corporate governance and corporate social responsibility.

The Company has appointed a corporate governance officer responsible for overseeing corporate governance-related matters. These responsibilities include handling affairs related to meetings of the Board of Directors, Audit Committee, Remuneration Committee, Sustainable Development Committee, and Shareholders' Meeting; assisting directors with their induction and continuing education; providing directors with the information required to perform their duties; and assisting directors in ensuring regulatory compliance.

2.1 Corporate Governance and Integrity

	Corporate Governance and Integrity - Management Approach		
Policies and Commitments	United Orthopedic Corporation consistently upholds the principles of professionalism, accountability, and integrity. With "Integrity," "Accountability," "Happiness," and "Innovation" as its core values, the Company has established policies including the "Corporate Governance Best Practice Principles," "Ethical Management Procedures and Behavioral Guidelines," and "Opinion Box Management Measures." These frameworks are designed to promote corporate social responsibility and ensure the rigorous implementation of corporate governance, regulatory compliance, and operational risk management. Following Corporate Governance 3.0 principles, the Company strengthens Board functions, safeguards shareholder rights, focuses on stakeholder interests, and continues to enhance internal management mechanisms. Establish effective communication platforms to foster a transparent governance framework rooted in integrity.		
Goals	**Short-term Goals:** 1. The completion rate of ethical corporate management training for new employees reached 100%. 2. The signing rate of the Integrity Management Commitment by new employees and board members reached 100%. 3. The Board of Directors achieved a 100% completion rate for its annual self-evaluation, with an average score exceeding 90 points. 4. There were 0 cases of material non-compliance related to bribery or corruption. 5. The acceptance rate and procedural handling rate for whistleblowing and complaint cases reached 100%.	**Mid-term Goals:** 1. Maintain a 100% completion rate for integrity training and the signing of commitment letters. 2. Maintained 0 cases of major violations related to bribery or corruption. 3. The Board of Directors has consistently maintained high performance evaluation results while further strengthening the governance effectiveness of its functional committees. 4. Continue to enhance the efficiency of handling reported cases and improve the completion rate of follow-up actions. 5. Integrate integrity-based management and regulatory compliance requirements into daily operations and internal communication mechanisms.	**Long-term goals:** 1. Establish a regular external performance evaluation mechanism for the Board of Directors and ensure continuous improvement based on the evaluation results. 2. Maintain the effective operation of ethical management, legal compliance, and anti-corruption management, with 0 cases of major violations. 3. Establish a continuous improvement mechanism for a culture of ethical management and corporate governance to instill governance awareness among all employees. 4. Continue to enhance governance transparency, information disclosure quality, and stakeholder trust. 5. Build a comprehensive and resilient corporate governance and integrity management system to support sustainable business operations.
Invest Resources and Specific Actions	• Deepening Regulatory Compliance and Integrity Culture: Enhance Board functions, strengthen employee awareness of regulatory compliance and corporate integrity, and conduct regular training sessions to internalize ethical behavior into the Company's daily operations. • Formulate annual audit plans to inspect and evaluate the implementation of internal controls across various operational cycles and management processes within each unit, and provide recommendations for improvement. • In accordance with the Procedures for Handling Material Inside Information, directors, managers, and employees are required to perform their duties in good faith and exercise the due care of a prudent manager and fiduciary duties.		
Grievance Mechanism	The Company supports and continues to internalize a culture of integrity and ethics, encouraging both internal employees and external parties to report any conduct that violates laws, regulations, or Company policies through established reporting channels. To ensure smooth communication for all parties, the Company has implemented the "Opinion Box Management Measures." These regulations provide stakeholders with dedicated mailboxes and hotlines for filing complaints and reports, offering a real-time feedback mechanism to ensure that the rights and interests of stakeholders are protected. • Whistleblowing and Grievance Mailbox: 885@unitedorthopedic.com • Whistleblowing Hotline: +886-2-29294567 ext. 1168		
Evaluation Mechanism	Based on the results and analysis of internal and external audits and evaluations, as well as reported whistleblowing incidents, concrete action plans are developed for areas requiring improvement and are subsequently reported to management.		
2025 Performance	1. In 2025, 100% of new employees completed training on ethical management and signed an ethical management commitment. 2. The members of the Board of Directors have completed the individual performance evaluations for 2025, achieving an average score of 4.81 (out of 5), which is equivalent to 96.2 points. The Board of Directors operated smoothly, remained focused on the Company's operations, and maintained positive interactions with the management team.		

Governance Organizational Structure

The Company has established a robust corporate governance framework in accordance with the Company Act, the Securities and Exchange Act, and the Corporate Governance Best Practice Principles. The Board of Directors serves as the highest governing body, supported by three functional committees: the Audit Committee, the Remuneration Committee, and the Sustainable Development Committee. Through an effective division of labor and oversight mechanisms, the Company enhances operational efficiency and transparency, fulfills its corporate social responsibilities, and makes steady progress toward its sustainable development goals.

	Main Organizations and Functions of Corporate Governance Structure
Shareholders' Meeting	The shareholders' meeting serves as the Company's highest decision-making body, exercising significant legal authority over key matters such as the election of directors, amendments to the Articles of Incorporation, and the distribution of earnings. To enhance shareholder engagement, the Company has implemented an electronic voting system, enabling all shareholders to participate and express their opinions conveniently, thereby safeguarding their rights.
Board of Directors	The Board of Directors is responsible for formulating business strategies, overseeing the Company's overall operations, and remains accountable to the Company and its shareholders. Board members possess industry expertise and diverse backgrounds spanning finance, law, marketing, healthcare, and corporate management, effectively enhancing decision-making quality and corporate governance performance.
Functional Committees	**To strengthen the functions of the Board of Directors and enhance governance effectiveness, the Company has established the following functional committees:** **Audit Committee:** Composed of all independent directors, the committee is responsible for overseeing the Company's financial statements, internal control systems, auditing procedures, and significant financial transactions to ensure the accuracy of information disclosure and the integrity of internal controls. **Remuneration Committee:** Responsible for reviewing the remuneration policies and structures for directors and senior executives to ensure alignment with corporate performance, industry standards, and sustainable development goals, while balancing incentive and fairness principles. **Sustainable Development Committee:** To strengthen the planning and execution of the Company's environmental, social, and governance (ESG) initiatives, the Board of Directors established the "Sustainable Development Committee." This committee is chaired by a director and composed of heads from various departments. The Committee is responsible for formulating sustainable development strategies and goals, as well as driving initiatives related to climate change mitigation, resource efficiency, social engagement, employee care, supply chain management, and information disclosure. The Sustainable Development Committee meets regularly to oversee the progress of sustainability initiatives and report to the Board of Directors, fulfilling corporate social responsibility and enhancing stakeholder value.
Management Level	The management team is responsible for overseeing daily operations and executing the Board's decisions, encompassing core functional departments such as finance, human resources, sales, legal affairs, R&D, production, and quality control. Senior executives regularly report to the Board of Directors on operations and risk management to ensure the advancement and implementation of strategic goals.
Internal Audit Unit	The Internal Audit Unit is an independent department reporting to the Board of Directors and directly reporting to the Audit Committee and the Board of Directors. Based on the annual audit plan, it regularly reviews the design and execution of the Company's internal control system and provides recommendations for improvement, assisting the Company in achieving its operational objectives and risk management.

Operations of the Board of Directors

Board Members

Following a comprehensive reelection in June 2023, the Board of Directors of United Orthopedic was composed of 9 directors (8 men and 1 woman), including 4 independent directors. Additionally, functional committees such as the Audit Committee, Remuneration Committee, and Sustainable Development Committee have been established. In addition, a by-election for a director will be held in June 2025 in accordance with the law, following the resignation of a board member.

The Company's Board of Directors is characterized by a diverse composition, with each member's unique professional background carefully considered. All directors possess over five years of experience in business, legal affairs, finance, accounting, or areas related to corporate operations. Furthermore, the professional qualifications of the directors and the independence of the independent directors are publicly disclosed. In accordance with the Company's Rules of Procedure for Board of Directors Meetings, the Board shall convene at least once every quarter to discuss and resolve significant operational matters.

The Company has established "Director Election Procedures" and "Board Member Diversity Policy" to implement director diversity and promote a sound Board structure. Board members are selected based on the principle of choosing the best talent, ensuring they bring diverse, complementary capabilities across industries, as well as professional competencies in business judgment, operational management, leadership decision-making, and crisis management. The Company also emphasizes gender equality in Board composition and aims to continuously increase the proportion of female directors in the future. Except for Director Ng Chor Wah Patrick, all other directors are R.O.C. nationals. The composition of the Board includes 4 independent directors (44%) and 2 directors with employee status (22%), including 1 female member. Female directors[Note] account for 11% of the Board, and the age of the board members ranges from 41 to 80 years old.

Note: Following the re-election of the Board of Directors in June 2026, female directors represent one-third of the new Board. Information regarding the members of the new Board of Directors will be disclosed in the next sustainability report.

Diversity Items / Name of Director	Basic Composition										Core Item							
	Nationality	Gender	Employee Status	Age					Independent Directors' Tenure		Business Judgment	Accounting & Financial Analysis	Business Management	Crisis Management	Industry Knowledge	Global Market Perspective	Leadership	Decision-Making Ability
				Aged 31-40	Aged 41-50	Aged 51-60	Aged 61-70	Aged 71-80	Under 3 years	3-6 years								
Lin, Yan-Sheng Chairman	R.O.C.	Male	✓		-	-	-	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Hau, Hai-Yen Director	R.O.C.	Male	-		-	-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Ng Chor Wah Patrick Director	R.O.C.	Male	-		-	-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Lin, Ter-Chien Director	R.O.C.	Male	✓		✓	-	-	-	-	-	✓	-	✓	✓	✓	✓	✓	✓
Yi Sheng Co., Ltd. Representative: **Hung, Chung-Kai** Director	R.O.C.	Male		✓		-	-	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Liu, Chien-Lin Independent Directors	R.O.C.	Male	-		-	-	-	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Kuen-Chang Independent Directors	R.O.C.	Male	-		-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓
Wu, Meng-Da Independent Directors	R.O.C.	Male	-		-	✓	-	-	-	✓	-	✓	-	✓	-	-	-	-
Chen, Li-Ju Independent Directors	R.O.C.	Female	-		-	✓	-	-	✓	-	✓	✓	✓	-	✓	-	-	✓

The Chairman of the Company does not concurrently serve as the President. To prevent and mitigate conflicts of interest, directors with a direct or indirect interest in a proposal are required to recuse themselves. The Company demands a high level of self-discipline from its directors and ensures that all recusals are documented in the meeting minutes. In 2025, there were 4 proposals where directors recused themselves due to conflicts of interest.

United Orthopedic held 6 board meetings in 2025. The attendance status is as follows:

Title	Number of People	Percentage of Board Seats	Actual Attendance Rate
Chairman	1	12%	100%
Director	4	44%	91%
Independent Directors	4	44%	100%

Note: Please refer to United Orthopedic's 2025 Annual Report for detailed information regarding the composition and operation of the Board of Directors

Functional Committees

The Board of Directors has authorized three functional committees—the **Audit Committee**, the **Remuneration Committee**, and the **Sustainable Development Committee**—to assist in performing its supervisory and guiding duties. These committees convene meetings in accordance with the organizational charters approved by the Board to exercise their legally mandated powers in reviewing and discussing relevant proposals, subsequently submitting their conclusions and recommendations to the Board for final resolution.

In 2025, the Sustainable Development Committee held two meetings to report on and discuss four material topics, including the impact assessment of the EU Carbon Border Adjustment Mechanism (CBAM), the review of the 2024 GHG inventory report and assurance statement, the 2024 sustainability report and the independent auditor's limited assurance report, and the appointment of auditors for the 2025 sustainability report consulting and assurance services.

Name	Convener/Meeting Frequency/Main Duties			
Audit Committee	Chairman	Independent Director Chen, Li-Ju	Frequency of Meetings	5 meetings, with an attendance rate of 100%
	Members	The three independent directors are Liu, Chien-Lin; Lee, Kuen-Chang; Wu, Meng-Da		
	Main Duties	The Audit Committee's primary objective is to oversee the following matters: • Fair presentation of the financial statements of the Company. • Selection (dismissal), appointment, independence, and performance of CPAs. • Effective implementation of the Company's internal controls. • The Company complies with relevant laws and regulations. • Management of existing or potential risks to the Company.		
Remuneration Committee	Convener	Independent Director Lee, Kuen-Chang	Frequency of Meetings	2 meetings, with an attendance rate of 100%
	Members	2 Independent Directors Liu, Chien-Lin and Wu, Meng-Da		
	Main Duties	• Establish and regularly review performance evaluation standards, annual and long-term performance goals, and the remuneration policies, systems, standards, and structures for directors and managers. • Periodically evaluate the achievement of performance goals for the Company's directors and executives, and determine the components and amounts of their individual remuneration based on the results of the performance evaluation standards.		
Sustainable Development Committee	Convener	Independent Director Lee, Kuen-Chang	Frequency of Meetings	2 meetings, with an attendance rate of 100%
	Main Duties	• Establish, implement, and enhance the Company's sustainable development policies, annual plans, and strategies. • Review, track, and revise the implementation and effectiveness of sustainable development efforts. • Oversee the disclosure of sustainability information and review the sustainability report. • Supervise the implementation of operations under the Company's Sustainable Development Best Practice Principles or other sustainability-related tasks resolved by the Board of Directors.		

Implementation of the Enhancement of Board Professional Competence

Status of Directors' Training in 2025

Title	Name	Training Date	Organizer	Course Name	Training hours (hrs)
Chairman	**Lin, Yan-Sheng**	2025/11/5	The Institute of Internal Auditors	Key Considerations and Practical Analysis of “Shareholders' Meeting” and the “Company Act”	6
Director	**Hau, Hai-Yen**	2025/7/29	Securities and Futures Institute	AI Development and Information Security Risks	2
				Analysis of Fraud Techniques and Case Studies of Money Laundering Regulations (Including Insider Trading Advocacy)	2
				Ethical Management, Employee Fraud, and Whistleblowing Systems (Including Gender Equality)	2
Director	**Ng Chor Wah Patrick**	2025/7/12	Hong Kong Institute of Certified Public Accountants	Soft Skills Series: Communication: Storytelling to Engage Your Audience	1.5
		2025/7/18		HKFRS 13 Fair Value Measurement	1.5
		2025/7/19		The Emergence of Board Dynamic in Governance Corporate Governance Explained	2
		2025/12/1		Preparing Accountants	1.5
Director	**Lin, Ter-Chien**	2025/4/25	Taiwan Corporate Governance Association	Design of Senior Executive Remuneration and ESG Performance Systems	3
		2025/5/9	Taiwan Investor Relations Association	Winning in the Capital Market: Investor Relations - The Secret Weapon for Value Creation	3
Director	**Representative of Yi Sheng Co., Ltd.: Hung, Chung-Kai**	2025/7/15	Taiwan Project Management Association	Director Training Program for Listed Companies - Digital Transformation and Emerging Information Technology	3
		2025/7/31		Training Course for Directors of TWSE/TPEx-Listed Companies: Successor Team Building and Talent Development	3
Independent Directors	**Liu, Chien-Lin**	2025/6/24	Taiwan Corporate Governance Association	Corporate Governance Officer and Meeting Management	3
		2025/7/18		Compliance Practices for Corporate Governance Officers	3

Title	Name	Training Date	Organizer	Course Name	Training hours (hrs)
Independent Directors	**Lee, Kuen-Chang**	2025/7/9	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Independent Directors	**Wu, Meng-Da**	2025/8/20	Taiwan Corporate Governance Association	Strategies for Taiwanese Businesses Amidst Economic Shifts in China	3
		2025/12/9	Taiwan Institute of Certified Public Accountants	Application of Sustainability Strategies: Risk Assessment and Financial Impact (IFRS S2)	6
Independent Directors	**Chen, Li-Ju**	2025/9/17	Corporate Management and Sustainable Development Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3
		2025/10/14	Taiwan Institute of Certified Public Accountants	Corporate M&A and Due Diligence	3

Performance of Board and Functional Committee Evaluations

Evaluation Cycle	Evaluation period	Evaluation Scope	Evaluation Method	Evaluation Content		
Conducted annually	January 1 to December 31, 2025	1. The Board of Directors 2. Individual Board Members 3. Functional Committees	Internal self-assessment via questionnaires	The performance evaluation of the Board of Directors encompasses the following five categories: • Engagement in company operations • Improvement of the Board's decision quality • Board Composition and Structure • Election and Continuing Education of Directors • Internal Control	The performance evaluation criteria for individual board members encompass the following six dimensions: • Alignment with Company Goals and Missions • Awareness of Director Responsibilities • Engagement in company operations • Internal Relationship Management and Communication • Professional Qualifications and Continuing Education of Directors • Internal Control	The performance evaluation criteria for the functional committees comprise the following five categories: • Engagement in company operations • Understanding the Responsibilities of Functional Committees • Enhancing the decision-making quality of functional committees • Composition and Selection of Functional Committee Members • Internal Control

Internal Control and Internal Audit

United Orthopedic has established its internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies." The Audit Office, which reports directly to the Board of Directors, formulated the 2025 audit plan based on risk assessment results and included "Sustainability Information Management Operations" as an audit item. This plan was submitted to and approved by the Board of Directors on December 20, 2024. The Audit Office executes audit operations according to the annual audit plan to evaluate the Company's internal control system. In addition to submitting monthly audit reports to the Audit Committee for review, the head of internal audit attends Board of Directors meetings to report on audit findings. Furthermore, the audit results and the status of deficiency tracking and remediation are reported to the competent authorities within the prescribed time limits. Based on the 2025 audit results, no significant deficiencies or irregularities were identified, with the exception of the following: the division of duties for derivative transactions did not comply with statutory requirements; the "Procedures for Loaning Funds to Others" and "Procedures for Endorsement and Guarantee" failed to establish limits or operational procedures in accordance with the law; and annual educational training on the prevention of insider trading was not conducted for directors, managers, and employees.

Sustainability Information Management

Corporate sustainability information has become a critical reference for stakeholders to evaluate sustainable business performance and make informed investment and financing decisions. To enhance the quality of the Company's sustainability information, deepen the corporate sustainability governance culture, and refine sustainability disclosures, while complying with the "Regulations Governing the Preparation and Filing of Sustainability Reports by Companies Listed on the Taipei Exchange," the Company adopted the "Sustainability Information Management Operating Guidelines" following approval by the Sustainable Development Committee and Audit Committee on December 20, 2024, and a subsequent resolution by the Board of Directors.

The Board of Directors is explicitly designated as the highest decision-making body for the Company's sustainability information management, responsible for promoting and implementing measures including:
(1) oversee the qualifications and continuing training requirements of accountable personnel;
(2) approve policies, procedures, authorization limits, assurance/audit levels, and internal audit competency assessments;
(3) allocate resources;
(4) periodically assess the design and implementation effectiveness of sustainability internal controls and assume ultimate responsibility.
Meanwhile, the Audit Office included sustainability information operations in its annual audit plan, establishing an audit trail for sustainability information, as well as mechanisms for internal control deficiency assessment, follow-up improvement, and communication. These measures ensure that all operations comply with established regulations and control procedures, while providing timely recommendations for improvement.

The 2025 audit items for sustainability information management operations include the implementation of sustainability information management regulations, the accuracy and compliance of compiled sustainability data, and the status of sustainability information disclosure and external assurance. Following the execution of relevant audit procedures, no material deficiencies or irregularities were identified.

Directors and Managers Remuneration Policy

United Orthopedic has established the "Remuneration Policy for Directors and Managers" and the "Performance Goals and Incentives Policy for Managers" upon approval by the Board of Directors, serving as the basis for the remuneration of directors and managers. In addition, a Remuneration Committee has been established to review and evaluate the performance and remuneration of directors and managers. A recusal mechanism is in place to ensure the committee's independence and impartiality. When the committee convenes, it may invite the Company's directors, relevant department managers, internal auditors, accountants, legal advisors, or other personnel to attend the meeting and provide necessary information; however, such individuals shall recuse themselves during discussions and voting. 2 meetings were held in 2025. The Remuneration Committee determines the remuneration of directors and managers based on individual performance and company operating performance. These proposals are then submitted to the Board of Directors. The 2025 KPIs cover two major pillars—operations and sustainable management—including operational performance indicators such as revenue growth and profitability, as well as sustainable management indicators such as the level of participation in operational decision-making and the progress of promoting sustainable development. These metrics serve to assess the contribution of directors and managers toward enhancing corporate value and supporting long-term development. In the future, we will take into account the annual identification of material sustainability issues to gradually strengthen their linkage with director elections, collective board expertise, performance evaluations, and remuneration.

Note: Please refer to United Orthopedic's 2025 Annual Report for detailed information on the remuneration of directors and executive officers.

Protection of Shareholders' Rights and Information Transparency

The Company has established a spokesperson and deputy spokesperson system and appointed a professional transfer agent to handle shareholder suggestions, disputes, and other matters related to shareholder rights, ensuring that shareholder feedback is effectively conveyed and addressed. To strengthen corporate governance mechanisms, we have appointed dedicated personnel to track changes in the shareholdings of directors, executives, and major shareholders with a stake of 5% or more in real time. Such changes are reported monthly in accordance with relevant laws and regulations to ensure the timeliness and transparency of information. In addition, the Company has actively promoted shareholder activism and implemented an electronic voting system for shareholders' meetings, providing shareholders with a convenient way to exercise their voting rights without being restricted by time or location. The voting results for all proposals are disclosed in the minutes of the shareholders' meeting to protect shareholders' right to know, further strengthening corporate governance transparency and shareholder engagement.

Information Transparency and Communication with Institutional Investors

The Company remains committed to strengthening information disclosure and investor relations management. This year, the Company participated in two investor conferences and uploaded relevant audio and video materials to its website for investors' immediate reference. Institutional investor conferences were held in April and November, with an interval of more than three months between them, ensuring the continuous and stable disclosure and communication of material operational information. Through regular communication, the Company provides timely updates on its current operations and development strategies, thereby strengthening investor trust and support.

Insider Trading Prevention and Code of Ethics

To prevent insiders from exploiting non-public information for trading, the Company has established the "Corporate Governance Best Practice Principles" and the "Procedures for Handling Material Internal Information and Prevention of Insider Trading." These regulations explicitly prohibit insiders from trading securities based on undisclosed market information. Furthermore, the Company provides annual legal compliance education and awareness programs for directors, managers, and relevant internal personnel. Beyond mere legal compliance, the Company's institutional framework reflects its commitment to corporate integrity and the protection of shareholder rights.

Stakeholder Communication Mechanisms

The Company has established diverse communication channels, including a dedicated investor relations contact point as well as "Online Consultation" and "Stakeholders" sections on its official website. These provide external stakeholders—such as shareholders, investors, customers, and suppliers—with a convenient and responsive communication platform. Furthermore, the Company has set up a "Suggestion Box" on its intranet to establish a communication mechanism with employees. All inquiries and reported matters are handled by dedicated units based on the nature of the issue. By proactively addressing stakeholder concerns, the Company fulfills its corporate social responsibility and upholds transparent governance.
Online Inquiry: Contact Us/ **Stakeholder Section:** Stakeholder

Practice of Ethical Corporate Management

To implement its ethical corporate management policy, United Orthopedic, in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," has adopted the "Procedures for Ethical Management and Guidelines for Conduct," approved by the Board of Directors, which set out specific matters to be observed by Company personnel in the performance of their duties. Prohibit the direct or indirect offering, receipt, promise, or request of any improper benefits to obtain or maintain advantages in the course of business, or the engagement in any other acts that are dishonest, illegal, or constitute a breach of fiduciary duty.

Ethical Governance and Oversight Mechanism

- The Corporate Governance Team is responsible for implementing integrity policies, revising systems, and maintaining records of reported cases.
- Regularly submitted to the Sustainability Committee for review and reported to the Board of Directors.
- All new hires are required to participate in ethical management training and sign a commitment to compliance.

Participation in the 2025 Ethical Corporate Management Training on the "Procedures for Ethical Management and Guidelines for Conduct"

Category	Male	Female	Total Trainees	Training Rate
Managerial	2	1	3	100%
Non-managerial	49	40	89	100%
Total	51	41	92	100%

Note:The above statistics cover the full participation of all new employees in Taiwan for fiscal year 2025.

Handling of Dishonest Behavior

The Company has established physical and electronic employee opinion boxes. Depending on the nature of the grievance, the President Office or the human resources department is tasked with processing the matter. Furthermore, the Company has established investigation procedures and confidentiality mechanisms for reported matters, including measures to protect whistleblowers from any adverse treatment resulting from their reports. Upon discovery or notification of unethical conduct, the Company will immediately investigate the relevant facts and take appropriate action. When necessary, legal proceedings will be initiated to seek damages and protect the Company's reputation and interests. For any unethical behavior that has occurred, relevant units shall be tasked with reviewing internal control systems and operating procedures, and shall propose improvement measures to prevent the recurrence of such behavior. The dedicated unit shall report to the board of directors regarding any unethical conduct, the corresponding handling procedures, and subsequent review and improvement measures. The 2025 anti-corruption and integrity risk assessment results indicated that no relevant reports were received, and no incidents of corruption or dishonesty occurred.

Employee Engagement and Cross-Departmental Collaboration

United Orthopedic emphasizes company-wide participation and promotes its compliance policy through cross-departmental collaboration. Human Resources conducts ethical management training, the Audit Office performs routine audits, and operational units are responsible for policy implementation. The Company has also set up a whistleblowing mailbox and hotline to encourage employees to report any non-compliant conduct. In its daily operations, the Company strictly requires all employees to uphold the principle of integrity and maintain the highest standards of professional ethics and conduct.

Supplier Signing of the Integrity Management Commitment Statement

In 2025, we requested 686 suppliers with transaction records to sign the Supplier Sustainability Self-Assessment Statement; 676 suppliers completed the signing, representing a signing rate of 98.5%. The Sustainability Self-Assessment Statement covers environmental measures—including supply chain sustainability management, green procurement, environmental protection and regulatory compliance, GHG inventory and reduction, climate change response, supply chain stability, and localized development—as well as social and governance aspects such as the protection of labor human rights, occupational safety and health, and ethical management and anti-corruption. These measures are designed to comprehensively review and enhance the sustainability management and operational capabilities of suppliers.

Whistleblowing and Reporting Channels

Whistleblowing E-mail	885@unitedorthopedic.com
Telephone Hotline	02-29294567 ext. 1168
Responsible Department	Unit Corporate Governance Team / Peng, Yu-Hsin

Regulatory Compliance

United Orthopedic is committed to expanding its business operations into the global market, with product sales and services established in over 50 countries worldwide. The Company has established a Regulatory Affairs Department responsible for ensuring product regulatory compliance, obtaining marketing authorizations, and filing patent and trademark applications. The department also manages document coding, registration, issuance, control, and retention, as well as the planning and execution of testing and verification for product development. To ensure that all employees strictly comply with international laws and local regulations during business operations, the Company has formulated and continuously updated several internal policies and management measures in accordance with the relevant laws and regulations of Taiwan and various global jurisdictions, covering:

- Personal Data Protection
- Anti-Discrimination and Equal Employment Opportunity
- Prevention of Insider Trading
- Trade Secrets and Information Confidentiality
- Environmental Protection and Pollution Prevention
- Maintaining Fair Competition
- Anti-Bribery and Anti-Corruption
- Intellectual Property Protection
- Labor Rights and Workplace Safety

The Company has established a comprehensive regulatory compliance and risk control system. By integrating diverse mechanisms such as periodic audits, internal checks, and training programs, the Company continues to bolster management effectiveness to ensure that all operational activities strictly adhere to laws and relevant regulations. In 2025, the Company had only one instance of legal violation resulting in a fine, which did not reach the threshold for a material penalty. In response to this incident, the relevant units have conducted a prompt review and completed revisions to operational procedures and internal regulations. Furthermore, internal communication has been strengthened to prevent similar occurrences in the future. The aforementioned improvements demonstrate the Company's commitment to regulatory compliance and ethical corporate management, as well as the tangible results of these implementation efforts.

United Orthopedic defines material penalty events as disasters, collective protests, strikes, environmental pollution, information security incidents, or other major occurrences that result in any of the following circumstances and require the disclosure of material information in accordance with laws and regulations:

- Any incident that causes material damage or impact to the Company;
- Where the relevant authorities have ordered a suspension of work, suspension of business, closure of business, or the cancellation or revocation of pollution-related permits;
- The cumulative amount of fines for a single incident reaches NT$1 million or more.

2025 Compliance-Related Education and Training

Internal/ External	Course Name	Organizer	Participants	Number of Trainees	Training Hours
Internal	Procedures for Ethical Management and Guidelines for Conduct	the Company	New hires	92	15
	Insider Trading Prevention Training	the Company	New hires	707	353
	Personal Data Protection Awareness training	the Company	New hires	99	49.5
	Sexual Harassment Prevention Training	the Company	New hires	96	48
	Sexual Harassment Prevention Training	the Company	Manager	111	55.5
External	A Comprehensive Analysis of Internal Control Practices for the "Management of Sustainability Information"	Accounting Research and Development Foundation	Managers	1	6
	"Continuing Education for Medical Device Technicians" series	National Cheng Kung University Research and Development Foundation	Department Staff	1	9
	Level B Occupational Safety and Health Technician Course	Hsinchu Occupational Training Center of the Industrial Safety and Health Association of the R.O.C.	Department Staff	1	115
	Chief Corporate Governance Officer	Accounting Research and Development Foundation	Managers	1	6
	Class A Occupational Safety and Health Manager	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	2	84
	Level A Occupational Safety and Health Manager (Manufacturing)	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	1	6
	Fire Safety Manager Initial Training Course	Hsinchu Vocational Training Center	Department Staff	1	12
	Specific Chemical Substances Operations Supervisor	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	4	30
	Regulatory Briefings on Products with Specific Performance Requirements	Taiwan Food and Drug Administration (TFDA), Ministry of Health and Welfare	Managers	1	3
	Dust Work Supervisor	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	5	24
	Kaohsiung Plant - In-service Occupational Safety and Health Management Training	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	1	12
	Kaohsiung Plant - In-service Occupational Safety and Health Management Training	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	1	6
	Hsinchu Plant - Refresher Training for Fire Safety Managers	Chinese Industrial Safety and Health Association and other relevant organizations	Department Staff	1	5
	Hsinchu Plant - In-service training for nurses and personnel providing occupational health services	Occupational Safety and Health Department	Occupational health nurse	1	5
	The accounting officer pursued continuing education through relevant courses.	Accounting Research and Development Foundation/Other relevant training providers	Chief Financial Officer	1	12
	Audit-Related Training	The Institute of Internal Auditors-Chinese Taiwan	Department Staff	2	12
	Audit-Related Courses	Accounting Research and Development Foundation	Internal auditors	1	18
	Radiation Safety Training and Education	Radiation Protection Association (RPA)	Department Staff	4	3
	Radiation Safety Training and Education	Radiation Protection Association (RPA)	Department Staff	1	6
	Continuing Education and Training Courses for Medical Device Personnel - Taipei Session	Industrial Technology Research Institute	Department Staff	1	8

2.2 Risk Management

United Orthopedic defines risks in accordance with its overall operational policies and has established mechanisms for risk identification, accurate measurement, and effective, continuous monitoring and control. Simultaneously, the Company enhances risk awareness among all employees to prevent potential losses and continuously improves and strengthens risk management procedures based on changes in the internal and external environments to ensure the effectiveness and integrity of risk management. Accordingly, the "Risk Management Policy and Procedure" were established to create a comprehensive risk management system. Through systematic risk identification, measurement, monitoring, and response processes, we reasonably manage risk impacts to ensure the steady achievement of operational goals and corporate responsibilities.

Organizational Structure and Levels of Responsibility

Board of Directors	As the highest decision-making body for risk management, it promotes and implements the Company's overall risk control objectives and bears ultimate responsibility for risk management.
Audit Committee	Assists the Board of Directors in overseeing the fulfillment of its risk management responsibilities, reviews risk management issues proposed by the Risk Management Task Force, and reports the overall risk management implementation status to the Board at least once a year.
Auditing Office	Reporting directly to the Board of Directors, the Audit Office formulates an annual audit plan based on risk management policies and risk assessment results. It executes audit operations according to this plan to assist the Board in supervising and controlling potential risks, ensuring that all operations comply with established regulations and control procedures while providing timely recommendations for improvement.
Risk Management Team	A unit under the Audit Committee assists the committee in overseeing risk management policies and regularly reporting on the status of implementation and the supervision of related strategies.
All business units	As the front-line units responsible for detecting, assessing, and controlling risks, they maintain a thorough understanding of the risks inherent in the businesses under their jurisdiction. The department heads are responsible for risk management, monitoring the relevant risks within their respective units, and ensuring that management systems and procedures are fully and effectively implemented to control risks.

Three Lines of Defense

Covering business units, supervisory units, and internal audit and risk control units, this system fosters a management culture of "full participation and comprehensive monitoring."

First Line of Defense	Second Line of Defense	Third Line of Defense
Each business unit serves as the risk owner for its respective operations and must conduct its business in accordance with the internal control systems and internal regulations relevant to those operations. The Company emphasizes comprehensive risk control across all levels of the organization and implements a multi-layered defense system to ensure effective risk management.	The head of each business unit with ultimate responsibility or the designated departmental risk management personnel shall propose countermeasures when risks are identified while monitoring their respective operations. These risks and countermeasures shall be provided to the risk management team for compilation and reporting to the Audit Committee.	The Risk Management Team shall review the integrity of the Company's management mechanisms for key risks—including strategic, operational, financial, and hazard risks—and ensure that all units monitor such risks in accordance with these Regulations and other relevant risk management policies.

Principal Risk Categories

Based on the principle of materiality, the Company continues to identify and monitor the following major risk categories:

Risk Category	Description	Countermeasures
Strategic Risk	These include global and regional economic shifts, industrial structural changes, technological substitution, and market competition, which may impact the Company's positioning and long-term development.	Expand into diverse markets; strengthen brand marketing, physician education, and academic support; promote high-value and precision medical products; and prudently evaluate new investment opportunities in accordance with internal approval procedures.
Operational Risks	These risks involve information security, data protection, supply chain disruption, quality control, occupational health and safety, and regulatory compliance, which impact operational efficiency and reputation.	Regularly review operational performance, strengthen cybersecurity, establish a rigorous supplier selection and audit system, manage product quality in accordance with ISO standards, maintain insurance coverage, and manage the collection of accounts receivable.
Financial Risks	These risks involve information security, data protection, supply chain disruption, quality control, occupational health and safety, and regulatory compliance, which impact operational efficiency and reputation.	Maintained stable relationships with banks, utilized natural and necessary hedging operations, and managed endorsements, guarantees, and fund lending transactions in accordance with regulations.
Hazard Risks	Natural disasters (such as earthquakes and typhoons), climate change, infectious diseases, power outages, and industrial safety accidents may pose a significant impact on personnel and facilities.	Establish off-site backup and emergency response plans, diversify production bases, and implement ISO management systems with regular drills.
Sustainability Risks	Risks arising from the failure of environmental, social, and governance (ESG) performance to meet established goals. These include carbon emissions, labor disputes, and internal control failures, which, if managed improperly, may damage the Company's corporate governance image and its ability to operate sustainably.	Conduct GHG inventory and third-party verification, monitor regulatory trends, promote energy-saving measures, and enhance information disclosure and integrity governance.
Other Risks	Including unexpected challenges such as regulatory changes, litigation, loss of key talent, or technological disruptions.	Stay abreast of geopolitical and economic trends and updates to global medical device regulatory and review policies; provide competitive compensation and enhance talent cultivation.

Risk Management Process and Implementation Mechanism

The Company adopts the following **five-step risk management process** to integrate risk awareness into its daily operations:

01 Risk Management

Based on their specific operational characteristics, each business unit conducts risk inventories and classifications in coordination with the risk management team.

02 Risk Management

Analyze the impact and likelihood of risks using qualitative and quantitative assessment methods to prioritize them.

03 Risk Monitoring

Integrate risk control measures into operational processes, continuously monitor implementation effectiveness, and require units to report risk status on a regular basis.

04 Response Strategies

Implement corresponding control measures for various risks, including risk avoidance, mitigation, transfer, or acceptance.

05 Reporting and Disclosure

The Risk Management Team regularly reports on implementation progress to the Audit Committee and the Board of Directors, and discloses relevant information in the annual report and on the official website to ensure transparency and uphold stakeholders' right to know.

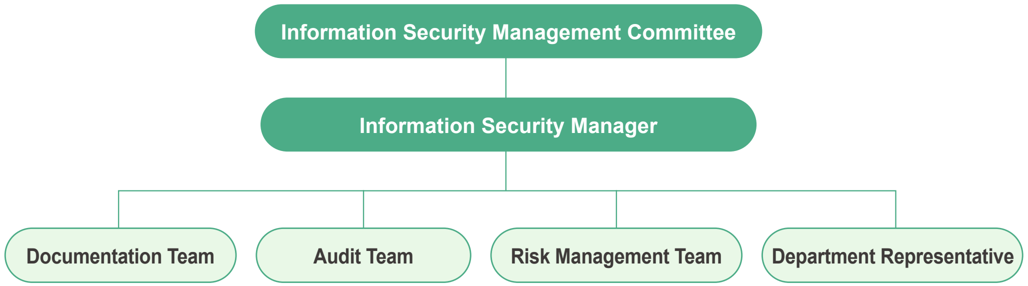
2.3 Information Security

United Orthopedic has established a comprehensive information security management system (ISMS) to ensure the confidentiality, integrity, availability, and compliance of its core system management operations (including all information systems and related management activities within the scope of the ISMS). Furthermore, quantitative information security performance indicators are defined across all levels and functions to verify the implementation of the information security management system and the achievement of information security objectives.

The implementation of the information security management system follows the Plan-Do-Check-Action (PDCA) cycle, incorporating continuous evaluation and review. This process accounts for current factors such as the latest regulations, technological advancements, stakeholder expectations, business activities, internal management, and resources to ensure the effectiveness of information security practices. In 2025, no incidents involving violations of customer privacy or the leakage or loss of customer personal data occurred, and there were no reports of information security incidents or abnormal records.

Information Security Management Framework

United Orthopedic places a high priority on information security and customer privacy protection. In accordance with the "Information Security Control Guidelines for Listed Companies," the Company has established its "Information Security Organization and Management Review Procedures," based on which it has implemented and continuously operated an information security management system. The Company has also established an Information Security Management Committee to regularly promote, supervise, and review the implementation of relevant security measures. This ensures the security and effectiveness of data processing while continuously strengthening management mechanisms to maintain the trust of stakeholders.



Information Security Management Committee

In 2025, the Information Security Management Committee was chaired by Vice President Peng, Yu-Hsin, who served as the decision-maker responsible for the review and resolution of major information security matters. The committee operates with flexibility, leveraging small internal meetings and cross-departmental real-time communication mechanisms to facilitate discussions and decision-making regarding information security risks, incident reporting, and management measures. Furthermore, a management review meeting was held during the year to conduct a comprehensive review and report on the implementation of information security policies, the results of information security risk assessments, and the outcomes of business continuity management drills, serving as the basis for management's decision-making and resource allocation. The results of these discussions have been incorporated into the optimization of information security management measures, process adjustments, and subsequent improvements, further strengthening the Company's overall information security governance and operational resilience.

The Company has built a closed-loop management process spanning policy formulation, risk assessment, and continuous improvement to strengthen the protection of its information assets. It has also established a dedicated personal data management task force, in which a cross-departmental team led by the Information Security Officer formulates and implements the “Personal Data Management Procedures,” provides ongoing training, and promotes a culture of information security, which is also incorporated as a mandatory part of the onboarding process for new employees. The core management measures are as follows:

Management Approach	Implementation Details
Customer Privacy Management	1. Customer data is de-identified by default 2. Regularly review ERP system personal data access permissions
Data Backup and Drills	1. Regular backups of core system data 2. Annual backup drills and disaster recovery simulations
Vulnerability Management	1. Conduct regular cybersecurity vulnerability scans 2. Initiate Remediation and Risk Control Processes

Information Security Reporting and Response Procedures

The Company has established information security incident notification and response procedures. Upon detecting any information security anomalies, all departments must promptly report them in accordance with established protocols, after which the relevant responsible units will perform a preliminary assessment and incident classification. The Company activates corresponding response and handling measures based on the impact and risk level of an incident. Higher-risk incidents are reported by the information security management representative to the Information Security Management Committee for hazard and loss assessment as well as subsequent response management; other incidents are handled jointly by the IT department or relevant responsible units, with all related records retained.

Throughout the incident handling process, the Company continuously assesses the scope of impact and, as necessary, activates business continuity mechanisms to mitigate damage and prevent further escalation. Once the anomalies have been resolved, relevant units compile the incident details and impact, conduct root cause analysis, and document improvement plans, notification records, and corrective actions. They then track the progress of these improvements in accordance with management procedures to facilitate formal case closure.

Process Stage	Description
Anomaly Detection and Reporting	Upon the discovery of information security anomalies, departments follow established procedures for internal or external reporting and provide preliminary notification to the risk management team via email or other communication channels.
Incident Assessment and Classification	Relevant units analyze the circumstances and causes of the incident and perform preliminary classification and documentation based on the nature and impact of the information security incident.
Contingency Handling	Emergency response measures are activated according to the classification of the incident. High-risk events are reported by the information security management representative to the Information Security Management Committee for hazard and loss assessment, while other incidents are handled jointly by the IT department or relevant responsible units.
Impact Control and Recovery	Continuously assess the impact of incidents, activate business continuity plans as necessary, take appropriate measures to mitigate further damage, and ensure that all abnormalities have been resolved.
Root Cause Analysis and Improvement measures	Summarize the incident details and the extent of its impact, complete a root cause analysis, propose improvement plans, and maintain records of notifications and corrective actions. Subsequently, follow-up on improvements according to relevant operating procedures and finalize the case closure.

Information Security Drill Mechanism and Implementation Results

Drill Scenarios	Objectives of the Drill	Implementation Approach	Frequency of Drills	2025 Implementation Performance
Social Engineering Drills	Strengthen employee cybersecurity awareness to mitigate risks	E-mail phishing simulations	Monthly	A total of 5,087 participants took part, achieving a 99.2% pass rate. Supplementary training and necessary measures have been implemented for personnel who failed to pass the assessment.
Disaster Recovery Drill	Ensure business continuity for core operations	Business Continuity Plan	Annually	The Company completed Business Continuity Plan (BCP) drills during the year. The overall operation of backup and data protection mechanisms remained stable, and data recovery points met established management objectives. However, the high degree of integration between system and data recovery processes suggests that there is still room to optimize actual recovery timelines. The findings from these reviews have been integrated into subsequent improvement plans, serving as a critical foundation for the continuous enhancement of operational resilience and information security governance.
Employee Information Security Awareness Course	Enhance employee awareness of cybersecurity and social engineering prevention to mitigate the risk of fraud and strengthen daily security defenses.	Annual Employee Information Security Training	Annually	The total number of training sessions attended is as follows: Direct Personnel (including make-up sessions): 408 Indirect Personnel: 363 A total of 771 person-times

2025 Information Security Drill	
E-mail social engineering drills (monthly)	
Objectives of the Drill	**Implementation Approach**
To enhance employee information security awareness and mitigate risks, the Company regularly conducts social engineering drills for personnel using computer systems. These initiatives strengthen information security education and heighten employee vigilance against social engineering, phishing, and other deceptive attack behaviors.	Simulated hacker attacks were conducted by sending social engineering test emails to all employees to attempt to deceive and evaluate the alertness of the subjects.

E-mail social engineering drills (monthly)						
Implementation Results						
Quarter	**Number of attendees**	**Click**	**Input**	**Click%**	**Input%**	**Notes**
Q1	1209	8	0	0.7%	0.0%	January 1, 2025~ March 31, 2025
Q2	1244	11	4	0.9%	0.3%	April 1, 2025~ June 30, 2025
Q3	1299	9	4	0.7%	0.3%	July 1, 2025~ September 30, 2025
Q4	1335	13	2	1.0%	0.1%	October 1, 2025~ December 31, 2025

Business continuity drill (conducted annually)	
Objectives of the Drill	**Implementation Approach**
According to relevant operating procedures, at least one disaster recovery drill must be conducted annually. These exercises are designed to enhance system operators' proficiency and verify the accuracy of SOPs, ensuring the Company maintains critical information operations in the event of a disaster.	In 2025, a simulation exercise will be conducted for core ERP system equipment failure, which will activate the backup and recovery mechanism to restore the backup system to a new host. This exercise aims to ensure sufficient operational proficiency, the accuracy of SOPs, and the availability of the backup system in the event of a disaster.

Implementation Results

Based on the Business Impact Analysis (BIA), the Company has established operational continuity management and disaster recovery targets and indicators to serve as the benchmark for operational resilience management.
Results of the business continuity plan (BCP) drills conducted this year demonstrated that existing backup mechanisms ensure data recovery points meet established RPO targets. However, because the current system architecture tightly integrates system and data recovery workflows, the actual system recovery timeline slightly exceeded the original RTO target. From the discovery of the anomaly to the completion of processing, the overall recovery time approached the Maximum Tolerable Downtime (MTD) set by the Company.
The results of the drill indicated that there is still room for optimization in the recovery process. The Company has incorporated the relevant feedback into subsequent business continuity management reviews, which serve as an important basis for strengthening system recovery efficiency and operational resilience in the future.

Information security protection expenses to be incurred in 2025

Category	Item	Amount (NTD)
SOC and Cybersecurity Monitoring Services	SOC (Security Operations Center) Leasing	360,000
Malicious Activities / Information Security Inspection Services	Review of Firewall Connections, Target Servers, Network Architecture, and Malware Settings	24,800
Malicious Activities / Information Security Inspection Services	Network Malicious Activity Review (Wired)	22,200
Malicious Activities / Information Security Inspection Services	Endpoint Malicious Activity Review	33,000
Malicious Activities / Information Security Inspection Services	Host Penetration Testing	79,900
Information Security Governance and Compliance	ISO/IEC 27001 Consulting and Audit	120,000
Asset Management System	WinMatrix IT Asset Management System	80,330
Physical and Environmental Security	Installation of data center access control readers	54,800
Endpoint and Cybersecurity Protection	Trend Micro Apex One	196,550
Endpoint and Cybersecurity Protection	Symantec SESC EDR Endpoint Protection	562,080
Network and System Protection	HiNet Security Flagship corporate internet access fee	27,175
Network and System Protection	Firewall maintenance costs	696,737
People and Competencies	Ucom Training-Smartphone App Security Analysis	22,200
People and Competencies	Ucom Training Course - CISM: Certified Information Security Manager	36,000
Amortization of intangible assets	Management Item - Various Amortizations	4,337,624
Total Amount		**6,653,396**

Information Security Certification Achievements

Information Security Certifications	2025 (Qty.)	Certification Name	Information Security Certifications	2025 (Qty.)	Certification Name
Technical Category	**1**	CompTIA Security+	**Management Categories**	**2**	ISO 27001 LA

Information Disclosure and Continuous Improvement

United Orthopedic will continue to strengthen its information security governance and management mechanisms as it moves toward institutionalization and transparency. The primary directions and strategies for improvement are as follows:

- The Company’s information security policies, handling guidelines, and drill records will continue to be systematically organized and managed. Through existing governance mechanisms, these will be reported regularly to internal audit or management units to enhance management consistency and oversight.
- The material information security risk assessment and reporting mechanism will be gradually incorporated into the Company's sustainable governance framework. Depending on the materiality of the risks and the level of stakeholder concern, appropriate information disclosure will be made in the annual report or on the official website.
- The Company will continue to monitor international information security trends and the development of relevant regulations (such as GDPR, Taiwan's Personal Data Protection Act, and ISO 27001), while periodically reviewing internal management measures to enhance regulatory compliance capabilities and governance resilience.

Customer Privacy Protection and Practices

United Orthopedic recognizes the critical importance of customer privacy and is dedicated to establishing a robust personal data protection mechanism. We ensure that customer data complies with relevant regulations and the highest standards throughout every stage of collection, processing, use, and storage, thereby safeguarding customer trust and interests. We established a dedicated personal data management project organization, formulated and implemented the "Personal Data Management Measures," and maintained ongoing education, training, and promotion of an information security culture, which has been integrated into the onboarding process for new employees. In 2025, no incidents of customer privacy violations occurred, and no complaints regarding customer privacy were received. There were no instances of personal data leakage or loss; core management measures are as follows:

1. Customer data is de-identified by default.
2. Regularly review ERP system access permissions for personal data.

03

Embracing Innovation and Change

Embracing Innovation and Change

In an environment of rapidly evolving medical technology and shifting market demands, United Orthopedic remains committed to its corporate mission of "Advancing Human Well-being," leveraging innovation as a key driver for product enhancement and corporate growth. For United Orthopedic, the refinement of artificial joint products represents more than just an advancement in technical capabilities; it is a vital practice in addressing patients' healthcare needs, clinical application efficiency, and the enhancement of their quality of life. In recent years, the Company has continued to invest in the development of smart healthcare by integrating digital technology with clinical needs. These efforts assist physicians in improving surgical positioning precision and operational efficiency, while further optimizing patients' postoperative functional recovery and overall quality of care.

While expanding its global footprint and enhancing manufacturing capabilities, United Orthopedic has steadily integrated ESG principles by promoting resource circularity, low-carbon transformation, and sustainable supply chains, advancing toward a future where medical technology and sustainable value progress in tandem. Looking ahead, the Company will continue to deepen the integration of smart technology with orthopedic medical devices, strengthening its R&D capabilities and manufacturing foundation. While balancing economic benefits, social welfare, and environmental sustainability, the Company will steadily advance the development of precision medicine and smart surgery. By continuously responding to the expectations of its diverse stakeholders, the Company remains committed to achieving shared prosperity across the economic, social, and environmental dimensions.

3.1 Innovation, Research and Development

Guided by its core philosophy of "Each Step, We Care," United Orthopedic is dedicated to enhancing the clinical applicability of its orthopedic implants and improving patients' postoperative quality of life. The Company's innovative R&D is driven not merely by technological breakthroughs, but by a steadfast commitment to the needs of clinicians and patients. Through collaborations with medical institutions, clinicians, and academic organizations, we have continued to deepen the exchange of technology and knowledge, allowing us to stay ahead of global medical trends while enhancing product design, clinical applications, and market competitiveness.

To enhance R&D outcomes and clinical application effectiveness, United Orthopedic continues to refine its R&D management systems by introducing precision manufacturing and digital process control. The company follows stringent quality management standards for product development and production and has obtained international medical device quality management system certifications (such as ISO 13485) to ensure that its products comply with global medical safety and regulatory requirements. To align with the growing trends of smart healthcare and precision medicine, the Company is actively integrating surgical positioning, data analysis, and clinical operational needs. We continue to invest in the design of high-end implants, the development of surgical instruments, and the optimization of auxiliary treatment solutions to enhance surgical quality and patient recovery outcomes.

United Orthopedic's current R&D priorities are as follows:

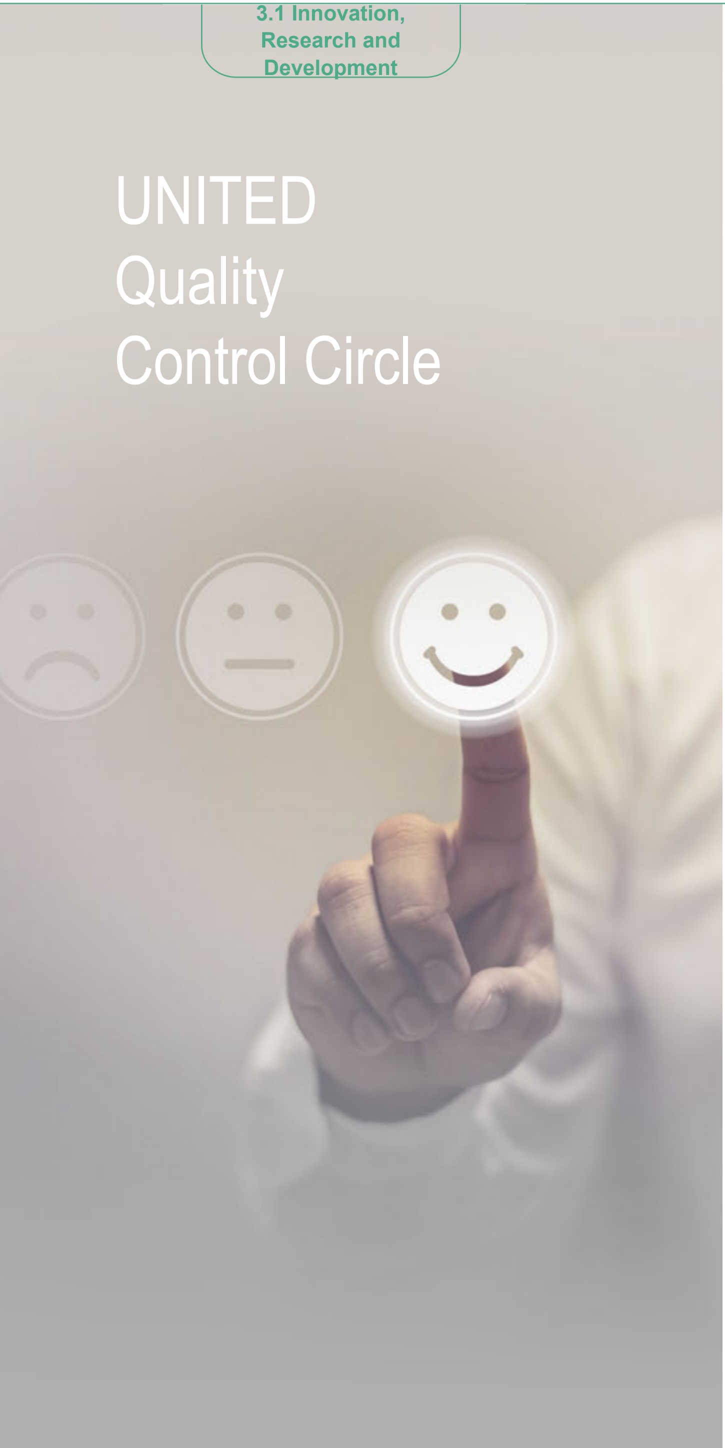
01 **Refine existing processes and product quality:** Continuously optimize current processes and product quality while strengthening existing product lines to gradually build a more comprehensive range of artificial joint solutions; simultaneously, introduce new technologies such as additive manufacturing and physical vapor deposition to enhance product competitiveness.

02 **Enhance high-end market penetration and technical application capabilities:** Integrate surgical assistance technologies, such as robotic arms and minimally invasive navigation, to increase the clinical application value and competitive advantage of products in high-end markets.

03 **Expand the portfolio of artificial joint-related products and services:** Centered on artificial joints, the Company is gradually expanding into peripheral consumables, surgical auxiliary devices, preoperative diagnostic technologies, and postoperative care systems to strengthen the strategic positioning of the overall medical technology chain.

04 **Develop corresponding instruments to enhance clinical adaptability:** Design corresponding surgical instruments to complement new implant products and mainstream surgical procedures, enhancing surgical safety, precision, and operational efficiency.

05 **Enhance R&D delivery and manufacturing support:** Strengthen process improvement, equipment upgrades, work environment optimization, and supply chain collaboration to ensure that new products are developed on schedule and transitioned to stable mass production.



Resources and Actions

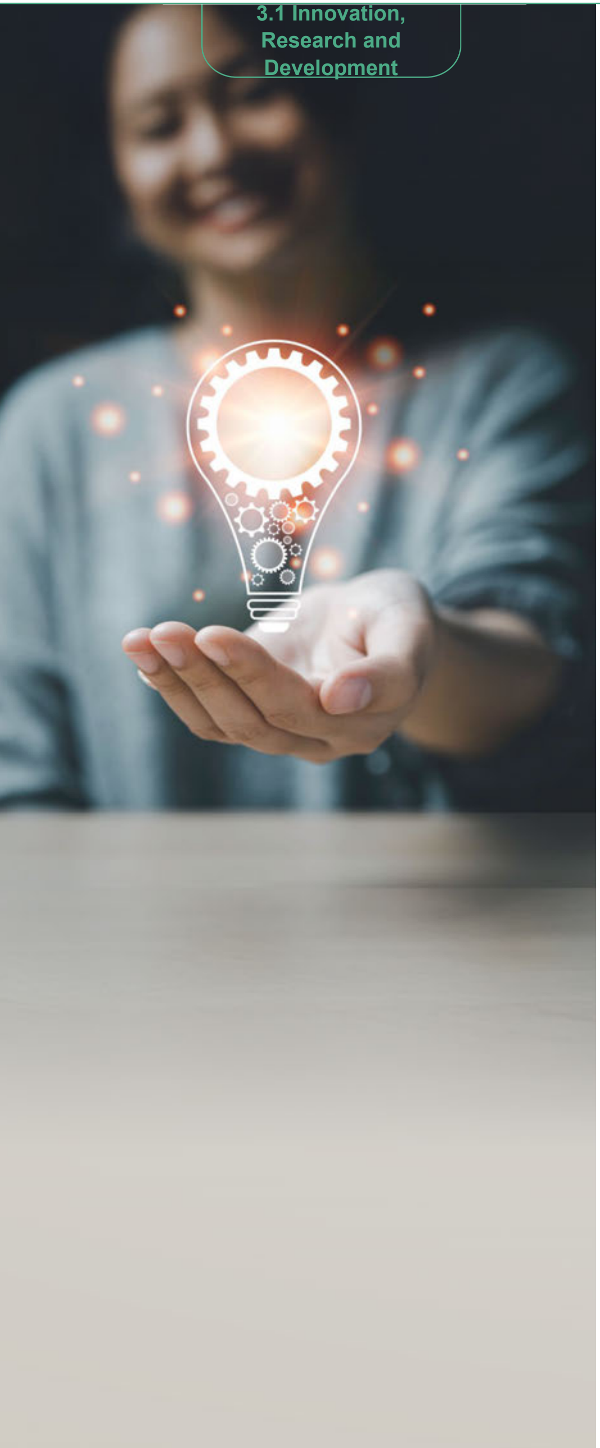
- The clinical research team has been consolidated into the regulatory affairs and documentation department, focusing on data collection and analysis to ensure that products meet regulatory safety assessment standards.
- The product development department and R&D unit have established a clear division of labor and a refined organizational structure to enhance communication efficiency with customers regarding engineering issues.
- Each engineering development unit appoints dedicated project management personnel to separate project management duties from those of department heads. These project managers hold regular meetings to facilitate the integration of upstream and downstream information for development projects across different centers and departments.
- Continue Quality Control Circle (QCC) activities to increase the quantity and quality of quality improvement initiatives, enhancing production efficiency and reducing worker fatigue from repetitive motions.
- Invested in surface treatment processes and various process improvements to reduce product defect rates.
- Purchased additional grinding and polishing equipment to alleviate the physical labor burden on operators in the grinding area and enhance production efficiency.

Innovative Operations and Management

United Orthopedic collaborates with medical institutions and key opinion leaders across multiple countries to co-develop new products. At the same time, the Company has been conducting collaborative research on the latest cutting-edge developments with international orthopedic experts, while continuing to invest resources and efforts in this field. By collaborating with clinical professionals, academic institutions, and medical experts, our professional R&D team has developed more than 20 products and technologies and obtained multiple product certifications. In 2025, a total of NT$262,542 thousand was invested in innovative R&D.

Item	2023	2024	2025
R&D Expenses	185,029	220,493	262,542
Percentage of Operating Revenue (%)	4.7%	4.7%	4.64%

(Unit: NT$ Thousand)



In 2025, a total of 11 product licenses were obtained, including 8 system products and 3 specification expansions; currently, 2 product certifications remain under review.

Obtain listing approval	
Products and Technologies	**Assurance**
U2 Total Knee System	EU MDR CE mark
Resolve modular hip stem	FDA
U2 PF+ Knee, patellar component	TFDA / FDA
E-XPE bipolar II	TFDA / PMDA
PSA knee extension line (slotted stem)	FDA
USTAR II extensin line (stem)	TFDA / FDA
U2 PF+ Knee	PMDA
Conformity Stem	NMPA
Certification in progress	
Revision of total hip arthroplasty	EU MDR CE mark
Resolve modular hip stem	UKCA

Intellectual Property Management

The Company places a high priority on the protection and management of intellectual property rights, as they are essential to safeguarding technological achievements, strengthening market competitiveness, and upholding corporate ethics. To effectively manage intellectual property assets and ensure respect for the rights and interests of others, the Company has established an intellectual property management mechanism through the collaboration of the regulatory compliance unit and the R&D department, and continues to refine relevant operating procedures. Conducts regular trademark and patent searches, analysis, and maintenance management both domestically and internationally to ensure the exclusivity and market scalability of the Company's R&D outcomes, while enhancing the application value and protection effectiveness of intellectual property.

Furthermore, we continue to strengthen our employees' intellectual property awareness and regulate the conduct of sales and marketing personnel during external business interactions. This is to prevent the infringement of third-party intellectual property, personality rights (including image rights), or other legal rights, thereby safeguarding the Company's brand reputation and fulfilling our social responsibilities.

3.2 Customer Service

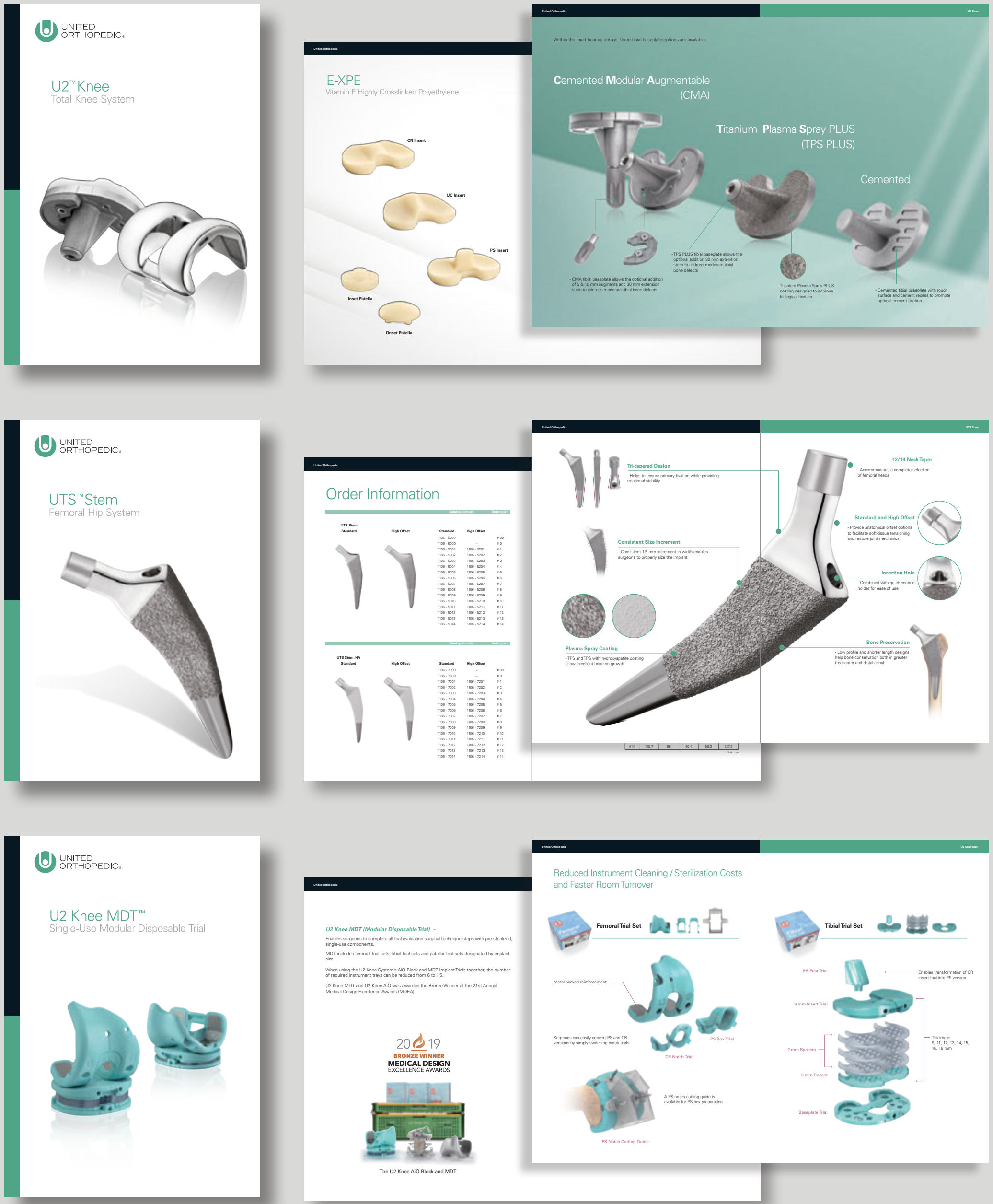
Product Responsibility and Customer Service

United Orthopedic adheres to the principle of balancing product safety with clinical efficacy, implementing rigorous quality management and customer service from product R&D and manufacturing through to practical application. To ensure product performance in clinical applications and address the diverse needs of physicians and distributors in practice, we continue to promote comprehensive product lifecycle services. These services range from education and training to real-time support and customized solutions, demonstrating United Orthopedic's commitment to the quality of medical products.

Product Transparency and Training Support

The Company enhances clinical consistency through the systematic integration of product information and instructional content. Relevant technical documentation and instructional resources are developed prior to product launch to ensure that users and distributors quickly master design specifications and operational essentials during the initial rollout, thereby enhancing clinical accuracy. Reference materials were also digitized to enhance the immediacy of information delivery. Product information and training materials include:

- Product Catalogs and User Manuals
- Illustrated Surgical Steps and Operating Procedures
- Digital Product Presentations and Operating Manuals
- Animated Instructional Materials for Surgical Procedures
- Surgical Training Videos
- X-ray image comparison tool (including physical and digital versions)



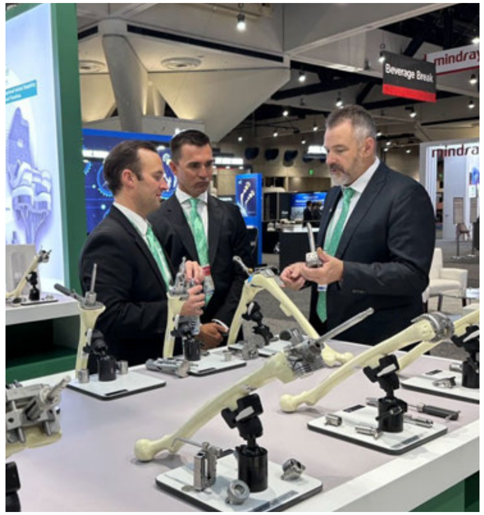
Market and Sales Strategies

United Orthopedic's product portfolio spans both the Taiwanese and international markets, primarily featuring artificial knee and hip joints, orthopedic oncology implants, and customized products. These are complemented by corresponding surgical instruments to provide comprehensive clinical support. Regarding market operations, we adopt differentiated sales service models to align with local regulatory requirements, medical institution protocols, and the business strategies of our sales partners:

- **Domestic market:** Direct sales and distribution coexist, with a direct sales model adopted for key medical institutions to deepen clinical support and enhance real-time service capabilities, ensuring the quality of product adoption and application.
- **International Markets:** Leverage overseas sites and local distribution partners to deepen market penetration by integrating local resources and professional expertise.
- **Equipment Provision Model:** Based on product characteristics and market demand, we flexibly configure sales and leasing mechanisms to help medical institutions lower initial barriers to adoption, while enhancing usage efficiency and resource allocation flexibility.

2025.03 AAOS Annual Meeting

2025.03 AAOS Annual Meeting



2025.06 APMSIS Summer Meeting

2025.10 Annual Reconstruction Conference (ARC)

Customer Satisfaction Survey

The Company conducts annual satisfaction surveys via questionnaires for its two major customer groups—domestic and international—and performs regular follow-up reviews to ensure the effective implementation of improvement mechanisms. The survey covers three major aspects: ① **personnel services,** ② **product satisfaction, and** ③ **marketing support.** The 2025 survey results show an average score of 95 for the domestic market and 93 for the international market; the satisfaction levels presented meet expectations and have achieved the set targets.

Survey Dimensions	Domestic Survey Ratio	Overseas Survey Ratio
Customer Service	40%	40%
Product Service	30%	30%
Marketing Service	30%	30%

Customer Grievance Mechanism

United Orthopedic has established a robust grievance mechanism and a comprehensive handling process. Its direct customer base primarily consists of international distributors, medical institutions, and physicians, who can provide feedback through complaint channels managed by the sales units. The survey results indicate that customer concerns center on the quality and design of prosthetic medical devices, packaging instructions, the durability of surgical instruments, and the operational methods and convenience of such instruments. Therefore, in addition to regularly holding various educational training sessions and thematic seminars, the Company has established a comprehensive feedback process. In response to customer issues and suggestions, relevant responsible units are notified to ensure a prudent response and improvement. This ensures that customer problems are resolved in a timely and effective manner, with related reports systematically summarized and archived for future reference.

Customer Complaint Handling Process

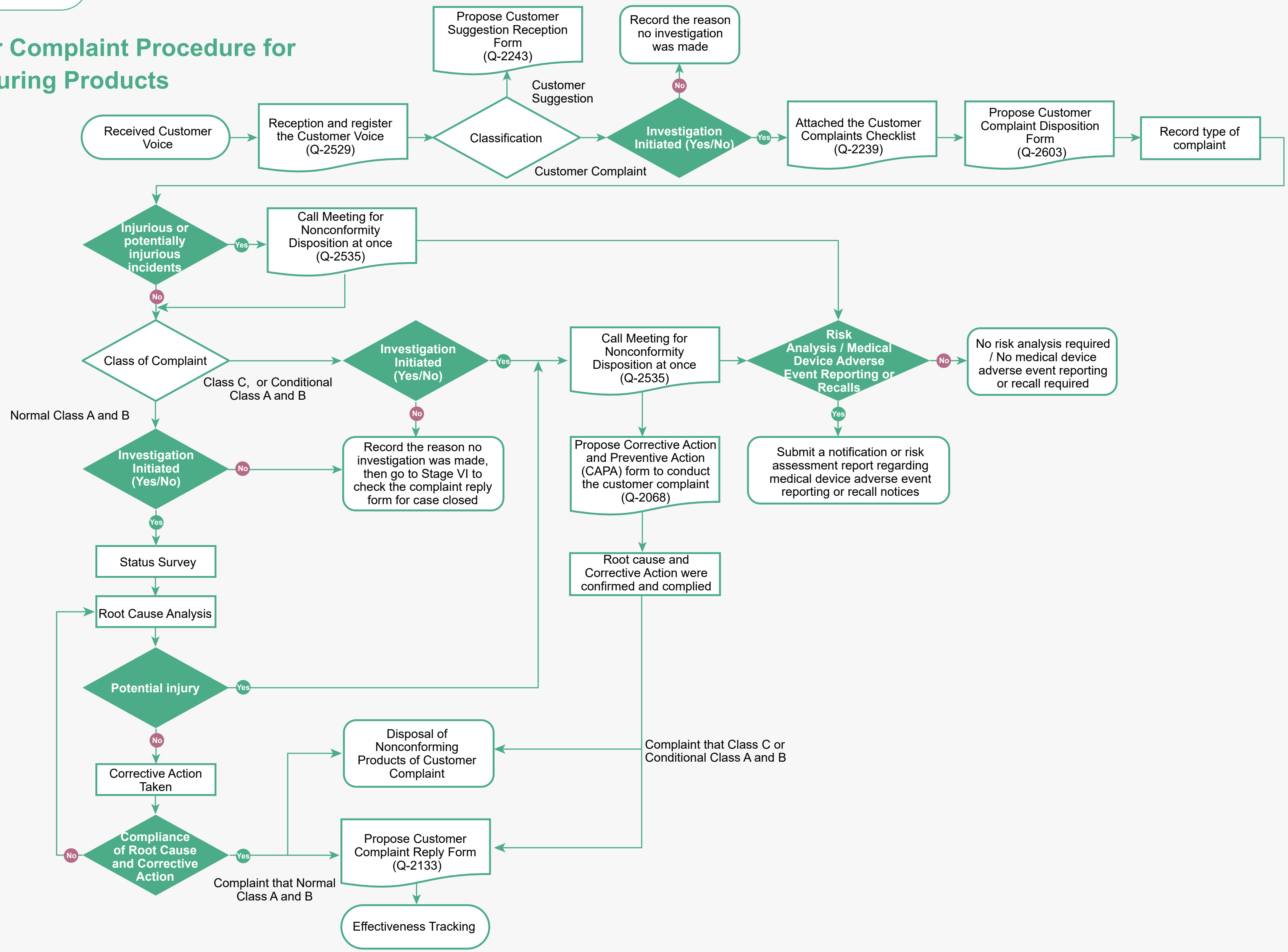
In accordance with the “Customer Complaint Management Procedure,” the Sales Division files the case and the Quality Assurance Division initiates a formal investigation. Upon completion of the investigation, the formal report and determination results are provided to the customer. The Sales Division then provides the customer complaint reply form to the Quality Assurance Division for filing and future reference. In 2025, a total of 98 complaints were received, including but not limited to those related to packaging (the primary anomaly involved suspected vacuum bag breakage during transportation; corresponding corrective measures were taken and improvement plans have been proposed). Of the cases eligible for customer complaint investigation, 29 were filed, 27 of which completed the response process by the end of March 2026. All customers accepted the investigation results and signed back the customer complaint response forms with no further feedback.

Year	Registered Cases Note 1	Filing Note 2
2023	38	26
2024	105	57
2025	**98**	**29**

Note 1: Registered cases: The Customer Service Division records and maintains customer complaints from various sources and evaluates whether an investigation is necessary. If no investigation is required, the reasons for not proceeding must be documented and recorded.

Note 2: Filing: For quality-related customer complaints, the Sales Division fills out the "Customer Complaint Disposition Form" and "Customer Complaint Checklist" with the details, type, and severity of the complaint to officially file a case. The Quality Assurance Division then accepts the case for investigation and coordinates with relevant units for further analysis.

Customer Complaint Procedure for Manufacturing Products



3.3 Value Chain Management

The Company views value chain management as a critical driver for achieving its corporate sustainability vision, establishing a supply chain system characterized by transparency and resilience. We have progressively integrated the principles of sustainable management into every link—from raw material procurement, manufacturing, and logistics to the customer end—to ensure the robust operation of our value chain.

We utilize diverse communication channels to conduct policy advocacy, conveying our "Anti-Corruption and Anti-Bribery" policy to suppliers. We have also established a comprehensive anonymous whistleblowing mechanism to encourage suppliers to work together in maintaining a business environment of integrity.

Meanwhile, we have implemented a risk-based supplier classification management system and performed rigorous evaluation procedures tailored to different categories of suppliers. The scope encompasses initial qualification reviews, process technologies, quality systems, and on-site audits, integrated with annual re-evaluations along with regular and ad hoc meetings for discussion and follow-up. By empowering suppliers and deepening partnerships, we strengthen the competitive advantages of our supply chain and remain committed to realizing a value chain centered on mutual growth.

Value Chain Management - Management Approach

Policies and Commitments

1. Establish long-term partnerships with suppliers through strategic collaboration.
2. We uphold environmental protection and labor safety standards by embedding risk management into our core operations, ensuring supply chain sustainability through regular audits and dynamic assessments.
3. Implement the sustainable procurement policy, commit to transparently disclosing performance in annual reports, and collaborate with partners to achieve a resilient and sustainable value chain.

Goals

Comprehensively implement supply chain management policies by deepening transparency and resilience to ensure that all links within the chain are seamlessly integrated. Build sustainable partnerships with suppliers to jointly implement climate action and social responsibility.

Sustainability Management Goals and Indicators	2026	2027	2028
ESG Self-Assessment Questionnaire Response Rate for Critical Suppliers	95%	98%	98%
Response Rate of EHS Self-Assessment Questionnaires for Key Suppliers	95%	98%	98%
Annual Qualification Evaluation of Key Suppliers (Document Review/On-site Audit)	100%	100%	100%
Guide suppliers in developing Corrective and Preventive Action (CAPA) plans based on audit results to drive improvements	100%	100%	100%

Invest Resources and Specific Actions

1. Establish a supplier sustainability assessment mechanism to conduct investigations and evaluations regarding environmental protection and labor safety, guiding partners toward sustainable development goals.
2. We advance tiered supplier management by combining regular audits with in-depth on-site technical exchanges. This approach implements rigorous compliance reviews and strengthens the operational resilience of our partners through face-to-face engagement.
3. Establish supply chain traceability mechanisms (e.g., transparency of raw material sources).
4. Execute supply chain change risk monitoring by requiring suppliers to sign and fulfill prior notification obligations. All changes undergo rigorous cross-departmental reviews and compliance statement sign-offs to mitigate potential operational risks associated with such modifications.

Grievance Mechanism

To ensure that all stakeholders can report any illegal acts, regulatory violations, or misconduct to the Company. Supplier complaints are handled in accordance with the law, confidentially and fairly, with necessary improvement or disciplinary measures taken.
• Whistleblowing and Grievance Mailbox: 885@unitedorthopedic.com • Whistleblowing Hotline: +886-2-29294567 ext. 1168

Evaluation Mechanism

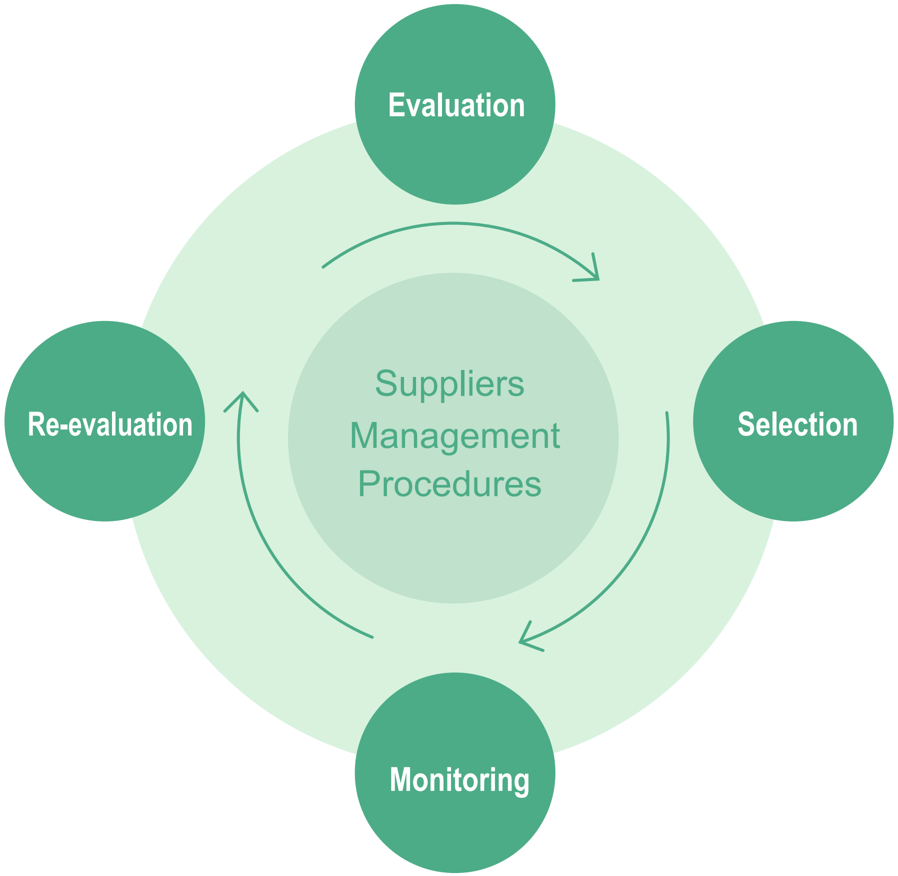
Assessment Scope: • Key suppliers (raw materials, manufacturing processes, quality systems, etc.)
• New and potential suppliers (initial qualification review)
Assessment Dimensions: • Quality: Testing capabilities, delivery rejection rate, quality system certifications, etc.
• Delivery accuracy: On-time delivery and quantity compliance.
• Process capability: Equipment specifications, manufacturing processes, etc.
• Assessment of compliance with environmental and labor safety regulations and any history of penalties

2025 Performance

1. ESG self-assessment questionnaire response rate for key suppliers reached 98.5%
2. 94.4% response rate for the EHS self-assessment questionnaire from key suppliers
3. Completion rate of 100% for the annual qualification evaluation of key suppliers (47 written reviews and 16 on-site audits).
4. 100% completion rate for supplier corrective and preventive action (CAPA) plans.

Supplier Management

The Company is committed to establishing long-term, mutually beneficial partnerships with its suppliers based on trust. By leveraging a comprehensive supplier management mechanism and rigorous selection, evaluation, and performance tracking processes, we treat price, quality, and delivery time as fundamental indicators. Furthermore, we integrate diverse dimensions—including environmental protection, labor rights, and sustainable operations—to lead supply partners in jointly implementing sustainable development, ensuring the stability and compliance of the overall value chain.



Supplier Selection and Capability Assessment

Supplier Selection and Capability Assessment Indicators

- Supplier Basic Information Survey
- Process Capability Assessment
- Quality System Assessment
- EHS Assessment
- Sustainability Assessment

Standard Selection Procedures

Supplier Qualification Assessment
Conduct a preliminary assessment of basic information, product and service scope, process capabilities, and quality management system certifications

Suppliers' signing of non-disclosure agreements
Sign the non-disclosure agreement, provide product specifications and requirements, and initiate the request for quotation (RFQ) process.

Supplier Technical and Quality Validation
Assessments are conducted based on quality specifications and technical requirements, with quality system audits performed via documentation reviews or on-site visits executed according to the supplier category.

Sample Testing and Verification
Prototyping and testing of trial production samples to ensure that supplied products meet regulatory standards

Comprehensive Decision-making Evaluation
Consolidate the results of various assessments and regulatory compliance ratings to conduct the final selection

Supplier Selection
Select the most suitable suppliers based on the evaluation results

Signing of Agreements
Completed the internal supplier approval process and the formal signing of relevant quality agreements and change notifications

Included in the approved vendor list
Register on the list of qualified suppliers to implement systematic management

Regular Performance Monitoring and Engagement
Conduct regular supplier performance evaluations and follow-up on improvements to ensure supply stability.

Annual Reassessment and Continuous Improvement
Conduct annual re-evaluations of qualified suppliers to drive continuous improvement and growth

Supplier Sustainability Assessment

Supplier Selection and Qualification Assessment

- Review the supplier's basic information, process capability evaluation forms, and quality system evaluations.
- Suppliers' corporate governance, process technology capabilities, and quality systems have met our requirements, achieving sustainable development and operational performance.

Supplier Sustainability Assessment and Monitoring

- Suppliers submit sustainability declarations and EHS evaluation forms.
- Evaluate suppliers' performance in environmental protection, occupational health and safety, and sustainable development.

Supplier Performance Assessment

United Orthopedic's primary customers are non-profit organizations such as hospitals, which demand high standards of information transparency. Consequently, the Company has established a rigorous supplier evaluation mechanism; only those who successfully pass the evaluation process are included on the list of qualified suppliers. Regular and ad hoc audits and improvement coaching are conducted in accordance with ISO standards. Supplier audit selection criteria and execution frequency are implemented in accordance with the ISO document "Supplier Quality Audit Work Instruction." The annual audit types and schedules are determined based on supplier categories—such as classes A, C, D, and G (suppliers that directly impact product quality and medical device regulatory compliance)—as well as their quality system certification status, historical quality performance, and risk levels. In 2025, a total of 247 suppliers were classified under categories A, C, D, and G. Among these, 63 suppliers underwent performance evaluations, representing an audit coverage of 25.5%.

Supplier Rating	Score	Suppliers Evaluated (Number)	Corresponding Actions
A	95 and above	47	• Prioritizing the addition of new items or the expansion of cooperation scopes and signing long-term partnership agreements
B	90 ~ 94 points	9	• Continue collaborating and exploring further partnership opportunities • Conduct regular assessments
C	85 ~ 89 points	7	• Continue tracking and request improvements where necessary • Conduct regular assessments
D	Below 85 points	0	• Implement time-bound improvements and track the results • Failure to improve will result in removal from the qualified supplier list

Supplier Performance Management

United Orthopedic classifies its suppliers into ten categories (as shown in the table below) based on the types of products supplied, implementing an annual evaluation and audit mechanism to ensure effective management. Audit plans are scheduled based on the nature and importance of suppliers, with implementation effectiveness verified through on-site or desk-based audits. For any identified deficiencies, the Company provides guidance to drive improvements. Supplier re-evaluations are conducted at the end of each year to dynamically review and update the list of qualified suppliers.

Supplier Category	Category Description
Class A	Professional manufacturers, agents, and distributors of implant raw materials, or suppliers of contact packaging materials for sterile barrier systems
Calss B	Suppliers of industry-standard or specification-compliant products
Calss C	Suppliers of outsourced machining or custom-made products for the Company
Calss D	Suppliers involved in critical and full processes manufacturing of the Company's implants
Calss E	Suppliers of production equipment, final-product logistics, and maintenance parts
Calss F	Suppliers of molds, measurement gauges, packaging materials, and R&D trial-production prototypes for the Company
Calss G	Suppliers of outsourced manufacturing for the Company's non-implant products
Calss H	Third-party laboratories
Calss I	Critical service providers to the Company
Class MS	General miscellaneous suppliers of the Company

Audit and Management

To ensure the safety and efficacy of final products, the Company has established multifaceted monitoring and audit procedures. By integrating supplier performance reports, annual re-evaluations, environmental, health, and safety (EHS) reviews, testing of key materials and quality system audits for implants, and sustainable development initiatives, the Company has built a rigorous management mechanism. Regular and ad hoc audits are conducted on qualified suppliers to maintain supply quality. If a supplier scores below 85 points for three consecutive evaluations or maintains an average annual score below 85, the Company initiates corrective and preventive action (CAPA) procedures. This requires the supplier to propose improvement strategies within a specified timeframe and involves tracking the effectiveness of such optimizations to ensure continuous supply chain compliance.

Sustainable Procurement Policy

The Company implements a sustainable procurement policy by continuously monitoring and dynamically evaluating suppliers' labor safety and environmental awareness. By ensuring that all product and service deliveries meet superior quality standards and comply with regulatory requirements, the Company strengthens supply chain resilience and fulfills its commitment to sustainable operations across the value chain.

In 2025, the domestic and foreign procurement ratios for raw materials will be 16% and 84%, respectively. The primary materials to be procured include ceramic ball heads, bars, plastic bars, and ingots.

Region	Ratio	Materials	Region
Domestic procurement[Note]	16%	Titanium alloy bars	Taiwan
		Cobalt-chromium-molybdenum bars	Taiwan
		Stainless steel bars	Taiwan
Foreign Procurement	84%	Ceramic ball heads	Germany
		Cobalt-chromium-molybdenum bars	United States
		Cobalt-chromium-molybdenum casting ingots	United States
		Plastic bars	Europe (UK, Germany) & USA
		Titanium alloy bars	Europe (Italy) & USA
		Titanium alloy powder	Germany
		Titanium alloy beads	United States
		Cobalt-chromium-molybdenum beads	United States
		HA powder for thermal spraying	Germany

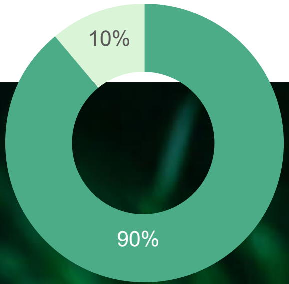
Note: Domestic suppliers refer to companies or their agents registered in the Republic of China (Taiwan) that are required by regulation to issue Uniform Invoices for payment and adhere to domestic procurement procedures and regulations

Supporting Local Procurement

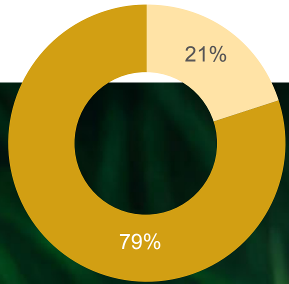
By localizing our supply chain, we empower local partners through capability building and reduce cross-border logistics distances, thereby lowering transportation carbon footprints. We are gradually expanding the scale of local procurement and deepening strategic cooperation with local partners. In 2025, the Company collaborated with a total of 718 suppliers, 644 of which were local suppliers (approximately 90%), while 74 were foreign suppliers. This demonstrates that the Company has established a strong foundation for localized procurement.

In terms of procurement value, foreign suppliers accounted for approximately 79%. This is primarily because high-unit-price key raw materials (such as ceramic ball heads, cobalt-chromium-molybdenum materials, and plastic rods) are still sourced from a limited number of international suppliers, leading to a discrepancy between the proportion of the number of suppliers and their share of the total procurement value.

Region	Number of Suppliers	Supplier Distribution by Region	Purchase Amount (NTD)	Share of Procurement Amount
Domestic	644	90%	246,254,431	21%
Overseas	74	10%	928,030,392	79%
Total	718	100%	1,174,284,823	100%



Suppliers
Domestic Overseas



Procurement Amount
Domestic Overseas

Operations-oriented Green Procurement Practices

Given that direct raw materials for orthopedic implants must prioritize medical safety, quality, biocompatibility, and regulatory compliance, the Company's current green procurement initiatives focus primarily on non-product direct materials, including operational support items and energy-saving equipment. These encompass facility equipment, energy efficiency enhancement systems, and office and packaging supplies with environmental labels.

Regarding supplier management, the Company continues to strengthen supplier qualification reviews and cooperation management in accordance with supplier evaluation and quality management requirements. Furthermore, environmental friendliness and energy-saving benefits have been gradually incorporated into certain procurement decision-making considerations. In 2025, the Company will continue to introduce inverters, explosion-proof LED lights, uninterruptible power supply (UPS) systems, and eco-labeled products such as energy-saving computer equipment, air conditioning systems, and cardboard boxes to gradually enhance resource efficiency and promote environmentally friendly procurement. In the future, we will continue to evaluate extending our green procurement philosophy to more packaging materials, consumables, and supply chain management processes, provided that regulatory compliance, quality, and patient safety requirements are met.

Operational Support Green Procurement (NTD)	2023	2024	2025
• Inverter • Explosion-proof LED lighting • UPS uninterruptible power systems • Eco-labeled products (energy-efficient and eco-friendly computer equipment, air conditioning systems, and paper boxes)	520,180	707,311	367,628

04

Social Inclusion

4.1 Workforce Overview

United Orthopedic embraces the values of diversity and inclusion, striving to foster a fair, safe, and inclusive workplace. As of the end of 2025, the total workforce reached 792 employees, spanning diverse functions such as operations, R&D, sales, and management, and reflecting a broad spectrum of gender, age, and professional backgrounds.

Employee Gender Statistics

Item	2023			2024			2025		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Permanent Employees	261	370	631	265	362	627	307	395	702
Number of Temporary Employees (Contracted)	5	43	48	6	50	56	7	83	90
Number of Full-Time Employees	266	413	679	271	412	683	314	478	792
Total Number of Full-time and Part-time Employees	266	413	679	271	412	683	314	478	792
Percentage	39.18%	60.82%	100%	39.68%	60.32%	100%	39.65%	60.35%	100%

Note: The above statistics cover data from the parent company in Taiwan.
Note: Employee gender statistics include an "Other" option; however, as no employees currently identify as such, this category is not presented separately.
Note: The Company does not have any "non-guaranteed hours employees" or "part-time employees"; therefore, these categories are not presented separately.

Employee Distribution by Region

Item	2023					2024					2025				
	Taiwan	United States	Europe	Japan	Total	Taiwan	United States	Europe	Japan	Total	Taiwan	United States	Europe	Japan	Total
Number of Permanent Employees	699	24	37	15	775	695	29	51	25	800	768	33	61	37	899
Number of Temporary Employees (Contracted)	48	0	0	0	48	56	0	0	0	56	90	0	0	0	90
Number of Full-Time Employees	747	24	37	15	823	751	29	51	25	856	858	33	61	37	989
Total Number of Full-time and Part-time Employees	747	24	37	15	823	751	29	51	25	856	858	33	61	37	989
Percentage	90.77%	2.92%	4.50%	1.82%	100%	87.73%	3.39%	5.96%	2.92%	100%	86.75%	3.34%	6.17%	3.74%	100%

Note: The aforementioned statistics encompass the parent company in Taiwan and all domestic and overseas subsidiaries worldwide.
Note: The Company does not have any "non-guaranteed hours employees" or "part-time employees"; therefore, these categories are not presented separately.
Note: Following internal sustainability information verification and review procedures, the total sums for certain items in 2023 and 2024 were found to be miscalculated and have been corrected.

Employee Age Distribution

Item	2023				2024				2025			
	Under 30	Aged 31-49	50 and over	Total	Under 30	Aged 31-49	50 and over	Total	Under 30	Aged 31-49	50 and over	Total
Number of Permanent Employees	100	447	84	631	92	453	82	627	112	501	89	702
Number of Temporary Employees (Contracted)	20	27	1	48	22	34	0	56	37	53	0	90
Number of Full-Time Employees	120	474	85	679	114	487	82	683	149	554	89	792
Total Number of Full-time and Part-time Employees	120	474	85	679	114	487	82	683	149	554	89	792
Percentage	17.67%	69.81%	12.52%	100.00%	16.69%	71.30%	12.01%	100.00%	18.81%	69.95%	11.24%	100.00%

Note: The above statistics cover data for the parent company in Taiwan.

Employee Information by Job Level

Item	2023			2024			2025		
	Managerial	Non-managerial	Total	Managerial	Non-managerial	Total	Managerial	Non-managerial	Total
Number of Permanent Employees	105	574	679	115	568	683	78	624	702
Number of Temporary Employees (Contracted)	0	0	0	0	0	0	0	90	90
Number of Full-Time Employees	105	574	679	115	568	683	78	714	792
Total Number of Full-time and Part-time Employees	105	574	679	115	568	683	78	714	792
Percentage	15.46%	84.54%	100.00%	16.84%	83.16%	100.00%	9.85%	90.15%	100.00%

Note: The above statistics cover data for the parent company in Taiwan.
Note: Managerial positions: Refers to supervisors who are actively engaged in personnel management and hold administrative authority and responsibilities

Definitions of Employee Job Levels and Functions

Item	Job Level/Function	Title	Number of People	Percentage
Employee Job Level	Junior Manager	Team Leader	50	6.3%
	Middle Manager	Manager, Associate Vice President	20	2.5%
	Senior Manager	Director and Above	8	1.0%
	Total		78	9.8%
Employee Function	Professional	Non-managerial and administrative	599	75.6%
	Administrative	Senior Management Specialist, Management Specialist, Assistant Management Specialist	115	14.5%
	Managerial	Manager	78	9.9%
	Total		792	100%

Note: The above statistics cover data for the parent company in Taiwan.

Employee Diversity Indicators

The Company is committed to fostering a diverse and inclusive workplace. Beyond gender and age, we value diversity in educational backgrounds by hiring talent across various academic levels—including associate, bachelor's, and master's degrees and above. This approach reflects a broad spectrum of knowledge and skill sources. We implement recruitment and promotion systems oriented toward ability and potential, avoiding the use of a single academic credential as the sole evaluation criterion to ensure that talent from all backgrounds has access to equitable development opportunities.

2025		Job Level Classification								Function Classification						Diversity Category Subtotal
Employee Category / Diversity Categories		Non-managerial		Junior Management		Middle Management		Senior Management		Professional		Administrative		Management		
Gender	Biological male	427	53.9%	35	4.4%	11	1.4%	5	0.6%	403	50.9%	24	3.0%	51	6.5%	478
	Biological female	287	36.3%	15	1.9%	9	1.1%	3	0.4%	196	24.7%	91	11.5%	27	3.4%	314
Age	Under 30	148	18.7%	0	0%	0	0%	0	0%	124	15.7%	24	3.0%	0	0%	148
	Age 31-49	509	64.3%	37	4.7%	12	1.5%	0	0%	424	53.5%	85	10.7%	49	6.2%	558
	50 and over	57	7.2%	13	1.6%	8	1.0%	8	1.0%	51	6.4%	6	0.8%	29	3.7%	86
Subtotal by Employee Category		714	90.2%	50	6.3%	20	2.5%	8	1.0%	599	75.6%	115	14.5%	78	9.9%	792

Note: The above statistics cover data for the parent company in Taiwan.

Other Diversity Indicators

2025		Job Level Classification								Function Classification					
Employee Category		Non-managerial		Junior Management		Middle Management		Senior Management		Professional		Administrative		Management	
Other Diversity Indicators	Foreign nationalities	75	9.5%	0	0%	0	0%	0	0%	75	9.5%	0	0%	0	0%
	People with disabilities	6	0.8%	0	0%	0	0%	0	0%	6	0.8%	0	0%	0	0%
	Indigenous peoples	8	1.0%	0	0%	0	0%	0	0%	8	1.0%	0	0%	0	0%

Note: The above statistics cover data for the parent company in Taiwan.

Non-Employee Workers

Category	2024	2025
Intern	0	1
Janitorial staff	7	7

Note: Non-employee workers: Non-employee workers refers to individuals who work for the organization but do not have a direct employment relationship with it, such as cleaners, security guards, or contractor employees from staffing

New Hire Rate

New hires	2023				2024				2025			
	Male	Female	Total New Hires	New Hire Rate (%)	Male	Female	Total New Hires	New Hire Rate (%)	Male	Female	Total New Hires	New Hire Rate (%)
Under 30	59	28	87	81	24	21	45	38	53	25	78	59
Aged 31-49	66	40	106	23	44	30	74	15	62	52	114	22
50 and over	2	0	2	2	3	0	3	4	10	3	13	15
Total	127	68	195	30	71	51	122	18	125	80	205	28

Note: The above statistics cover data for the parent company in Taiwan.
Note: New hire rate = total number of new hires / average total number of employees for the year; average total number of employees for the year = (total number of employees at the beginning of the period + total number of employees at the end of the period) / 2, where the total number of employees at the beginning of the period was the total number of employees at the end of 2024 (683)

Employee Turnover Statistics

Departing Employees	2023				2024				2025			
	Male	Female	Total Departures	Turnover rate (%)	Male	Female	Total Departures	Turnover rate (%)	Male	Female	Total Departures	Turnover rate (%)
Under 30	23	17	40	37	15	11	26	22	16	6	22	17
Aged 31-49	50	25	75	17	44	32	76	16	42	30	72	14
50 and over	5	2	7	8	10	3	13	16	7	5	12	14
Total	78	44	122	19	69	46	115	17	65	41	106	14

Note: The above statistics cover data for the parent company in Taiwan.
Note: Turnover rate = Total number of departures / Annual average headcount; Annual average headcount = (Total headcount at the beginning of the period + Total headcount at the end of the period) / 2, where the total headcount at the beginning of the period was the total headcount at the end of 2024 (683)

Category	2023					2024					2025				
	Male	Female	Total	Total Number of Employees	Employee turnover rate (%)	Male	Female	Total	Total Number of Employees	Employee turnover rate (%)	Male	Female	Total	Total Number of Employees	Employee turnover rate (%)
Voluntary Turnovers	63	40	103	679	15.2%	58	41	99	683	14.5%	57	41	98	792	13.3%
Involuntary Turnovers	15	4	19		2.8%	11	5	16		2.3%	5	0	5		0.7%

Note: The above statistics cover data for the parent company in Taiwan.
Note: Turnover rate = Total number of departures / Annual average headcount; Annual average headcount = (Total headcount at the beginning of the period + Total headcount at the end of the period) / 2, where the total headcount at the beginning of the period was the total headcount at the end of 2024 (683)

4.2 Employee Training and Development

United Orthopedic is committed to providing a favorable working environment, robust management systems, and transparent communication channels and grievance mechanisms to protect the rights and interests of its employees. Meanwhile, we continue to promote gender equality policies, prioritizing fair promotion opportunities and career development for all talent. We encourage employees to pursue continuous learning and self-improvement, leveraging a comprehensive training system and transparent promotion channels to attract and retain outstanding professionals who share our vision. In 2025, total employee training hours reached 23,821, with training expenses amounting to NT$ 5.59 million. The training programs covered onboarding, professional skills, management competencies, ESG sustainability knowledge, and workplace safety. By providing these comprehensive learning resources, the Company strengthened its overall human capital competitiveness.

	Employee Training and Development - Management Approach
Policies and Commitments	**Education, Training, and Development Policy and Commitment** We are committed to promoting the concept of "Caring for Every Step," emphasizing the importance of clarifying the upstream and downstream interconnections between organizational functions throughout our business operations, while providing appropriate support and attention at every operational milestone. To this end, we commit to the following: • **Systematic Training Design:** Based on the needs of various functions, we have established a training system that encompasses process establishment, continuous improvement, quality assurance review, and performance management. • **A Culture of Learning for All:** Encourage employees at all levels to take the initiative in learning and growth, strengthening cross-departmental understanding and collaboration. • **Focus on Practical Results:** The training program emphasizes the application of learning alongside knowledge transfer, ensuring that training outcomes are tangibly translated into daily operations and performance improvements. • **Continuous Improvement and Feedback Mechanism:** Through regular reviews and internal feedback, the content and delivery of education and training are continuously optimized to ensure they evolve in alignment with organizational development. We believe that only by attending to every detail and every stage can we foster robust, sustainable organizational learning and competitiveness.
Goals	**Short-term Goals:** The completion rates for core competency, professional competency, and regulatory training reached 100%, while the completion rates for management, general education, and competency-based training reached 98%. **Mid- and Long-term Goals:** 1. Implement Manpower Assessments to Maximize the Value of Human Resources 2. Effectively cultivate talent and ensure optimal placement to enhance corporate competitiveness 3. Integration of Organizational Functions and Establishment of Management Mechanisms 4. Establish employee learning maps
Invest Resources and Specific Actions	To strengthen employee professional development and the organization's talent competitiveness, the Company continues to invest in educational resources and actively promotes systematic training and development programs. To address the training needs of various positions and career stages, we have established a "training framework" that clearly distinguishes between pre-employment and on-the-job training, providing employees with a clear and actionable learning blueprint. Pre-employment training introduces corporate culture, institutional regulations, and professional skills courses to help new employees quickly integrate into the team and acquire the fundamental capabilities required for their roles. On-the-job training covers advanced learning content, such as general competencies, professional skills, and management competencies for supervisors, supporting employees' growth needs at different stages of their careers.
Grievance Mechanism	Internal: Non-conformity reporting procedures, labor-management meetings, employee opinion boxes, and internal website announcements External: Company website, E-mail, telephone, and whistleblowing channels
Evaluation Mechanism	• Internal Audit Report • Management Review Meeting
2025 Performance	1. Completion rates for basic, professional, and regulatory education and training all reached 100%. 2. The completion rates for management, general education, and functional competency training reached 100%, 99%, and 93%, respectively. 3. Employees averaged 26.7 training hours, while senior executives averaged 53.5 training hours.

Education and Training Planning

The Company has established a "training framework" tailored to the training needs of employees at various stages and positions. This framework provides clear learning paths that serve as the blueprint for talent cultivation. Through these talent development mechanisms, the Company aims to facilitate strategic execution and promote sustainable development. The framework comprises pre-employment training and on-the-job training:

Pre-employment training: New employees are provided with courses on corporate culture, institutional regulations, and the technical knowledge and operational skills required for their specific job functions, helping them integrate into the organization quickly.

On-the-job training: Includes common competency training covering employees' basic competencies, as well as training programs for managerial roles covering planning, leadership, decision-making, coaching, and the integration of organizational resources.

In addition, the Company has introduced a digital learning platform and external professional resources to foster a culture of diverse, self-directed learning and to strengthen employees' momentum for continuous learning.

	Code	Job Title	Training programs
On-the-job training	A	Vice President Director	• Strategic Planning • Operational Management • Risk Management • Negotiation Skills • Innovative Thinking • Leadership and Management • Corporate Governance • Investment Management • Talent Development
On-the-job training	B	Associate Vice President Manager	• Leadership and Management • Communication Skills • Problem Analysis and Resolution • Performance Management • Knowledge Management and Experience Transfer • Labor laws and regulations • Interview Skills • Reading and Analysis of Financial Statements • Budget Management • Company Product Overview Level 2
On-the-job training	C	Project Manager Section Manager Team Leader	• Project Management • Communication Skills • Problem Analysis and Resolution • Performance Management • Knowledge Management and Experience Transfer • Labor laws and regulations • Interview Skills • Company Product Overview Level 2
On-the-job training	D	Senior Specialist Senior Engineer Senior Management Specialist	• Emotional Management • Teamwork • Workplace Ethics and Interpersonal Relationships • Presentation Skills • Knowledge Management and Experience Transfer • Company Product Overview Level 1
On-the-job training	E	Specialist / Assistant Specialist Engineer / Assistant Engineer Management Specialist / Assistant Management Specialist	• Emotional Management • Teamwork • Workplace Ethics and Interpersonal Relationships • Company Product Overview Level 1
Pre-employment training		New hires	• New Employee Orientation Training • Easyflow Form Operation Training • Information system (platform) operations • Information Security • Occupational health and safety matters • Prevention of Workplace Violence and Sexual Harassment • Knowledge of the Personal Data Protection Act • Employee Expense Reimbursement Training • New Employee Orientation and Training • Professional Competency Induction Training

Category	Course Type	2025 Achievement Rate	Training Participants	Actual Number of Participants	Total Expenditure in 2025 (NTD Thousand)	Total Number of Training Sessions in 2025	Total training hours (sum of participants per session * session hours)
Core Competencies	Mandatory / with assessment / online and in-person	100%	New hires / All employees	536	0	1,207	4,386
Professional Competencies	Mandatory / practical exercise or assessment / in-person	100%	New hires / designated new-training employees	178	200	1,253	10,838
Business Management	Reflection report or questionnaire / in-person	100%	Managerial	91	869	102	1,968
General education courses	Assessment or reflection report / online and in-person	99%	General employees	402	0	244	3,066
Laws and Regulations	Mandatory / assessment or reflection report / online and in-person	100%	Employees with special qualification requirements	718	135	35	2,806
Competency Needs	Assessment, reflection report, or retraining / online and in-person	93%	Employees of all departments	25	307	35	158

Training Course/Awareness Program	Number of Trainees	Total Training Hours
Insider Trading Prevention Training	707	353
Procedures for Ethical Management and Guidelines for Conduct	92	15
Social Media Usage Guidelines	434	72
Sexual Harassment Prevention Training	207	103

Training Investment Overview

Item	By Gender		Managerial		Non-managerial	
	Male	Female	Male	Female	Male	Female
Average Training Hours per Person in 2025 (Employees)	30.6	22.8	28.2	27.1	30.9	22.3
Average Training Hours per Person in 2025 (Senior Management)	55.7	51.3	N/A	N/A	N/A	N/A

Note: Explanation for the difference in average training hours between male and female employees: (1) the proportion of male employees is higher than that of female employees (the number of males is 1.6 times that of females); (2) direct personnel, who undergo more professional competency training hours, are predominantly male (the number of males is twice that of females), resulting in the difference in average training hours between genders.

Quality Management Training

Quality is a fundamental core value of the Company. United Orthopedic values its employees' embodiment of quality and upholds the spirit of "**doing it right the first time**." Consequently, the Company has established comprehensive education and training programs for quality management.

Course Category	Number of Trainees (Person-times)	Course Hours (Hours)
Core Competencies	5,410	4,386
Professional Competencies	1,308	10,838
Business Management	189	1,968
General education courses	1,067	3,224.6
Laws and Regulations	1,983	2,806
Annual Total	9,957	23,222.6

Quality engineering personnel provide the following training courses:

	New hires	On-the-job training
Quality control inspectors	1. Adopts a one-on-one mentorship training model 2. A six-week comprehensive training program is provided, including: • Operation of testing instruments • Product Testing Technology • Quality Control Standard Operating Procedure • Understanding Medical Devices and Quality Standards	1. Conduct multi-skill training and technical competency assessments for personnel on a regular basis each year 2. Ad hoc training on new products and newly developed measurement techniques is conducted to ensure that inspection personnel maintain and continuously refine their technical capabilities.
Quality Assurance Engineer	1. Dedicated personnel are assigned to conduct training for each subject under the professional functional training plan. 2. Provide a three-month observational training program, including • Testing Instrument Operating Techniques • Quality Planning and Control Procedures • Engineering Symbol Recognition • Proficiency in geometric dimensioning and tolerancing, development of inspection technologies, and quality system operating procedures 3. Upon successful completion of the training and evaluation, personnel may begin independent operations and assume responsibility for medical device production and quality control.	1. The Quality Assurance Department holds monthly sharing sessions for "Improvement Projects." 2. Designate personnel responsible for document standardization to continuously enhance workflows and professional expertise. 3. Implemented on an ad hoc basis: • New Internal Products • Training on New Measurement Technologies • Quality System and Internal Auditor Training • Participate in external seminars or training sessions on medical device regulations and international standards 4. Ensure that quality assurance engineers maintain their engineering knowledge and technical skills to achieve continuous improvement. 5. Host annual Quality Control Circle (QCC) activities to continuously refine the quality improvement techniques and mindsets of frontline personnel.

Education and Training at Each Plant

Internal/ External	Course Name	Organizer	Participants	Number of Trainees (person-times)	Training Hours (hours)
Internal	On-the-Job Occupational Safety and Health Training Courses	Occupational Safety and Health Department	All personnel	667	1.5
	ISO 13485: 2016 Internal Auditor Training Course	Quality Assurance Department	Internal Auditor	27	3
	ISO 14064-1 Greenhouse Gas Inventory Internal Auditor Training Course	Occupational Safety and Health Department	Internal Auditor	14	6
	Titanium Fire Response and Prevention	Occupational Safety and Health Department	Personnel in titanium machining or titanium process planning and design	166	1
	UQP-14-2032_Periodic Training on Product Recall Procedures	Quality Assurance Department	Product Recall Personnel	29	1
External	Dengue Fever Prevention Officer Training for (Designated Public/Private Premises) in Kaohsiung City	Kaohsiung City Health Bureau	Occupational health personnel	1	3
	Solid Edge Training	NST Technology Inc.	R&D Engineer	10	21
	Training Course on Medical Device Manufacturing Process Validation Concepts and Methods	Industrial Technology Research Institute	R&D Engineers and Regulatory Affairs Engineers	5	7
	Medical Device Sterilization and Packaging Validation and Report Acceptance	Industrial Technology Research Institute	Regulatory Engineer	2	6
	ISO 11135 Medical Device EO Sterilization Planning and Packaging Design Practices	Industrial Technology Research Institute	Regulatory Engineer	2	6
	Medical Device Moist Heat Sterilization Process Planning - ISO 17665 Standard and Practice	Industrial Technology Research Institute	Management specialists	2	6
	Medical Device Radiation Sterilization Process Planning - ISO 11137 Standard and Practice	Industrial Technology Research Institute	R&D Engineer	1	6
	Medical Device Ethylene Oxide (EO) Sterilization Process Planning Training Course - ISO 11135 Standards and Practices	Industrial Technology Research Institute	R&D Engineer	1	6
	Compliance Planning and Validation for the New Moist Heat Sterilization Standard	Plastics Industry Development Center	Regulatory Engineer	1	6
	ISO 13485 Medical Device Quality Management System Foundation Course	Center for Measurement Standards, Industrial Technology Research Institute	Regulatory Engineer	5	7
	ISO 10993 Medical Device Biocompatibility and Biological Testing Requirements and GLP Good Laboratory Practice	Industrial Technology Research Institute	Regulatory Engineer	2	6

Internal/ External	Course Name	Organizer	Participants	Number of Trainees (person-times)	Training Hours (hours)
External	IEC 62304 Medical Device Software - Software Life Cycle Processes	Industrial Technology Research Institute	Regulatory Engineer	1	6
	2025 International Medical Device Regulatory Conference	Food and Drug Administration, Ministry of Health and Welfare	Regulatory Engineer	1	4.5
	Practical Writing of Clinical Evaluation Reports (CER) for Medical Devices	Industrial Development Administration, Ministry of Economic Affairs	Regulatory Engineer	2	14
	Medical Device Microbiological Testing and Laboratory Management Training: ISO 11737 Standards and Practices	Industrial Technology Research Institute	Regulatory Engineer	2	6
	EU General Safety and Performance Requirements (GSPR) and Technical Documentation Structure for Medical Devices	Industrial Technology Research Institute	Regulatory Engineer	2	6
	ISO 14971: 2019 Application of Risk Management to Medical Devices	Industrial Technology Research Institute	R&D engineers, regulatory affairs engineers, and administrative specialists	7	6
	EU Medical Device Regulation (MDR) - Clinical Evaluation Workshop	DNV Training Academy	Regulatory Engineer	1	6
	Medical Device Process Validation and Case Studies	Industrial Technology Research Institute	R&D Engineer	1	6
	ISO 10993 Medical Device Biocompatibility: Standards and Regulatory Analysis	Industrial Technology Research Institute	R&D Engineers and Regulatory Affairs Engineers	3	6
	Practical Planning and Execution of Medical Device Clinical Trials	Industrial Technology Research Institute	Regulatory Engineer	2	6

Competency Development

Employees' competency development is planned through different training courses tailored to the operational needs of each plant. Each department also conducts internal training according to its assigned responsibilities and may, based on internal vacancy needs, seek suitable employees across departments for job rotation and learning. Upon onboarding or job transfer, appropriate and diverse competency training is arranged according to the job content, and learning outcomes are confirmed within a defined period—for example, through classroom training and hands-on equipment operation. In addition, after employees have served in their roles for a certain period, the Company arranges timely competency assessments to verify learning outcomes and provides other ad hoc training to enhance professional competencies.

External Training (person-times)	219			
Average Hours (hrs)	9.3			
Course Category	**Course Name**	**Number of Trainees**	**Number of Sessions**	**Course Hours**
Competency Training	Training related to the requirements of each competency	219	219	2,042

4.3 Talent Attraction and Retention

Human Rights Policy and Management

To protect the basic human rights of employees and foster an environment where human rights are fully safeguarded, United Orthopedic recognizes and supports the spirit and fundamental principles of human rights protection as set forth in international human rights conventions, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, and the International Labour Organization (ILO) standards. The company fulfills its responsibility to respect and protect human rights and strictly adheres to the labor-related laws and regulations of its operating locations. We ensure that employees are not subject to any differential treatment or discrimination based on gender, sexual orientation, race, social class, age, marital status, family status, language, ideology, religion, political affiliation, nationality, appearance, facial features, or physical or mental disability, thereby providing a dignified, safe, equal, and harassment-free workplace environment.

The Company has established the "Measures for the Prevention, Correction, Complaint, and Punishment of Sexual Harassment in the Workplace" and formed a "Sexual Harassment Grievance Committee" to handle sexual harassment incidents. Committee members are appointed or selected by the President from among the Company's current employees on a case-by-case basis. These members must include professionals with gender awareness, and at least half of the committee members must be female. The Company provides multiple grievance channels to ensure that employees who encounter workplace sexual harassment can receive appropriate assistance. In 2025, a total of 71 person-times of participation were recorded for the Company's educational training courses on the Sexual Harassment Prevention Act, with a total of 24 training hours completed. To protect employees from physical or mental harassment while performing their duties, the Company explicitly prohibits workplace violence and has formulated a "Prevention Plan for Unlawful Infringement during the Performance of Duties" in accordance with the law. The Company has established reporting and grievance channels for workplace violence to foster a safe, dignified, non-discriminatory, mutually respectful, and inclusive workplace culture, ensuring the physical and mental well-being of all employees. In 2025, the Internal Audit Office conducted audits of labor-related matters, including overtime hours, overtime pay, working hours, leave compensation, and the convening of labor-management meetings. The audit results indicated that all operations were conducted in accordance with regulations, with no material violations of labor rights or human rights, such as child labor or discrimination. Additionally, an incident occurred during the year in which an employee worked overtime without filing a claim, resulting in a fine by the competent authority. The company has since revised the relevant provisions of the "Personnel Management Policies" and strengthened internal communication to enhance legal compliance and prevent similar recurrences.

The Company has established the "Regulations for the Prevention, Complaint, and Disciplinary Measures of Sexual Harassment in the Workplace" to provide a work and service environment free from sexual harassment for employees, dispatched workers, and job seekers. These regulations are communicated via internal system announcements, and the Company provides accessible channels for inquiry, such as internal public information folders and online training platforms. Furthermore, employees are required to pass online tests following sexual harassment prevention education and training. The policy mandates that supervisors at all levels shall not use sexual demands, sexually suggestive remarks, or gender-discriminatory behavior toward subordinates, between colleagues, or toward job seekers. Such actions are prohibited if they create a hostile, coercive, or offensive work environment, infringe upon or interfere with personal dignity and freedom, or affect work performance. Additionally, supervisors are strictly prohibited from using explicit or implicit sexual demands, sexually suggestive remarks, or gender-discriminatory behavior as a quid pro quo for the establishment, continuation, modification, distribution, assignment, remuneration, performance evaluation, promotion, demotion, or any reward or punishment related to labor contracts.

United Orthopedic Corporation Statement on the Prevention of Unlawful Infringement in the Workplace: All employees of the Company share the responsibility of maintaining a work environment free from unlawful infringement. Anyone who witnesses or hears of an incident involving unlawful infringement in the workplace may immediately file a complaint through the following channels based on the nature of the conduct:

- Physical, psychological, and verbal violence: EHS Department (ext. 2310), 885@unitedorthopedic.com and opinion box.
- Sexual harassment and stalking: Administrative Department (Ext. 2207), 885@unitedorthopedic.com and opinion box.

Category	United Orthopedic Policies
Employee Integrity and Ethics Measures	Ethical Management Operating Procedures and Code of Conduct / Insider Trading Prevention Education and Training / Social Media Usage Guidelines
Labor Rights Protection Policies and Measures	Personnel Management Policies
Gender Equality Policies	Measures for the Prevention, Complaint, and Discipline of Workplace Sexual Harassment
Feedback Mechanism Measures	Opinion Box Management Measures

Sexual Harassment Prevention Policies	Number of Whistleblowing Reports Received			Conclusion Summary
	2023	2024	2025	
Measures for the Prevention, Complaint, and Discipline of Workplace Sexual Harassment	1	1	1	• The respondent was dismissed in 2023 • The respondent received a demerit in 2024 • The complaint was not substantiated in 2025

Diverse Employee Benefits

- Language training subsidy: The maximum annual subsidy is NT$10,000
- Early Retirement System: Employees whose combined years of service and age total 65 or more may voluntarily apply for retirement.
- The start date of maternity leave following childbirth shall be calculated starting from the first working day after delivery

Benefit Item	Applicable to full-time employees	Applicable to contract employees	Number of Subsidies in 2025 (person-times)	Subsidy Amount in 2025 (NTD)
Parental leave	✓	✓	8	-
Record-breaking bonuses and gifts	✓	✓	1,422	2,989,317
Retirement Plan	✓	✓	2	962,322
Employee Bonuses and Subscription for Capital Increase	✓		752	94,802,779
Travel allowances	✓	✓	482	1,921,400
Holiday bonuses and gift boxes	✓	✓	2,155	1,724,000
Marriage Allowance	✓	✓	10	36,000
Bereavement allowance	✓	✓	32	67,200
Childbirth subsidies	✓	✓	9	27,000
Hospitalization Grant	✓	✓	15	18,000
Social gathering	✓	✓	1,060	617,181
Birthday Celebrations	✓	✓	731	731,000
Family Day	✓	✓	1,100	3,782,007
Referral Bonus	✓	✓	19	57,000
Performance bonus	✓	✓	2,066	103,306,371
Year-end party bonus	✓	✓	635	5,058,200

Note: Record-high revenue bonus: In months where consolidated revenue reaches a record high, current employees are granted a one-day salary bonus and a gift
Note: 2025 dividends are expected to be distributed in August 2026.
Note: The Company provides dedicated lactation rooms at its Taipei office, Hsinchu plant, and Kaohsiung plant

- Subsidies for the use of company products purchased out-of-pocket:
1. The user is an active employee or a first-degree relative (including blood relatives and relatives by marriage): a subsidy of NT$ 10,000 is provided
2. Users who are second- or third-degree relatives of current employees (including blood relatives and relatives by marriage): A subsidy of NT$5,000

Family Day

Parental Leave Statistics

In accordance with the Gender Equality in Employment Act and the Regulations for Implementing Unpaid Parental Leave for the Purpose of Raising Children, the Company grants employees the right to apply for unpaid parental leave. Employees who have completed six months of service may apply for such leave before their child reaches the age of three. Upon the expiration of the leave period, the Company arranges for employees to return to their original department and position, providing relevant training and guidance to assist them in reacquainting themselves with their work responsibilities.

Item	2024			2025		
	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave in the current year (A)	19	20	39	16	15	31
Number of employees who actually took parental leave in the current year (B)	4	7	11	3	5	8
Number of employees expected to return from parental leave during the year (C)	2	7	9	3	5	8
Actual number of employees who applied for reinstatement in the current year (D)	2	7	9	3	4	7
Number of employees who returned to work in the previous year (E)	1	3	4	2	7	9
Number of employees who remained employed for one year after reinstatement in the previous year (F)	0	2	2	1	6	7
Application rate (B/A)	21%	35%	28%	19%	33%	100%
Return-to-work rate (D/C)	100%	100%	100%	100%	80%	88%
Retention rate (F/E)	0%	67%	50%	50%	86%	78%

Pay Equity and Remuneration Policy

United Orthopedic recognizes that employees are central to its sustainable development and is committed to establishing a fair, competitive remuneration and benefits system that addresses their needs. The Company adheres to the principle of pay equity. Employee remuneration is determined based on job responsibilities, professional competence, performance, and market benchmarks, ensuring no unreasonable discrimination based on gender, age, ethnicity, or other personal backgrounds. Through diverse compensation, incentives, and employee care initiatives, the Company supports the long-term development and overall well-being of its workforce.

1. Pay Equity and Fair Remuneration

United Orthopedic provides a fair and reasonable remuneration system. Salaries are determined based on employee performance, job requirements, and market compensation levels to ensure that employees receive equitable pay for equivalent roles and performance. The Company continues to review the appropriateness of its remuneration system to prevent unjustified pay disparities, while promoting fairness and consistency in compensation management through regular salary surveys and gender pay gap assessments.

- **Pay Equity Principles:** Regularly review the remuneration system and market salary levels to ensure that compensation remains externally competitive and internally equitable.
- **Gender Pay Gap Review:** Continue to monitor gender pay gaps to ensure equal compensation for equivalent work contributions.

2. Total Rewards and Benefits Protection

In addition to providing statutory benefits such as labor insurance, national health insurance, and pension contributions, United Orthopedic designs diverse and competitive remuneration and benefit programs tailored to employee needs and market trends to enhance overall employee well-being and retention. These measures include year-end bonuses, performance bonuses, various allowances, and welfare benefits such as health examinations, parental leave, and employee outings, as the Company continues to foster a work environment that balances professional development with quality of life.

- **Bonuses and allowances:** Year-end and performance bonuses are distributed based on individual work performance and the Company's operating results.
- **Comprehensive benefits:** We offer health checkups, parental leave, employee trips, and other benefits to support employees' physical and mental well-being and work-life balance.

3. Incentive Mechanisms and Employee Development

To encourage employees to grow alongside the Company, United Orthopedic has established a performance management and reward mechanism and provides competitive remuneration incentives based on employees' work performance, professional expertise, and contributions to the Company. Furthermore, the Company prioritizes employee career development, assisting staff in continuously enhancing their skills and market value through regular performance appraisals, professional training programs, and internal promotion opportunities.

- **Performance Evaluation:** Employee performance evaluations are conducted annually, with compensation and bonuses adjusted based on the results.
- **Career Development:** Provide regular professional development courses and internal promotion opportunities to support employees' long-term career growth.

4. Employee Care and Support Measures

United Orthopedic upholds a people-oriented philosophy, prioritizing the physical and mental well-being of our employees and the quality of the work environment. Through a wide range of employee care initiatives, we foster a safe, inclusive, and supportive workplace culture. Beyond focusing on employee career development and compensation, the Company continues to promote health initiatives and psychological support measures to help employees balance work, family, and personal well-being.

- **Health Promotion and Care:** Regularly organize health promotion activities and provide mental health support services.
- **Friendly Workplace Environment:** Continuously optimize the work environment and employee support mechanisms to enhance sense of belonging and overall well-being.

Pay Ratio

The Company treats all employees with equality. Compensation is determined fairly based on factors such as educational background, professional experience, job responsibilities, and technical skills, as well as individual performance. Remuneration is never influenced by gender, marital status, race, political affiliation, religion, or any other personal factors.

Category	Male	Female
Managerial	1	1.05
Non-managerial	1	0.96
All employees	1	0.92

Annual Total Compensation Ratio

Item	2024	2025
Ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all other employees (excluding the highest-paid individual)	12.79	14.45
Ratio of the Percentage increase in annual total compensation for the organization's highest-paid individual to Median percentage increase in annual total compensation for all of the organization's employees (excluding the highest-paid individual)	2.54	3.42

Average/Median Salary of Full-Time Employees in Non-Managerial Positions

Average Employee Salary (NT$ thousand)			Median Employee Salary (NT$ thousands)		
2024	2025	Change from the Previous Year[Note]	2024	2025	Change from the Previous Year[Note]
848	899	6.0%	**813**	860	5.8%

Note: The change from the previous year is calculated as: (current year data - previous year data) / previous year data

Employee Performance Appraisal

To implement performance management, United Orthopedic has established a comprehensive and transparent evaluation system. Through semi-annual "goal setting" and "performance evaluation" processes, the Company achieves the win-win objectives of strengthening organizational effectiveness and enhancing employee capabilities. In 2025, the evaluation rate reached 100%, with annual comprehensive performance bonuses and employee remuneration directly linked to these evaluation results.

The Company has long-term partnerships with external management consulting firms to participate in salary surveys and obtain market-based human resources and compensation information. The Company's compensation planning integrates three dimensions: external competitiveness, internal fairness, and employee contribution and performance. Employee performance evaluations are conducted annually in accordance with established performance appraisal measures. The results are directly linked to comprehensive performance bonuses and base salaries to ensure that compensation is commensurate with individual contributions, thereby motivating employees to achieve peak performance.

1. Performance Evaluation Process

Annual employee performance is evaluated comprehensively based on corporate objectives and departmental requirements. These evaluation results directly impact performance bonuses, salary adjustments, and promotion opportunities. Evaluation indicators include, but are not limited to, multidimensional metrics such as work performance and goal achievement.

2. Linking Compensation to Performance

To ensure that employee compensation is commensurate with contributions, United Orthopedic directly links performance evaluation results to salary adjustments and bonus distributions. Annual performance bonuses are closely tied to individual work performance; outstanding employees are eligible for additional rewards and salary adjustment opportunities.

3. External Compensation Surveys and Market Competitiveness

To maintain the competitiveness of its remuneration system, United Orthopedic has long collaborated with external management consulting firms to participate in industry salary surveys and obtain market human resources and compensation information. Remuneration planning not only considers external market competitiveness but also adheres to the principle of internal equity, integrating employee contributions and performance to develop reasonable salary adjustment plans.

4. Employee Development and Performance Feedback

United Orthopedic not only values the results of performance evaluations but also remains committed to employee development and performance feedback. We provide employees with regular feedback to help them understand their strengths and areas for improvement, while offering tailored training and support based on their developmental needs. This not only enhances employees' professional capabilities but also drives the overall performance of the Company. United Orthopedic will continue to optimize its performance evaluation system to ensure that remuneration is commensurate with employee contributions. A reasonable compensation structure will be established based on market competitiveness, internal fairness, and individual performance. We are dedicated to creating a work environment that inspires employees to excel and grow alongside the Company, allowing them to fully realize their potential and value.

Pension Plans and Retirement Support

The Company prioritizes employee retirement rights and has established a comprehensive pension system in accordance with the Labor Standards Act, the Labor Pension Act, and other relevant regulations to safeguard the basic living standards and financial security of employees after retirement. All employees of the Company are enrolled in the pension system, representing a 100% coverage rate. The Company continuously adjusts relevant systems and operations in accordance with government laws and regulations to fulfill its commitment to the long-term well-being of its employees.

Old Labor Pension System

For employees hired on or before June 30, 2005, who are subject to the old pension system, the Company has processed pension contributions and payments in accordance with the Labor Standards Act to safeguard their fundamental rights and interests after retirement.

New Labor Pension System

For employees who joined on or after July 1, 2005, or those who voluntarily opted for the new pension system, the Company has contributed 6% of their monthly salary to "Individual Pension Accounts" established by the Bureau of Labor Insurance in accordance with the Labor Pension Act to serve as retirement savings.

Separation Support Measures

In addition to making statutory pension contributions, the Company provides separation support measures based on actual circumstances. These include early retirement packages, re-employment arrangements for retired employees, and severance pay and outplacement assistance as required by law, all of which aim to assist employees in navigating the transition period following retirement or separation.

1. Voluntary retirement plan: We make statutory pension contributions and provide voluntary retirement options based on actual circumstances to assist employees with their retirement planning.
2. Re-employment of retired employees: The Company has established a re-employment policy for retired employees to leverage their expertise and experience, addressing the needs of organizational operations and knowledge transfer.
3. Severance and Job Transition Assistance: For employees dismissed in accordance with the law, the Company provides severance pay as required and assists with connecting them to government employment or vocational training resources as needed to facilitate their prompt return to the workforce.

Feedback and Communication Mechanisms

To ensure employee voices are heard, United Orthopedic has established diverse platforms for expression and communication. Through these mechanisms, the Company achieves transparent communication and positive interaction with its employees, while continuously optimizing the work environment and benefits system.

Including:

- Regularly hold departmental meetings and management communication sessions
- Establishment of opinion boxes and internal suggestion systems
- Employee Satisfaction Surveys and Regular Communication Mechanisms with the Welfare Committee
- Labor-management meetings: strengthening two-way dialogue and negotiation

Labor-Management Communication

Although the Company has no labor union or collective bargaining agreements, it holds regular quarterly labor-management meetings and maintains transparent communication channels. The resolutions passed during these meetings apply to all employees.

Item/Year	2023	2024	2025
Number of Labor-Management Meetings	4	4	4
Number of Proposals	12	6	9
Number of fines imposed due to labor disputes (refers to labor dispute complaints)	0	0	0
Key Resolutions	1. Proposal for the Bonus Calculation Base and Eligibility 2. Proposal for Guaranteed Annual Salary Regulations	1. Proposal to Add Employee Performance Evaluation Levels	1. Proposal to Increase Meal Allowances 2. Proposal to Adjust Overseas Per Diem Allowances

Employee Welfare Committee

United Orthopedic established the "United Orthopedic Corporation Employee Welfare Committee" (the "Welfare Committee") in accordance with relevant laws and regulations to enhance employee benefits, boost satisfaction and loyalty, and provide a work environment that supports the physical and mental well-being of all staff members. The Welfare Committee actively designs and implements various initiatives to foster a harmonious work environment, promoting employee well-being and a healthy work-life balance.

Employee Welfare Committee Operations and Organization	To ensure the effective implementation of various welfare initiatives, the Welfare Committee operates in accordance with corporate management regulations and regularly reports activity outcomes and employee feedback to management. The Welfare Committee comprises members from various departments, ensuring that employees' needs are fully represented and addressed. The Welfare Committee's key priorities include, but are not limited to, the following: • Regular welfare activities: Various welfare activities are planned and implemented annually based on employee needs and corporate development to enhance employee satisfaction. • Communication and feedback mechanisms: We have established employee opinion boxes and hotlines to collect feedback and identify needs regarding benefit activities. Regular reviews and evaluations are conducted to ensure the continuous improvement of these programs.
Employee Benefit Activities and Programs	Key benefits include, but are not limited to: • Holiday and birthday bonuses: The company provides bonuses on employees' birthdays and major holidays (such as Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival) as a gesture of appreciation and care for its staff. • Life event subsidies: Marriage, maternity, and bereavement subsidies are provided to employees. • Birthday Celebrations, Group Meals, and Team Building: The Company holds regular birthday celebrations for employees and organizes company gatherings and team-building activities each year to enhance employee cohesion and team spirit. • Club Participation and Employee Travel: We encourage employees to join various clubs and subsidize group activities, such as employee travel, to promote a healthy work-life balance.
Continuous Improvement and Future Planning	United Orthopedic is committed to continuously improving its employee benefits system, innovating and adjusting benefit programs in response to employee needs, in order to provide more comprehensive and valuable benefits. The Company remains dedicated to addressing the personal and professional needs of our employees, striving to cultivate a more engaging and supportive work environment. As a crucial component of United Orthopedic's employee care system, the Welfare Committee remains dedicated to its core value of caring for employees. It strives to enhance their quality of life and job satisfaction while creating a harmonious, healthy, and happy work environment.

4.4 Occupational Health and Safety

United Orthopedic prioritizes employee safety and health and continues to promote occupational safety and health management in compliance with legal requirements and management systems. The Company prevents occupational injuries and health hazards through hazard identification, risk assessment, training and education, contractor management, and employee participation mechanisms. By continuously improving the working environment, the Company strives to create a safe, healthy, and supportive workplace.

Guided by 3 policy principles

- **Legal Compliance and Implementation of Responsibilities:** Regularly identify and comply with occupational safety and health (OSH) legal requirements to reinforce legal awareness and management accountability among all employees.
- **Risk Prevention and Continuous Improvement:** Reduce operational risks and continuously enhance occupational safety and health performance through hazard identification, risk assessment, and preventive measures.
- **Full Participation, Communication, and Collaboration:** Establish communication and participation mechanisms for employees, contractors, and relevant units to jointly maintain a safe and healthy working environment.

Occupational Health and Safety—Management Approach	
Policies and Commitments	The Company has established an "Environmental, Health and Safety Policy" and implemented clear environmental safety and health systems and processes to enhance occupational safety awareness among all employees, prevent occupational hazards, and minimize injuries.
Goals	1. Strictly comply with regulatory requirements, maintain zero violations, and continue to identify legal requirements and standards 2. Reduce and remediate occupational health and safety non-conformities 3. Continuously allocate budget to manage various risks and opportunities and prevent occupational safety incidents 4. Continue to provide occupational safety and health training to enhance employee awareness of safety and health 5. Maintain the effectiveness of ISO 14001 & 45001 management systems through ongoing operation
Invest Resources and Specific Actions	1. Maintain the effectiveness of ISO 14001 & 45001 management systems through ongoing operation 2. In 2025, United Orthopedic invested approximately NT$7.48 million in occupational safety and health to ensure a safe working environment for employees and reduce the occurrence of industrial accidents. 3. Organize special health checkups for employees, health consultations and education seminars, on-site medical services, stress adjustment and emotion management workshops, monthly health newsletters (health promotion), and health knowledge quizzes
Grievance Mechanism	"Non-conformity" reporting procedures, Occupational Safety and Health Committee meetings, departmental meetings, on-site opinion boxes, internal and unlawful infringement complaint hotline: +886-2-29294567 ext. 2207, and email opinion box: 885@unitedorthopedic.com
Evaluation Mechanism	1. Internal Audit Reports and Management Review Meetings 2. Review the quarterly EHS performance indicators and discuss the results during Occupational Safety and Health Committee meetings.
2025 Performance	1. No records of penalties imposed by environmental, health, and safety (EHS) regulatory authorities. 2. A total of 8 improvement plans related to occupational health and safety were proposed (6 have been completed and 2 are still in progress), with expenditures totaling NT$ 107,600. 3. A total of 246 training sessions were conducted to strengthen the occupational safety and health competencies and awareness of all employees.

Occupational Safety and Health Organization and Operations

United Orthopedic has appointed dedicated occupational safety and environmental protection personnel at each plant to manage and improve daily occupational health, safety, and environmental protection measures. In accordance with the Company's safety and health policies and standard operating procedures, these specialists assist departments in implementing workplace safety and health management to mitigate potential risks. Furthermore, they regularly review the effectiveness of various initiatives to ensure the continued and effective operation of the management system. Furthermore, dedicated personnel conduct ad hoc internal inspections and audits of safety and environmental protection operations within the plant to identify issues and oversee the progress of improvements. It is also responsible for communicating with external stakeholders—including customers, suppliers, and government agencies—proactively responding to regulatory changes and compliance requirements, and driving mitigation and improvement plans.

Occupational Health and Safety Management

In accordance with the Occupational Safety and Health Act, United Orthopedic has established and continues to implement the ISO 45001 Occupational Health and Safety Management System[Note] Through systematic processes and dedicated units, the Company prevents occupational accidents and diseases, thereby enhancing workplace safety standards. The Company has established comprehensive occupational safety and health management procedures and implementation measures, including regular work environment monitoring, autonomous inspection systems, and contractor safety management, to minimize potential workplace risks. To enhance employee participation and communication, the Company regularly convenes the Occupational Safety and Health Committee. In 2025, the committee consists of 27 members, including 12 labor representatives. Through a two-way communication mechanism, the Company ensures that employees have the right to participate in and be informed about the formulation and improvement of occupational safety and health policies.

Note: The Company has obtained ISO 45001: 2018 Occupational Health and Safety Management System certification; the latest certificate is valid from June 20, 2025, to June 19, 2028.

Employee Training and Health Promotion Measures

In accordance with the Occupational Safety and Health Education and Training Rules, the Company regularly organizes various occupational safety and health training courses for all employees. These programs cover general safety knowledge, operational guidance, and emergency response skills to enhance employees' risk identification and self-management capabilities. Additionally, the factory has installed prominent warning signs and promotional boards to cultivate a robust culture of safety awareness.

Meanwhile, in accordance with the "Labor Health Protection Rules," regular employee health checkups were conducted, with occupational health nurses performing health grading management. Priority was given to providing professional health consultations and follow-up tracking for employees whose checkup results showed significant abnormalities. The Company also proactively promotes various health initiatives, such as seminars on stress relief and emotional management, monthly health newsletters (health education and advocacy), and health knowledge quizzes, to safeguard employees' physical and mental well-being and foster a positive workplace environment.

Composition of the Occupational Safety and Health Committee

- Business Operation Agent
- Occupational safety and health personnel
- Business unit department heads, supervisors, and managers
- Occupational safety and health engineering and technical personnel
- Occupational health medical and nursing personnel
- Labor representative

Occupational Safety and Hazard Management

Occupational Health and Safety Statistics

In 2025, the Company reported a total of 4 occupational accidents. Improvement measures have been strengthened, such as revising relevant SOPs and enhancing personnel education and training to bolster employee safety awareness and reduce the occurrence of occupational accidents.

Total Working Days for the Year	Total Working Hours for the Year	Number of Disabling Injury Cases	Number of Persons with Disabling Injuries	Lost Days Due to Disabling Injuries	Disabling Injury Frequency Rate (FR)	Disabling Injury Severity Rate (SR)	Average Days Charged per Disabling Injury (ADCDI)	Frequency-Severity Indicator (FSI)
181,803	1,454,424	4	4	24	2.75	16.50	6	0.21

Explanation:

1. Temporary total disability: Refers to a worker who, following an occupational injury, has neither died nor become permanently disabled. However, the worker is unable to continue normal work and must take leave from the workplace, with a loss of time of one day or more (including Sundays, holidays, or business-unit shutdown days), being temporarily unable to resume work.
2. Permanent total disability: Refers to any disability other than death that renders a victim permanently and totally disabled, or the loss of, or loss of function of, any of the following in a single accident (shall be calculated based on 6,000 days of lost time).
   - Both eyes.
   - One eye and one hand, or one arm, or one leg, or one foot.
   - Any two of the following in different limbs: hand, arm, foot, or leg.
3. Death: Refers to the loss of life of a worker due to an occupational accident, regardless of the duration between the occurrence of the accident and death (calculated as 6,000 days lost).
4. Disabling days: Refers to the total number of lost workdays resulting from all injuries sustained in a single case. The number of days an injured person is temporarily (or permanently) unable to return to work, excluding the day of the injury and the day of recovery, but including any intervening days (such as Sundays, holidays, or business suspensions) and any subsequent days of inability to work resulting from the accident after the initial return to work.
5. The calculation formula is as follows, covering both permanent and temporary employees.
   - Disabling Injury Frequency Rate (FR) = (Number of Persons with Disabling Injuries × 1,000,000) / Total working hours.
   - Severity rate (SR) = (total days lost due to disabling injuries × 1,000,000) / total working hours.
   - Average days charged per disabling injury (ADCDI) = SR / FR.
   - Frequency-Severity Indicator (FSI) = (FR × SR / 1,000)^(1/2).

Occupational Accident Handling Process

STEP 01
Accident Occurrence
Accidents such as worker illness or injury caused by work activities at the place of employment or work, or by other occupational causes

STEP 02
Accident Reporting
Report level by level according to the EHS emergency notification process

STEP 03
Investigation and Analysis
Investigations and analyses are conducted by the responsible department in conjunction with labor representatives

STEP 04
Accident Report Form
Record the time, cause, and details of the incident, as well as any recurrence prevention measures.

STEP 05
Leave Registration
When an accident is determined to be an occupational injury, copies of the relevant documents are forwarded to the personnel unit for registration.

STEP 06
Filing and Record-Keeping
Compile the accident report forms monthly and submit the online occupational accident statistics monthly report to the central competent authority for record.

Emergency Response Measures

To ensure an effective response and protect employee safety in emergencies, the Company conducts annual fire and emergency evacuation drills at all plant sites. These exercises enhance employee familiarity with fire safety equipment and strengthen their crisis response capabilities, thereby effectively mitigating potential damage to the Company, its personnel, property, and the environment.

1. Emergency Response Plans and Drills

United Orthopedic has established standard operating procedures for various emergency scenarios and conducts fire and evacuation drills at least twice a year, covering emergency response procedures for fires and other disasters.

- Annual drill frequency: At least 2 regular fire and emergency evacuation drills per site
- Drill coverage: 100% employee participation, covering all factory personnel and key management members

2. Facilities and Equipment Management

Each factory is equipped with clear emergency exit and evacuation signage, along with sufficient fire safety equipment such as fire extinguishers and fire hydrants. In addition, all emergency equipment systems undergo regular testing to ensure immediate activation during emergencies, thereby mitigating potential damage.

Hazard Identification and Risk Assessment

Risk Rating	Identify Hazard Items	Corresponding Corrective Actions/Improvement Measures
High	Sparks from titanium metal processing ignited nearby accumulated debris, resulting in a fire incident.	1. Dry cutting of titanium materials and workpieces is prohibited 2. Class D dry powder fire extinguishers have been positioned near the titanium processing area, and fire safety emergency response training for personnel in the operating area has been enhanced.
High	Accidents such as personnel entanglement or cuts caused by high-speed rotating cutting tools during machine operation.	1. Implement routine maintenance and inspections to ensure that machine guards effectively provide protection. 2. Establish standard operating procedures for safety and provide training and awareness programs for operators

Risk Rating	Identify Hazard Items	Corresponding Corrective Actions/Improvement Measures
High	Grinding sparks could ignite accumulated dust, potentially leading to a fire.	Conduct training and awareness programs for operators to ensure the regular cleaning of the work environment and the removal of accumulated dust from equipment to prevent fire hazards.
High	Improper equipment operation may cause crushing injuries to personnel.	1. Provide assistive devices for all types of equipment with a risk of crushing to prevent crush injuries during operation. 2. Establish standard operating procedures for various types of equipment with crushing or pinching risks and conduct safety training and awareness programs for relevant personnel.
High	Personnel sustained burns from accidental contact with high-temperature equipment components	1. Install screens or covers for various types of equipment with burn risks or provide operators with personal protective equipment (PPE) to prevent burn injuries during operations. 2. Establish safety operating procedures for all types of equipment posing burn risks, and provide training and awareness programs for the relevant operators.
High	Insufficient supply of coolant for the automated equipment caused sparks or flames during the sawing process, igniting waste chips or other flammable materials.	Conducted an inventory and installed additional flow detection and alarm devices for automatic equipment cooling cutting fluid to ensure an adequate supply.
High	Accumulated cotton lint from polishing wheels within equipment exhaust ducts may be ignited by grinding sparks drawn into the ductwork, posing a fire hazard.	1. Install cleaning ports at points prone to accumulation within dust collection pipelines where dust and lint tend to build up. 2. Implement daily inspection and cleaning of dust collection pipelines to ensure that no significant accumulation of polishing wheel lint occurs within the pipelines.

Occupational Safety and Health Training

In accordance with occupational safety and health laws and regulations, the Company regularly conducts safety and health training for new hires and existing employees through both in-person and online courses. These initiatives ensure that all supervisors, operators, and new recruits maintain valid certifications and complete the required hours of on-the-job training. Furthermore, the Company conducts emergency response training and drills to strengthen employees' responsiveness and improve emergency handling efficiency and safety awareness.

2025 Training Status:

- **Occupational health and safety training sessions: 246**
- **Total training sessions (person-times): 1,865**
- **Total training hours: 1,951 hours**

Health Management and Promotion

United Orthopedic has appointed dedicated nursing staff and regularly invites physicians to provide on-site services, ensuring comprehensive care for the physical and mental well-being of its employees.

All production and operational sites are equipped with first aid supplies to ensure the rapid provision of immediate medical care in emergencies. The Company conducts biennial health checkups for all employees. Additionally, for those engaged in hazardous operations, special health checkups are performed annually or whenever operational duties change; this policy also applies to employees who have been with the Company for less than one year. Furthermore, special physical examinations are administered to hazardous-operation personnel upon recruitment. By analyzing questionnaire surveys and health checkup reports, the Company is able to formulate and implement effective health management measures tailored to the health status of its employees.

Following health checkups, employees are categorized for management based on their health status. Priority for health follow-ups and professional medical consultations is given to those with significant clinical abnormalities, high risk of overwork-related illness, high risk of ergonomic hazards, or those under maternity protection. This ensures that every employee receives the essential health care and guidance they require. In addition, a monthly health newsletter is issued based on a selected health education theme. These newsletters are distributed via email and posted on bulletin boards to raise health awareness among all employees.

2025 Health Management and Health Promotion:

- **Individual health education consultations: 406 person-times**
- **Health seminars: 3**
- **Health Education and Promotion: Monthly Health Newsletter**

4.5 Social Involvement

United Orthopedic views giving back to society and promoting global health as a core responsibility, actively participating in various charitable initiatives. Beyond addressing local market needs, we have expanded our international reach to assist regions with limited medical resources and underserved populations, providing professional medical support and services to more patients in need.

In 2025, United Orthopedic partnered with international medical teams on the GODA project to provide free orthopedic surgeries for impoverished and vulnerable communities in Pakistan. The company also collaborated with CURE International UK to sponsor the MSK bone tumor training course held in Zimbabwe in February 2025, effectively enhancing healthcare capabilities in the region.

Meanwhile, the Company has supported various academic activities and medical conferences in Taiwan through donations to organizations such as the Taiwan Orthopaedic Association, the Taiwan Joint Replacement Society, Chang Bing Show Chwan Memorial Hospital, and the Asia-Pacific Musculoskeletal Infection Society. With cumulative donations reaching millions of New Taiwan Dollars, the Company has demonstrated its commitment to advancing medical development and social well-being.

Unity for Good

Life-Changing Action: United Orthopedic and CURE International UK Join Forces

In many corners of the world, countless children still lack access to basic medical care. To this end, United Orthopedic's UK subsidiary leveraged its core expertise to collaborate with CURE International UK in supporting the MSK bone tumor training course held in Zimbabwe in February 2025.

The three-day training session convened 28 medical professionals from across Zimbabwe. They learned about the diagnosis of bone tumors and multi-disciplinary integrated care. Following the course, assessments and questionnaires indicated a 20% average increase in participants' knowledge, making a substantial and sustainable contribution to the accessibility and development of local healthcare.

This course has laid a solid foundation for the development of orthopedics in Zimbabwe and fostered long-term partnerships with a group of passionate local surgeons. None of this would have been possible without the support of United Orthopedic, and we are deeply grateful for this partnership. — Flora Gibbons, CEO of CURE International UK: Together, we believe that quality healthcare should be accessible to everyone, regardless of wealth or race. We were deeply moved by the passion and professionalism of the young surgeons in Zimbabwe, and we remain committed to supporting them in every step of their future endeavors.

cure
united kingdom

Note: CURE International UK is a charity dedicated to providing free, life-changing surgeries for children in low- and lower-middle-income countries. In 2021, we assisted in establishing Zimbabwe's first pediatric orthopedic hospital. The facility provides treatments for conditions such as clubfoot, knock-knees (genu valgum), and post-burn contractures, all completely free of charge to the patients' families. Beyond surgical intervention, we are dedicated to training local physicians and building medical capacity to foster long-term and profound change.

Cross-Border Collaboration, Bringing New Steps to Life

Project GODA (Gift of Disability Alleviation) is a charitable medical program initiated by professional medical personnel in the United States, aiming to provide free joint replacement, spinal surgery, and anterior cruciate ligament (ACL) reconstruction for impoverished and vulnerable communities in Pakistan. At present, the average waiting time for joint replacement surgery in Pakistan is five years. Since 2016, GODA has cumulatively completed over 750 free joint replacement surgeries for patients, easing to some extent the pressure on local healthcare capacity. The team, composed of Pakistani-American orthopedic surgeon Dr. Khalid M. Yousuf, RECH International, and the U.S. United Orthopedic team, comprised 25 experts (including 15 U.S. board-certified orthopedic surgeons). In February 2025, across the three Pakistani cities of Karachi, Lahore, and Muzaffargarh, they completed 235 hip and knee replacements, 25 spinal surgeries, and 34 sports medicine procedures in just seven days.

As Dr. Yousuf remarked, "In Pakistan, the waiting list for joint replacement has grown to more than five years, and this trip has significantly relieved the local healthcare burden." United Orthopedic sincerely thanks Dr. Yousuf for the invitation and all members for their selfless dedication and expertise. This embodies United Orthopedic's corporate philosophy: when we collaborate across borders, we can create a profound, life-changing impact.

United Held its Inaugural Blood Donation Event

In response to the blood shortage across Taiwan, the President Office took the initiative to contact the Taipei Blood Center in mid-2025. Following active planning, the event is scheduled for February 25, 2026, to invite Group employees, neighboring enterprises, and the general public to join in the festivities. Through this blood donation event, we hope to put our core value of “**We Care**” into practice, transforming life-giving blood into the strength for patients to overcome their challenges.

Community Care / Industry-Academia Collaboration / Medical Education and Public Welfare Activities

Public Welfare Program	Domestic or Overseas	Expected Outcomes	Resources and Actions Invested	Social Impact (including donation items: monetary, in-kind, etc.)
GODA Program	Overseas: Pakistan	Free clinical services to help patients reconstruct joints and walk again	• Professional Medical Consultation Services • Provision of Implant Obligations • Equipment and manpower investment by distributors in Pakistan and the U.S. • Taiwan-side Logistics Coordination	Within seven days, 235 hip and knee replacements, 25 spinal surgeries, and 34 sports medicine procedures were completed. United Orthopedic provided free artificial joints to help local residents regain their mobility, addressing a critical need in an area where the average wait time for joint replacement surgery is five years.
CURE International UK	Overseas: Zimbabwe	Bone Tumor Training Course	Supported the training expenses for participating resident physicians and ensured the successful completion of the initiative	Trainees' knowledge increased by an average of 20% and, more importantly, a lasting connection and a shared vision for improving healthcare in Zimbabwe were established. We believe that quality medical care should be accessible regardless of wealth or race. Deeply moved by the passion and professionalism of young surgeons in Zimbabwe, we will continue to support them in every step of their future endeavors.

Donation Statistics

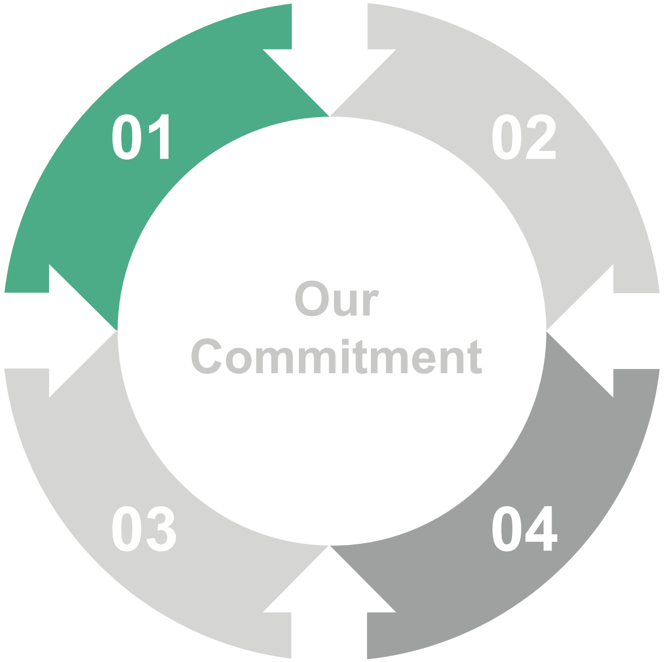
Recipient Category	Recipient Organization	Donation Date	Donation Amount (NTD)	Remarks
Incorporated Association	Taiwan Orthopaedic Association	2025/3/5 2025/4/19 2025/10/26	2,200,000 450,000 1,250,000	Sponsorship of 2025 international academic travel expenses Sponsorship of the 2025 Spring Academic Symposium Sponsorship of the 2025 Fall Academic Symposium
Incorporated Association	Taiwan Association of Arthroplasty	2025/4/21 2025/7/22 2025/11/2	50,000 120,000 1,100,000	Sponsorship of the 2025 medical society publication Sponsorship of the 2025 Joint Reconstruction Medical Association Symposium Sponsorship of the 2025 AAHKS (American Association of Hip and Knee Surgeons) Annual Meeting
Incorporated Association	Taiwanese Association of Computer Assisted Orthopaedic Surgery	2026/5/10	50,000	Sponsorship of the 2025 Academic Symposium
Incorporated Association	Taiwan Society of Arthroscopy and Knee Medicine	2025/5/17	30,000	Sponsorship of digital signage for the 2025 Symposium
Incorporated Foundation	Chang Bing Show Chwan Memorial Hospital Show Chwan Medical Foundation	2025/6/12 2025/9/24	963,535 11,000	Sponsorship of the 2025 Cadaver Course Seminar Sponsorship of the 2025 Annual Conference
National universities	National Taiwan University	2025/6/24	20,000	Sponsorship of the 2025 College of Engineering Dean's Scholarship for Graduate Students
Incorporated Association	Taiwan Orthopedic Research Society	2025/6/18	50,000	Sponsorship of the 2025 AI Smart Forum and Seminar
Incorporated Association	Asia-Pacific Musculoskeletal Infection Society	2025/6/8	500,000	Sponsorship of the 2025 Asia-Pacific Musculoskeletal Infection Symposium
Incorporated Association	Osteoporosis Society of Taiwan	2025/9/3	50,000	Sponsorship of the 2025 medical society publication

05

Sustainable Environment

Sustainable Environment

United Orthopedic operates a global product footprint. In response to global sustainability trends and the intensifying impacts of climate change, the Company anticipates being subject to climate and environmental regulatory requirements across various regions. Under the supervision of the Board of Directors and the Sustainable Development Committee, the Company has begun evaluating and implementing environmental management initiatives, which are being gradually expanded across its global operating sites. These efforts aim to establish a resilient, sustainable, and environmentally friendly business model. Energy conservation, carbon reduction, pollution prevention, and resource recycling are integrated into daily operations and assessment processes.



Strengthening Regulatory Compliance and Demonstrating Global Responsible Governance

Starting with our headquarters, we continue to inventory and identify environmental regulations applicable to each operating site. By enhancing our capacity for cross-regional regulatory integration, we ensure the effective implementation of our management systems and demonstrate our commitment to social and environmental responsibility.

Implementing Climate Risk Management to Enhance Operational Resilience

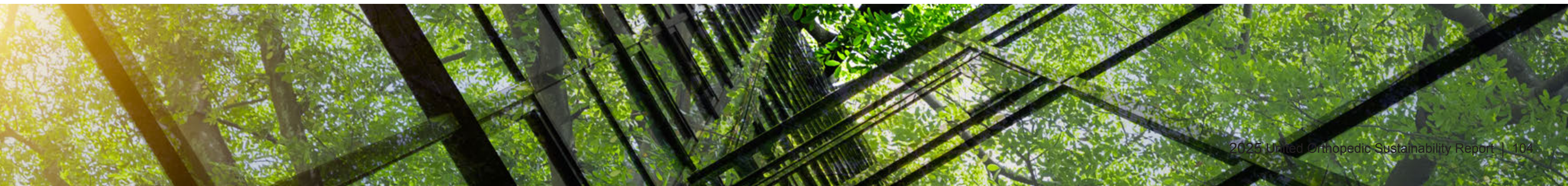
We established a management mechanism based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This framework encompasses physical and transition risk assessments, drives the implementation of green processes and pollution prevention, and effectively mitigates operational disruption and compliance risks.

Embracing a Life Cycle Perspective to Advance the Circular Economy of Resources

Adopting a life cycle perspective for products and services—ranging from raw material procurement and production to transportation and after-sales service—we have established consistent environmental, health, and safety (EHS) management processes across our global locations. This initiative strengthens mutual benefits with supply chain partners and fosters environmental co-prosperity.

Promoting Global Engagement and Strengthening Cross-disciplinary Communication and Collaboration

Establish a multilingual, cross-timezone EHS communication platform that incorporates the diverse perspectives of internal and external stakeholders to enhance global employee engagement and foster an inclusive, resilient, and sustainable workplace.



5.1 Environmental Management

Climate Change Management Framework

In accordance with the "Risk Management Policy and Procedures" and the "Sustainability Information Management Operating Guidelines," the Company assesses the potential climate-related risks and opportunities it faces and adopts response measures for climate-related issues. Referencing the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD)—**governance, strategy, risk management, and metrics and targets**—we conduct assessments and establish management systems. In accordance with Schedule 2 of the "Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies," we disclose climate-related actions and monitor, review, and improve them year by year. We will also, in line with the competent authority's plans, progressively align our disclosures with IFRS S2. At the same time, the Company continues to maintain ISO 14001: 2015 environmental management certification, with the latest certificate valid from June 20, 2025, to June 19, 2028, aiming to progressively realize its vision of a low-carbon transition.

Governance	Board of Directors	As the highest climate governance body, it continues to oversee and enhance sustainable development management policies while formulating climate change-related strategies and targets. Discuss annual plans with the Sustainability Committee on a regular basis, while continuously monitoring and reviewing relevant measures to ensure the integration of environmental management requirements into the organization's operations.
	Sustainable Development Committee	As the highest governing body for climate change management, the Sustainable Development Committee reviews the Company's climate change strategies and goals, manages actions regarding climate change risks and opportunities, and evaluates implementation status and future plans on an annual basis. Meanwhile, the Committee continues to advance strategic planning and action plans for energy conservation and carbon reduction, reporting its progress to the Board of Directors.
	Sustainable Development Task Force	The Sustainable Development Task Force comprises three subgroups: Sustainable Environment, Social Welfare, and Corporate Governance. Its primary responsibilities include planning, integrating, and coordinating departmental resources to execute the ESG strategies and action plans formulated by the Sustainable Development Committee, and reporting the implementation results back to the Committee.
Strategy	Identifying Risks and Opportunities	In alignment with TCFD recommendations, we assess climate change risks and opportunities for the Company. Through cross-departmental discussions, we concurrently identify feasible opportunities and develop corresponding response measures.
Risk Management	Integration of Climate Risks into the Risk Management System	The Company established the "Risk Management Policy and Procedure" and "Sustainability Information Management Operating Guidelines" to incorporate significant operation-related ESG and climate-related risks into its corporate risk assessment process. This framework encompasses risk assessment methodologies, evaluation standards, and materiality judgment principles for ESG issues and climate change.
Metrics and Targets	Greenhouse Gas Emissions	We have designated 2026 as the base year for carbon reduction and will gradually formulate annual reduction targets, strategies, and specific action plans.
	Energy Management Efficiency	Plan to conduct inventories of various energy uses and assess the efficiency of energy-consuming equipment to gradually formulate annual energy management goals, strategies, and specific action plans.

Governance

The Sustainability Committee under the Board of Directors serves as the Company's highest governing body for climate change management. It is responsible for overseeing and strengthening management policies regarding climate-related risks and opportunities, as well as formulating climate change strategies and goals, with regular reports submitted to the Board of Directors. Members of the Committee are appointed by resolution of the Board of Directors and shall consist of no fewer than three members. These members possess professional expertise and competence in corporate sustainability. Furthermore, the Board appoints senior managers to serve as corporate governance officers to ensure the promotion of the Company's sustainable development and environment-related initiatives.

The Chief Corporate Governance Officer has established a "Sustainable Development Task Force," organized into three functional groups: Sustainable Environment, Social Welfare, and Corporate Governance. Within this structure, the Environmental Task Force is responsible for climate change mitigation and adaptation, greenhouse gas inventory, energy conservation and carbon reduction, energy management, water resource management, and waste management. This task force identifies climate-related risks and opportunities, works toward the achievement and improvement of environmental goals, and coordinates the implementation of relevant initiatives across various departments.

Strategy

In response to the climate change trend, United Orthopedic continues to monitor the potential impacts of extreme weather, regulatory changes, and the market's low-carbon transition on its operations. The Company assesses that climate-related risks may impact business operations through disruptions, facility damage, increased compliance costs, and supply chain volatility, while also presenting development opportunities such as resource efficiency improvements and the implementation of low-carbon products and energy-saving technologies. Against this backdrop, United Orthopedic continues to strengthen operational resilience and seize transformation opportunities through risk identification, process improvement, energy management, and relevant response measures.

Category	Dimensions	Key Impact Areas	Description of Financial Impacts and Response Measures	Time Horizon
Physical Risk	Acute Physical Risk - Heavy Rainfall	Equipment assets, operations, production interruptions, and supply chains	Extreme rainfall events may lead to site flooding, equipment damage, and the risk of moisture damage to raw materials or products. These impacts can further disrupt production and delivery schedules, while increasing maintenance, repair, and business interruption costs. Mitigate potential impacts through flood prevention infrastructure, drainage improvements, and emergency response drills.	Short- to long-term
	Chronic Physical Risk - Precipitation Variability and Water Stress	Operational and process stability, resource management	Climate change may result in uneven rainfall distribution and heighten water shortage risks, thereby impacting the stability of manufacturing water supplies and operational efficiency. Continue to drive water management, recycling, and water supply risk assessments to enhance operational resilience.	Mid- to long-term
Transition Risk	Policies and Regulations	Compliance costs, energy costs, operating costs	As climate regulations and the carbon fee system are progressively implemented, the Company may face the risk of rising energy, compliance, and carbon management costs. Continuously monitor regulatory developments and mitigate potential impacts through GHG inventory, energy conservation, and refinement of management systems.	Mid- to long-term
	Escalating Greenhouse Gas Inventory and Disclosure Requirements	Administrative costs, disclosure costs, and internal workload	As requirements for greenhouse gas inventory, verification, and sustainability information disclosure become increasingly stringent, costs related to inventory, verification, management, and internal operations may rise. We have gradually established relevant systems and data management foundations to enhance our responsiveness.	Short- to Mid-term
Opportunities	Products and Services	Market demand, revenue growth, and product competitiveness	Growing market emphasis on low-carbon products and sustainable manufacturing presents opportunities to strengthen competitiveness through energy-efficient processes, low-carbon production, and product differentiation, thereby increasing customer buy-in and business prospects.	Mid-term
	Resource Efficiency and Energy Management	Energy costs, resource efficiency, operational resilience	By implementing energy-saving improvements, enhancing equipment efficiency, and evaluating renewable energy adoption, the Company can reduce energy costs, improve resource efficiency, and strengthen operational resilience.	Mid-term

Risk Management

The Company has incorporated climate change into its existing risk management process and assesses the relevant risks based on the principle of materiality. The detailed risk identification, assessment, and management processes are as follows:

STEP 01

Risk identification
Strategic risks: Domestic and international economic fluctuations, industry risks, and competitor risks.
Operational risks: market demand risk, information security risk, supply chain management risk, operational risk, occupational safety risk, and legal compliance risk.
Financial risks: interest rate risk, foreign exchange risk, financing risk, investment risk, liquidity risk, credit risk, risk of loans to others, endorsement and guarantee risk, and inflation risk.
Hazard risks: natural disaster risk, climate change risk, infectious disease risk, utility (water and electricity) supply interruption risk, industrial safety accident risk, and major external hazard risk.
Sustainability risk: The risk arising from the failure to meet established environmental, social, and governance (ESG) performance targets.
Other risks: For risks not falling under the categories mentioned above that may cause losses to the Company, appropriate risk assessment procedures shall be established based on the nature and severity of the risks.

STEP 02

Risk Measurement
Analyze identified risk factors by their attributes and impact levels, and establish appropriate quantitative, qualitative, or semi-quantitative methodologies to assess risk ratings and tolerance.

STEP 03

Risk Monitoring
Each business unit shall monitor the risks associated with its operations, and relevant departments shall propose countermeasures. Reports on these risks and countermeasures shall be presented during regular meetings of the Audit Committee.

STEP 04

Risk Reporting and Disclosure
To fully document risk management procedures and execution results, the risk management team shall regularly report the risk status to the Audit Committee for management reference.

STEP 05

Risk Response
Upon assessing and aggregating risks, each business unit shall adopt appropriate response measures for the risks it faces. Risk response measures can be implemented in the following ways:
(1) Risk avoidance: Adopting measures to avoid activities that may give rise to risks.
(2) Risk mitigation: Take relevant measures to reduce or diversify the impact or likelihood of risks.
(3) Risk sharing: Adopting risk transfer through contracts to have a portion or all of the risk borne by another party.
(4) Risk acceptance: No measures are taken to alter the likelihood or impact of the risk.

Environmental Impact Mitigation and Emergency Response		
Climate Change Mitigation	**Green Operations**	Supervised by the Board of Directors and coordinated by the Sustainability Committee, the Company integrates energy conservation, carbon reduction, pollution prevention, and resource management to continuously drive green operations.
	Energy Management	In 2025, the Hsinchu and Kaohsiung plants focused on improving air conditioning, lighting, utility, dust collection, and air compression systems, saving 60,142 kWh and 203,471 kWh of electricity, respectively, for a total annual saving of 263,613 kWh. **Energy-Saving Measures at the Hsinchu Plant:** 1. Replacement of old air conditioners with energy-efficient models, saving approximately 41,894 kWh of electricity per year. 2. Replacement of T8 lamps with LED lamps: 195 units per year, saving approximately 18,248 kWh of electricity annually. **Energy Conservation Measures at the Kaohsiung Plant:** 1. Completed the replacement of 8 faulty high-bay lights in the high-ceiling area of the Phase I factory, resulting in a total electricity saving of 664 kWh. 2. The replacement of cooling tower fans and heat sinks improved heat dissipation and system operational efficiency, resulting in cumulative electricity savings of 8,103 kWh. 3. Completed the phase I forging dust collection fan replacement, saving 525 kWh of electricity; completed the phase II casting dust collection fan motor replacement, saving 557 kWh of electricity. 4. Completed repairs on air leakage from compressed air piping joints in Phase II, resulting in a cumulative energy saving of 193,622 kWh.
	Carbon Disclosure	Completed greenhouse gas inventories from 2023 to 2025 with third-party assurance, and disclosed relevant emission information in annual reports and sustainability reports.
Climate Change Adaptation	**Strengthening of Foundational Measures**	Through flow monitoring of the regional water system and replacement of chilled-water insulation sleeves, the Company enhances anomaly detection and cooling efficiency, thereby reducing water waste.
	Operational Resilience	Implement energy conservation and resource management measures in stages based on operational needs to continuously enhance the resilience and sustainable operating capacity of the plant.

Metrics and Targets

Since 2023, United Orthopedic has conducted greenhouse gas inventories in accordance with ISO 14064-1: 2018, gradually establishing a foundation for greenhouse gas emission data and management capabilities. In view of the gradual refinement of the greenhouse gas inventory system, data quality, and management boundaries in recent years, the Company plans to establish 2026 as the base year for carbon reduction management. Based on this benchmark, we will formulate greenhouse gas reduction targets, strategies, and action plans.

As of 2025, the Company has completed greenhouse gas (GHG) inventories for three consecutive years. Moving forward, the Company will continue to conduct annual inventories and integrate analyses of current energy usage, energy-saving achievements, and operational requirements to gradually establish specific targets for GHG emissions and energy management, driving low-carbon transformation and energy efficiency enhancements.

Energy Management

United Orthopedic regularly records and tracks energy usage, using this data as the basis for implementing energy management and improvement measures. With production capacity expanding, electricity consumption across our plants has grown steadily over the past three years. Consequently, the Company has identified energy management as a key strategy for low-carbon transition and has continued to implement energy-saving and carbon-reduction initiatives. Key management focus areas are as follows:

- **Monitor energy usage status:** Regularly track energy consumption at each plant and for major energy-consuming equipment based on usage data to serve as a foundation for energy efficiency improvements.
- **Implement energy-saving improvement measures:** Continuously evaluate and implement energy-saving improvement plans for air conditioning, lighting, utility equipment, and process-related systems to reduce unnecessary energy consumption.
- **Establish a continuous tracking mechanism:** Through continuous monitoring, regular reviews, and energy management evaluations, the Company dynamically adjusts its energy management strategy to enhance overall energy efficiency.

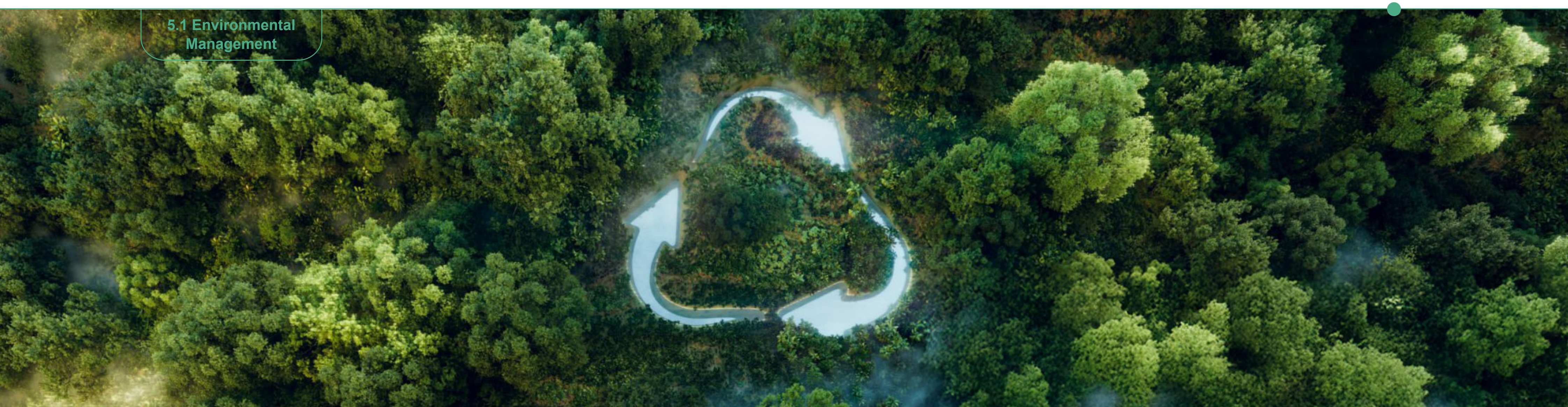
Energy Consumption

United Orthopedic's total electricity consumption in 2025 was 9,136,525.92 kWh, and its natural gas consumption was 52,185.92 cubic meters. The Company continuously monitors energy consumption across all plants, using the relevant data as a critical foundation for subsequent energy conservation improvements, energy efficiency enhancements, and carbon reduction management.

Energy Consumption and Proportion over the Past Two Years

Plant Site	Energy Categories	Unit	Year	
			2024[Note]	2025
Taipei	Electricity	kWh	166,568.77	176,061.61
	Gasoline	L	10,077.48	9,055.5840
Hsinchu	Electricity	kWh	2,508,389.68	2,447,264.3092
	Natural gas	m^3	7.5664	4.9180
	Gasoline	L	1,279.80	973.00
	Diesel	L	22.558	0.00
Kaohsiung	Electricity	kWh	5,909,600.00	6,513,200.00
	Natural gas	m^3	45,347.00	52,181.00
	Gasoline	L	2,361.04	2,099.7010
	Diesel	L	549.726	0.00
Total	Heat value	GJ[Note]	33,047.7666	35,220.099

Note: The unit heat value for 2025 is based on the latest thermal indicator data announced by the Ministry of Environment. To ensure comparability between the two periods, the 2024 conversion rates were revised based on the heat values for various fuels announced by the Ministry of Environment in the previous year.



Supporting National Renewable Energy Policies

In response to global climate change and carbon reduction trends, and in alignment with the government's "Renewable Energy Development Act," United Orthopedic supports the national energy transition policy through concrete actions. Since 2018, the Company has collaborated with Feng Zhao Power Co., Ltd., signing the "Solar Photovoltaic Power Plant Project Building Roof Lease Agreement" and installing a solar photovoltaic system on the roof of its Kaohsiung plant. The lease term is 20 years from the date of grid connection approved by Taipower. With a total installed capacity of 380.37kW, the project utilized 1,227 TSEC 310W high-efficiency solar modules. In 2025, we assisted the government in generating 477,797 kWh of electricity. This project optimizes the architectural resources of the Kaohsiung plant and prevents direct sunlight from hitting the facility's roof. This indirectly enhances air conditioning efficiency and energy conservation while simultaneously improving the working environment for employees (the parking lot), achieving the dual objectives of supporting national renewable energy policies and generating economic benefits.

5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction

GHG Management, Energy Conservation, and Carbon Reduction - Management Approach			
Policies and Commitments	United Orthopedic upholds its commitment to corporate sustainability by actively promoting greenhouse gas emission reduction measures and conducting environmental inspections and management in accordance with international standards. To ensure the accuracy and impartiality of its greenhouse gas (GHG) inventory, the Company has prepared and issued a GHG inventory management report in accordance with the ISO 14064-1: 2018 standard. This Report underwent preliminary verification by the internal verification team and was internally verified in accordance with the "Greenhouse Gas Inventory Internal Verification Management Procedures." To enhance transparency and trust and ensure data accuracy, an external assurance agency qualified by the Ministry of Environment has been commissioned to conduct annual greenhouse gas emissions inventory assurance.		
Goals	**Short-term:** 1. We are committed to conducting annual greenhouse gas (GHG) inventories and have designated 2026 as the base year for carbon reduction (the same year in which the inventory for the consolidated financial reporting boundary is completed). Starting in 2026, we will progressively establish carbon reduction targets, strategies, and action plans. 2. Completed the greenhouse gas Scope 1 and 2 inventory for subsidiaries included in the consolidated financial statements. 3. Through internal training and communication initiatives, we raise carbon reduction awareness among all employees and encourage them to practice energy conservation and carbon reduction in their daily work. **Mid-and long-term:** 1. Gradually adopt the GHG Protocol (Greenhouse Gas Protocol) to complete and strengthen the inventory of Scope 3 greenhouse gas emissions. 2. Gradually complete Greenhouse Gas (GHG) Scope 3 inventory for subsidiaries included in the consolidated financial statements. 3. Develop more granular emission reduction strategies and targets. We will continue to monitor environmental performance against industry best practices and strive for continuous improvement in internal operations, seeking to achieve significant results in lowering emissions, enhancing energy efficiency, and reducing our carbon footprint.		
Invest Resources and Specific Actions	• The Company assesses relevant risks and formulates countermeasures in response to evolving environmental trends. • The internal audit unit develops the annual audit plan based on the results of the risk assessment. • Energy-saving improvement projects for plant facilities. • The Kaohsiung Plant completed the repair of compressed air pipeline joint leaks in Phase II. Air leaks in the air compression system lead to continuous loss of compressed air and increase the operational load on equipment. This repair effectively reduced energy waste, resulting in a cumulative electricity saving of 193,622 kWh.		
Grievance Mechanism	Grievance Hotline: +886 2 2929 4567 ext. 2310	**Evaluation Mechanism**	Annual Carbon Emissions
2025 Performance	1. Completed the greenhouse gas inventory and assurance for the parent company and its subsidiary, A-SPINE Asia Co., Ltd. 2. Completed ISO 14064-1 Greenhouse Gas (GHG) inventory internal auditor training for 25 person-times (15 person-times from United Orthopedic and 10 person-times from A-Spine).		

Greenhouse Gas Inventory Organization and Governance Framework

To enhance the governance and operational efficiency of greenhouse gas (GHG) inventories, the Board of Directors oversees and the Sustainability Committee coordinates the strategic direction of GHG management. The Corporate Governance Officer serves as the convener for GHG inventory initiatives, responsible for the planning, implementation, progress monitoring, and cross-departmental coordination of related operations. Each business unit collects and compiles the data required for the inventory based on its respective functions and responsibilities. A dedicated team then performs centralized data integration, inventory calculations, and verification to enhance data quality and consistency.

Selection of Inventory Base Year and Organizational Boundaries

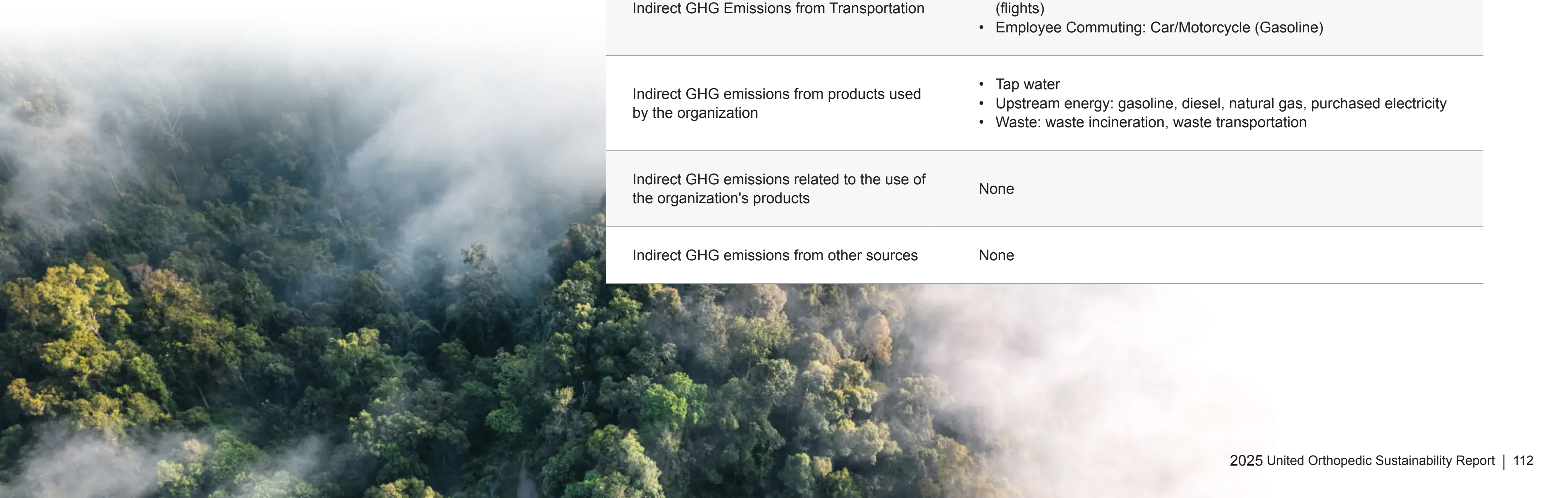
The Company has designated 2023 as the base year for greenhouse gas inventory (with 2026 as the base year for carbon reduction management), and is gradually establishing an emissions database and management mechanisms. The scope of the inventory covers United Orthopedic and its consolidated subsidiary A-Spine, totaling five operating locations. The organizational boundary is defined using the operational control approach, encompassing all emission sources under the Company's control within the inventory scope, and quantifying greenhouse gas emissions and removals at the facility level.

Greenhouse Gas Inventory and External Assurance

To enhance the credibility and transparency of greenhouse gas inventory data, the Company not only conducts internal inventories in accordance with international standards but also commissions an independent third party, LRQA, to perform external assurance. External assurance was conducted in accordance with ISO 14064-3: 2019 to independently review the Company's greenhouse gas (GHG) inventory results and provide professional opinions and recommendations, thereby continuously improving the quality of the Company's GHG management and disclosure.

Scopes and Categories of Greenhouse Gas Emission Sources

Category	Emission Source
Direct GHG Emissions	• Stationary combustion sources: generators (diesel) and natural gas • Mobile combustion sources: Company vehicles (gasoline) • Fugitive emission sources: septic tanks, fire extinguishers (CO_2, HFC-227ea), natural gas pipeline leakage, and refrigerant equipment (domestic refrigeration and freezing equipment, stand-alone commercial refrigeration and freezing equipment, chillers, air conditioners, and vehicles) • Process emissions (welding rods, WD-40, Starrett M1)
Indirect GHG emissions from imported energy	• Purchased Electricity
Indirect GHG Emissions from Transportation	• Business Travel: Taxis (gasoline), high-speed rail, overseas travel (flights) • Employee Commuting: Car/Motorcycle (Gasoline)
Indirect GHG emissions from products used by the organization	• Tap water • Upstream energy: gasoline, diesel, natural gas, purchased electricity • Waste: waste incineration, waste transportation
Indirect GHG emissions related to the use of the organization's products	None
Indirect GHG emissions from other sources	None



Greenhouse Gas Emissions

Year		2024		2025	
Business entities		United Orthopedic Corporation	A-Spine Asia Co., Ltd.	United Orthopedic Corporation	A-Spine Asia Co., Ltd.
Item	Emission Type	Emissions Equivalent (metric tons CO2e/year)		Emissions Equivalent (metric tons CO2e/year)	
Scope 1	Direct GHG emissions	174.039	1.9165	206.8955	2.0200
Scope 2	Indirect GHG emissions from imported energy[Note 1]	4,069.08	158.9245	4,330.7133	173.6697
Total Volume (Scope 1 + Scope 2)		4,243.1197	160.841	4,537.6088	175.6897
Scope 3	Indirect GHG Emissions from Transportation	438.0527	34.9077	494.7877	30.9173
	Indirect GHG emissions from products used by the organization	881.2175	33.5136	1,149.2150	49.1699
	Indirect GHG emissions related to the use of the organization's products	0.0000	0.0000	0.0000	0.0000
	Indirect GHG emissions from other sources	0.0000	0.0000	0.0000	0.0000
Total Volume (Scope 3)		1,319.2702	68.4213	1,644.0027	80.0872
Greenhouse gas emission intensity[Note 2] (tCO_2e/NT$ million revenue)		1.4993	0.3972	1.3277	0.3915

Note 1: The electricity emission factor is based on the factor announced by the Energy Administration. The factor used for 2024 and 2025 is 0.474 ($kgCO_2e$/kWh). Since the 2025 GHG emission data was verified in April 2026, the announced factor used is consistent with that of 2024.
Note 2: Emission intensity calculation for United Orthopedic: (Scope 1 + Scope 2) / operating revenue; emission intensity calculation for A-SPINE Asia Co., Ltd.: (Scope 1 + Scope 2) / operating revenue. The operating income figures in this table (in NT$ millions) are based on the 2024 and 2025 financial reports.
Note 3: The Company's 2024 and 2025 Scope 2 greenhouse gas emissions were calculated using the location-based method.

Greenhouse Gas Emission Reduction Measures and Results

Location	2025 Projects	Unit	Description
United Orthopedic, Hsinchu Plant	Major Greenhouse Gas Types	N/A	CO2
	Mitigation Measures	N/A	Previously, the air conditioning switches, water pumps, and cooling tower fans were manually operated as independent units. By adjusting the linkage settings among the air conditioning compressors, water pumps, and cooling tower fans, the pumps and fans now start automatically in synchronization with the compressors. This modification has reduced the idle operating time of the water pumps and cooling tower fans.
	Direct greenhouse gas emissions reductions achieved through mitigation measures	kt-CO2e	3.3097
	Scope of Reduction	N/A	Scope 2
	Description of Reduction Results	N/A	Estimated annual power savings: 6,982.56 kWh

5.3 Wastewater and Waste Management

Wastewater and Waste Management - Management Approach		
Policies and Commitments	The Company adheres to the environmental management principles of "regulatory compliance, source reduction, and resource recycling," having established a robust management system for wastewater and waste. All production sites comply with local regulations by discharging process wastewater and domestic sewage into industrial park sewerage systems. This ensures that discharge quality and volume meet statutory standards, with management further strengthened through regular monitoring and third-party testing mechanisms. In terms of waste management, the Company follows the ISO 14001 environmental management system to promote "process reduction, resource recovery, and reuse," prioritizing the reduction of waste generation. It also commissions licensed waste collection and treatment institutions to carry out sorting, disposal, and resource recovery, thereby reducing environmental impact.	
Goals	**Short-term:** 1. Continue to ensure that 100% of wastewater discharge complies with regulatory standards 2. Increase the Waste Recycling Rate 3. Reduce waste intensity per unit of revenue	**Mid-and long-term:** 1. Continuously reduce waste generation and increase the resource recycling rate 2. Promote the implementation of circular economy or material reuse mechanisms in specific processes 3. Evaluate the implementation of wastewater recycling and reuse or water-saving processes
Invest Resources and Specific Actions	• Regular water quality monitoring and outsourced third-party testing to ensure that wastewater discharge complies with laws and regulations. • Implement process reduction and raw material optimization. • Outsource to qualified contractors for recycling, reuse, or final disposal.	
Grievance Mechanism	Grievance Hotline: +886 2 2929 4567 ext. 2310	
Evaluation Mechanism	Wastewater discharge, total waste and recycling rate, waste generation intensity (kg/revenue), and ratio of hazardous to non-hazardous waste	
2025 Performance	1. 100% of wastewater discharge met regulatory standards. 2. The waste recycling rate increased by approximately 10% compared to the previous year. 3. The combined waste intensity of the Hsinchu and Kaohsiung plants decreased by 0.03 (tonnes/NT$ million revenue) compared to the previous year, representing a reduction of approximately 20%.	

Water Resource Use and Management

United Orthopedic recognizes the scarcity of water resources and is committed to ensuring efficient water use through a series of sophisticated management measures. We further enhance water resource management efficiency through daily monitoring, inspections, and employee training to achieve sustainable development goals. To achieve these goals, we have formulated the following management approach:

Daily Water System Monitoring and Anomaly Inspection	Daily water meter readings are performed to compare consumption data in real time, enabling the timely detection of pipeline leaks or abnormalities. Through daily monitoring, we respond promptly and take timely action to prevent water waste.
Regular Inspection and Maintenance	Conduct comprehensive inspections of all water pipelines within the plant every two weeks to identify any leakages or abnormalities. Dedicated personnel are responsible for inspections to ensure all pipelines are in good operating condition and to prevent the loss of water resources.
Real-time Troubleshooting and Remediation	Upon discovering water pipe leakages or abnormalities, emergency response procedures are immediately activated to quickly locate and repair the affected points.
Water Conservation Awareness and Employee Training	To further raise employee awareness of water resource management, the importance of water conservation and the corresponding implementation measures are regularly communicated to staff. Through regular education and promotion, all employees are encouraged to participate in water conservation and protection efforts.

Water Consumption

Plant Site	Year		2024	2025
Taipei	Total Volume		1,162.18	1,293.63
	Tap water	Consumption	1,162.18	1293.63
		Proportion	100%	100%
Hsinchu	Total Volume		16,255.55	16,603.39
	Tap water	Consumption	14,694.75	14,930.29
		Proportion	90.40%	89.92%
	Reclaimed water	Process wastewater	1,560.80	1,673.11
		Total Volume	1,560.80	1,673.11
		Proportion	9.60%	10.08%
Kaohsiung	Total Volume		22,948.54	26,969.26
	Tap water	Consumption	21,406.54	24,123.26
		Proportion	93.28%	89%
	Reclaimed water	Rainwater	121	220
		Process wastewater	1,421	2,626
		Total Volume	1,542	2,846
		Proportion	6.72%	11%

Note: Annual recycled water volumes are estimates and have not been verified by a third-party institution

Wastewater Discharge

All United Orthopedic plants are equipped with wastewater and rainwater recycling systems. In 2025, wastewater discharge at the Hsinchu Plant decreased slightly compared to the previous year, influenced by process adjustments and operational scheduling. Conversely, wastewater discharge at the Kaohsiung Plant increased in 2025 due to higher production volumes. Wastewater discharge data for the past two years are as follows:

Plant Site	Unit	Year	
		2024	2025
Hsinchu	metric tons	8,317.4	7,783.2
Kaohsiung	metric tons	11,222.78	13,867.06

Wastewater Discharge Management and Compliance Standards

All of the Company's production sites are located within science parks and are classified as business entities under the parks' sewage system management. Accordingly, wastewater discharge management is conducted in compliance with local regulations and the science parks' sewage connection standards to control the quality and volume of the effluent. In formulating wastewater discharge management procedures and regulations, the Company not only complies with legal requirements but also references international standards such as the ISO 14001 environmental management system to ensure the appropriateness and consistency of management measures.

Process and domestic wastewater from each production site is discharged into industrial park sewer systems in accordance with legal requirements. This wastewater is treated centrally by the park's wastewater treatment plants before being released into receiving water bodies. Regular monitoring and third-party testing mechanisms are implemented to ensure that wastewater discharge consistently complies with relevant regulations.

Water Withdrawal and Discharge Statistics

The Company refers to the Aqueduct Water Risk Atlas published by the World Resources Institute (WRI) to assess water stress levels at its production sites, providing a critical foundation for water resource management and risk response. High water stress areas are defined as regions where water stress exceeds 40%. Based on our assessment, all current production sites are located in low-to-medium water stress areas, with water stress levels ranging between 10% and 20%, none of which have reached the threshold for high water stress as defined by the Company. We will continue to monitor water stress levels at our operating locations and periodically review and enhance relevant management and response measures.

Unit: Metric tons

Site		Hsinchu Plant		Kaohsiung Plant	
Year		2024	2025	2024	2025
Water Withdrawal	a. Condensate, recycled water, and rainwater consumption	1,560.80	1,673.11	1,542.00	2,846.00
	b. Third-party water withdrawal (e.g., tap water, water trucks, purchased water)	14,694.75	14,930.29	21,406.54	24,123.26
	c. Groundwater withdrawal	0	0	0	0
	d. Seawater Withdrawal	0	0	0	0
	e. Other water withdrawal (e.g., water from rivers, lakes, canals, and surplus irrigation water)	0	0	0	0
Water discharge	f. Direct Surface Water Discharge Volume	0	0	0	0
	g. Water discharge to sewers/industrial wastewater treatment plants	8,317.40	7,783.20	11,222.78	13,867.06
	h. Volume of water discharged to the ocean	0	0	0	0
	i. Water discharged to other areas	0	0	0	0
	Third-party water for use by other organizations	0	0	0	0
Total water withdrawal (b+c+d+e)		14,694.75	14,930.29	21,406.54	24,123.26
Total water withdrawal (a+b+c+d+e)		16,255.55	16,603.40	22,948.54	26,969.26
Total Water Discharge (f+g+h+i)		8,317.40	7,783.20	11,222.78	13,867.06
Total water consumption (Total water withdrawal - Total water discharge)		6,377.35	7,147.09	10,183.76	10,256.20

Waste Management

United Orthopedic adheres to the principles of "process reduction and resource recycling," striving to minimize waste generation and maximize resource reuse. The following management guidelines have been established to ensure effective waste management:

Process Reduction and Resource Recycling	In the production process, we prioritize reducing raw material consumption and minimize waste generation by continuously optimizing process workflows. Furthermore, these measures not only help alleviate environmental impact but also effectively lower production costs, resulting in a win-win outcome.
Compliance with waste management regulations	We have consistently adhered to all waste management laws and standards, ensuring that disposal processes meet environmental requirements and that all recycling and treatment procedures remain transparent and compliant.
Engagement of qualified waste removal and disposal contractors	To ensure proper waste disposal, we outsource waste recycling and treatment to qualified professional contractors. These contractors are responsible for sorting, processing, and recycling waste materials to minimize the environmental impact of waste.

Through its "source reduction and resource recycling" management strategy, United Orthopedic has actively promoted waste recycling and reuse while reducing waste generation, demonstrating a commitment to minimizing its environmental footprint.

Waste Generation and Recycling Rates

Year	2024			2025		
Breakdown Statistics (Unit)	Total Waste Generated (tonnes/ year)	Non-recyclable waste generation (metric tons)	Recycling rate (%)	Total Waste Generated (tonnes/ year)	Non-recyclable waste generation (metric tons)	Recycling rate (%)
Total Waste	370.906	337.41	9%	355.941	290.071	19%
General waste (representing approximately 99% of total output)	367.066	333.57	9%	353.371	287.501	19%
Hazardous waste (representing approximately 1% of total output)	3.84	3.84	0%	2.57	2.57	0%

Note: Total waste = General waste + Hazardous waste + E-waste

Waste Intensity

Year	2024		2025	
Waste Data Reporting Boundary	Hsinchu Plant	Kaohsiung Plant	Hsinchu Plant	Kaohsiung Plant
Waste generated (kg)	194,290.00	176,616.00	126,900.00	229,041.00
Operating Revenue (NT$ million)	2,830.11		3,417.63	
Waste Generation Intensity (kg/NT$ million revenue)	131.06		104.15	

Note: The scope of waste generation excludes certain Taipei office locations, primarily because their waste volume and associated environmental impact are relatively low. As their effect on the overall data is immaterial, they have been excluded from the statistics.

2025 Waste Generation and Disposal Methods

Plant Site	Waste Name	Amount Generated (tonnes/year)	Waste Disposal Methods		Description of Handling Procedures
Hsinchu Plant	Metal scrap	7.98	Disposal and Transfer	Recycling and Reuse	Outsourced recycling and reuse
	Plastic scraps	1.82	Disposal and Transfer	Recycling and Reuse	Outsourced recycling and reuse
	Waste paper	7.57	Disposal and Transfer	Recycling and Reuse	Outsourced recycling and reuse
	Spent lighting sources	0.13	Disposal and Transfer	Recycling and Reuse	Outsourced recycling and reuse
	Waste liquid pH ≤ 2.0	1.34	Direct transfer	Other Disposal Procedures	Chemical Treatment
	General office waste	40.01	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste oil mixtures	43.93	Direct transfer	Other Disposal Procedures	Physical Treatment
	Waste grinding wheels	0.245	Direct transfer	Landfilling	Landfilling
	Waste glass sand	10.905	Direct transfer	Landfilling	Landfilling
	Mixed plastic waste mixtures	8.41	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste wood	0.41	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste fiber mixtures	1.75	Direct transfer	Incineration (without energy recovery)	Incineration
	General waste generated from operations	2.4	Direct transfer	Incineration (with energy recovery)	Incineration
Kaohsiung Plant	Waste oil mixtures	25.14	Direct transfer	Other Disposal Procedures	Physical Treatment
	Non-hazardous dust and ash	4.13	Direct transfer	Landfilling	Landfilling
	Spent sandblasting media	12.87	Direct transfer	Landfilling	Landfilling
	Waste shell molds	39.55	Direct transfer	Landfilling	Landfilling
	Waste glass sand	2.09	Direct transfer	Landfilling	Landfilling
	General waste generated from operations	59.1	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste paper	6	Disposal and Transfer	Other Recycling Operations	Outsourced recycling activities

2025 Waste Generation and Disposal Methods

Plant Site	Waste Name	Amount Generated (tonnes/year)	Waste Disposal Methods		Description of Handling Procedures
Kaohsiung Plant	Mixed plastic waste mixtures	11.4	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste rubber mixtures	0.14	Direct transfer	Incineration (without energy recovery)	Incineration
	Waste fiber mixtures	3.91	Direct transfer	Incineration (without energy recovery)	Incineration
	Spent activated carbon	0.75	Direct transfer	Landfilling	Landfilling
	Waste liquid pH ≤ 2.0	0.87	Direct transfer	Other Disposal Procedures	Chemical Treatment
	Metal scrap	27.36	Disposal and Transfer	Other Recycling Operations	Outsourced recycling activities
	Sludge mixture	18.76	Direct transfer	Landfilling	Landfilling
	Waste grinding wheels	0.43	Direct transfer	Landfilling	Landfilling
	Waste wood	15.01	Disposal and Transfer	Recycling and Reuse	Outsourced recycling and reuse
	Waste alcohol	0.36	Direct transfer	Incineration (without energy recovery)	Incineration
	Food waste	1.171	Direct transfer	Incineration (without energy recovery)	Incineration

Waste Type	Disposal Method			Unit	Hsinchu Plant		Kaohsiung Plant	
					2024	2025	2024	2025
General waste	Disposal and Transfer		Preparation for reuse	metric tons	None	None	None	None
	Disposal and Transfer		Recycling and Reuse	metric tons	8.17	17.5	1.08	15.01
	Disposal and Transfer		Other Recycling Operations	metric tons	None	None	24.246	33.36
	Direct Disposal	Incineration (without energy recovery)	Discontinued use	metric tons	140.72	52.98	47.43	75.721
	Direct Disposal	Landfilling	Discontinued use	metric tons	10.95	11.15	72.41	78.58
	Direct Disposal	Other Disposal Procedures	Discontinued use	metric tons	32.96	43.93	29.1	25.14

2025 Waste Generation and Disposal Methods

Waste Type	Disposal Method			Unit	Hsinchu Plant		Kaohsiung Plant	
					2024	2025	2024	2025
Hazardous waste (Hazardous waste)	Disposal and Transfer		Preparation for reuse	metric tons	None	None	None	None
	Disposal and Transfer		Recycling and Reuse	metric tons	None	None	None	None
	Disposal and Transfer		Other Recycling Operations	metric tons	None	None	None	None
	Direct Disposal	Incineration (without energy recovery)	Discontinued use	metric tons	None	None	1.15	0.36
	Direct Disposal	Other Disposal Procedures	Discontinued use	metric tons	1.49	1.34	1.2	0.87
Total Waste Amount				metric tons	194.29	126.9	176.616	229.041
Waste Intensity				Metric tons/NT$ million revenue	0.07	0.04	0.06	0.07

Waste Treatment Process

Process & non-process waste
355.947 metric tons

Non-hazardous waste
353.371 metric tons

- **Incineration** **128.701 metric tons**
- **Landfilling** **89.73 metric tons**
- **Other Disposals** **69.07 metric tons**

Hazardous waste
2.57 metric tons

- **Incineration** **0.36 metric tons**
- **Other Disposals** **2.21 metric tons**

Air Pollution Control

United Orthopedic collects various types of air pollutants according to their specific characteristics and processes them through appropriate control equipment to ensure that emissions comply with regulatory requirements. All air pollution control equipment is operated and maintained in accordance with permit requirements, with comprehensive records kept to ensure equipment effectiveness and safeguard environmental and employee health. The Company will invest NT$7.48 million in environmental protection in 2025, of which approximately NT$1.66 million is directly related to the operation and maintenance of air pollution control measures.

We will ensure the operational efficiency of air pollution control equipment through scientific management and sustained investment, achieving tangible results in pollution reduction, energy efficiency, and regulatory compliance as part of our ongoing commitment to environmental protection.

06

Appendix

Appendix

Appendix 1: GRI Standards Index

Statement of Use	**United Orthopedic Corporation has reported the content for the period from January 1, 2025, to December 31, 2025, in accordance with the GRI Standards**
GRI 1 used	**GRI 1: Foundation 2021**

No.	GRI Standards Disclosures	Corresponding Chapter or Description	Page
1. Organization and Reporting Practices			
2-1	Organizational Details	About United Orthopedic	9
2-2	Entities Included in the Organization's Sustainability Reporting	Reporting Principles	3
2-3	Reporting Period, Frequency, and Contact Point	Reporting Principles	3
2-4	Restatements of Information	Reporting Principles	3
2-5	External Assurance	Reporting Principles	3
2. Activities and Workers			
2-6	Activities, Value Chain, and Other Business Relationships	About United Orthopedic, 3.2 Customer Service	10, 61
2-7	Employees	4.1 Workforce Overview	72
2-8	Workers Who Are Not Employees	4.1 Workforce Overview	72
3. Governance			
2-9	Governance Structure and Composition	1.1Sustainable Governance, 2.1 Corporate Governance and Integrity	23, 39
2-10	Nomination and Selection of the Highest Governance Body	2.1 Corporate Governance and Integrity	39
2-11	Chair of the Highest Governance Body	2.1 Corporate Governance and Integrity	39
2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	1.2 Stakeholder Engagement, 2.1 Corporate Governance and Integrity	26, 39
2-13	Delegation of Responsibility for Managing Impacts	1.1 Sustainable Governance	23

No.	GRI Standards Disclosures	Corresponding Chapter or Description	Page
2-14	Role of the Highest Governance Body in Sustainability Reporting	1.1 Sustainable Governance, 2.1 Corporate Governance and Integrity	23, 39
2-15	Conflicts of Interest	2.1 Corporate Governance and Integrity	39
2-16	Communication of Critical Concerns	1.1 Sustainable Governance	23
2-17	Collective Knowledge of the Highest Governance Body	2.1 Corporate Governance and Integrity	39
2-18	Evaluation of the Performance of the Highest Governance Body	2.1 Corporate Governance and Integrity	39
2-19	Remuneration Policies	2.1 Corporate Governance and Integrity	39
2-20	Process to Determine Remuneration	2.1 Corporate Governance and Integrity	39
2-21	Annual Total Compensation Ratio	4.3 Talent Attraction and Retention	84
4. Strategy, Policies, and Practices			
2-22	Statement on Sustainable Development Strategy	Message from the CEO	4
2-23	Policy Commitments	4.3 Talent Attraction and Retention	84
2-24	Embedding Policy Commitments	4.3 Talent Attraction and Retention	84
2-25	Procedures for Remediate Negative Impacts	1.2 Stakeholder Engagement, 2.1 Corporate Governance and Integrity, 3.2 Customer Service	26, 39, 61
2-26	Mechanisms for Seeking Advice and Raising Concerns	3.2 Customer Service	61
2-27	Compliance with Laws and Regulations	2.1 Corporate Governance and Integrity	39
2-28	Membership Associations	About United Orthopedic	20
5. Stakeholder Engagement			
2-29	Approach to Stakeholder Engagement	1.2 Stakeholder Engagement	26
2-30	Collective Bargaining Agreements	Although the Company has no labor union or collective bargaining agreements, it holds regular quarterly labor-management meetings and maintains transparent communication channels. The resolutions passed during these meetings apply to all employees.	-

GRI 3: Material Topics 2021

GRI 3: Material Topics 2021			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Management of Material Topics			
3-1	Process for Determining Material Topics	1.3 Management of Material Topics	30
3-2	List of Material Topics	1.3 Management of Material Topics	30
3-3	Management of Material Topics	1.3 Management of Material Topics	30

Material Topic: Employee Training and Development			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	4.2 Employee Training and Development	77
GRI 404: Training and Education 2016			
404-1	Average Hours of Training Per Year Per Employee	4.2 Employee Training and Development	77
404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	4.2 Employee Training and Development	77

Material Topic: Effluent and Waste Management			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	5.3 Wastewater and Waste Management	115

GRI 303: Water and Effluents 2018			
303-4	Water Discharge	5.3 Wastewater and Waste Management	115
303-5	Water Consumption	5.3 Wastewater and Waste Management	115
GRI 306: Waste 2020			
306-3	Waste Generated	5.3 Wastewater and Waste Management	115

Material Topic: Carbon Footprint Verification			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction	111
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG Emissions	5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction	111
305-2	Energy Indirect (Scope 2) GHG Emissions	5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction	111
305-3	Other indirect (Scope 3) GHG Emissions	5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction	111

Material Topic: Occupational Health and Safety			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	4.4 Occupational Health and Safety	92
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational Health and Safety Management System	4.4 Occupational Health and Safety	92
403-2	Hazard Identification, Risk Assessment, and Incident Investigation	4.4 Occupational Health and Safety	92

403-3	Occupational Health Services	4.4 Occupational Health and Safety	92
403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	4.4 Occupational Health and Safety	92
403-5	Worker Training on Occupational Safety and Health	4.4 Occupational Health and Safety	92
403-6	Promotion of Worker Health	4.4 Occupational Health and Safety	92
403-9	Work-Related Injuries	4.4 Occupational Health and Safety	92

Material Topic: Corporate Governance and Ethics			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	2.1 Corporate Governance and Integrity	39
GRI 205: Anti-corruption 2016			
205-1	Operations Assessed for Risks Related to Corruption	2.1 Corporate Governance and Integrity	39
205-2	Communication and Training on Anti-Corruption Policies and Procedures	2.1 Corporate Governance and Integrity	39
205-3	Confirmed Incidents of Corruption and Actions Taken	2.1 Corporate Governance and Integrity	39

Material Topic: Value Chain Management			
No.	**Disclosure Items**	**Corresponding Chapter or Description**	**Page**
GRI 3: Material Topics 2021			
3-3	Management of Material Topics	3.3 Value Chain Management	65
GRI 204: Procurement Practices 2016			
204-1	Proportion of Spending on Local Suppliers	3.3 Value Chain Management	65

Appendix 2: Sustainability Accounting Standards Board (SASB) Index

Medical Equipment and Supplies				
Disclosure Topics	**Indicator Code**	**Disclosure Metrics**	**Response Content/Corresponding Chapter**	**Page**
Affordability and Pricing	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or their agents	Pricing for domestic public hospitals is regulated by the Government Procurement Act, with public bidding conducted through the Government E-Procurement System (https://web.pcc.gov.tw/pis/). Product pricing for private hospitals and distributors is reviewed in accordance with the "Sales Management Procedures" and is specified in the transaction contracts between the parties.	-
	HC-MS-240a.3	Percentage change in (1) weighted average list price and (2) weighted average net price within the product mix compared to the previous reporting period	The Company has not compiled any relevant statistics.	-
Product Safety	HC-MS-250a.1	(1) Number of recalls, (2) Total number of units recalled	Number of recalls announced in 2025: 0.	61
	HC-MS-250a.2	Products listed in any public medical product safety or adverse event alert databases	None of the Company's products are listed in any public medical product safety or adverse event alert databases.	61
	HC-MS-250a.3	Product-related fatalities	As of the reporting period, no fatalities directly related to products have occurred.	-
	HC-MS-250a.4	Number of enforcement actions taken in response to violations of Good Manufacturing Practice (GMP) or equivalent standards, by type	No significant violations were recorded this year.	-
Ethical marketing	HC-MS-270a.1	Total monetary losses as a result of legal proceedings associated with false marketing claims	No relevant litigation occurred in 2025.	39
	HC-MS-270a.2	Description of Ethical Standards for Managing the Off-Label Use of Product Promotion Materials	Promotional materials, such as product catalogs and surgical manuals, are prepared in accordance with the instructions approved by domestic and foreign regulatory authorities to ensure that no content related to the off-label use of controlled drugs occurs. Product advertisements are published in academic medical publications only after obtaining the "Medical Device Advertisement Approval Number" from the Ministry of Health and Welfare in accordance with the law.	61

Product Design and Life Cycle Management	HC-MS-410a.1	Discussion of the processes for evaluating and managing environmental and human health considerations related to chemicals in products, and for meeting requirements for sustainable products	3.3 Value Chain Management	65
	HC-MS-410a.2	Total weight of products accepted for recovery and reuse, recycling, or donation, categorized by (1) equipment and (2) supplies	A system for the recovery, processing, and reuse of sterilized products that have expired before use has been established. In 2025, it is estimated that a total of 702 kilograms of products will be returned to the factory for reprocessing and subsequent reuse.	119
Supply Chain Management	HC-MS-430a.1	Percentage of (1) individual sites and (2) Tier 1 supplier sites participating in third-party audit programs for manufacturing and product quality	Suppliers in categories A, C, D, and G undergo 100% ISO 13485 document reviews or on-site audits.	65
	HC-MS-430a.2	Description of Efforts to Maintain Traceability Within the Distribution Chain	Batch numbers are controlled through a tracking mechanism via UDI or batch number management.	65
	HC-MS-430a.3	Description of Risk Management Related to the Use of Critical Materials	Critical materials undergo regular verification by third-party laboratories.	65
Corporate Ethics	HC-MS-510a.1	Total monetary losses as a result of legal proceedings associated with bribery or corruption	2.1 Corporate Governance and Integrity No related litigation occurred in 2025.	39
	HC-MS-510a.2	Description of ethical standards for managing interactions with healthcare professionals	3.2 Customer Service	61
Activity Metrics	HC-MS-000.A	Number of Units Sold, by Product Category	Implant - Knee Joint: 36% Implants - Hip Joint: 32% Instruments: 25% Implants - Oncology: 3% Others: 4%	-

Appendix 3: Task Force on Climate-related Financial Disclosures (TCFD) Index—Implementation of Climate-Related Information

Code	TCFD Recommended Disclosures	2025 Disclosure Contents	Page
Governance			
TCFD 1(a)	Describe the board's oversight of climate-related risks and opportunities	5.1 Environmental Management	105
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities	5.1 Environmental Management	105
Strategy			
TCFD 2(a)	Describe the short-, mid-, and long-term climate-related risks and opportunities the organization has identified	5.1 Environmental Management	105
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	5.1 Environmental Management	105
TCFD 2(c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5.1 Environmental Management	105
Risk Management			
TCFD 3(a)	Describe the organization's processes for identifying and assessing climate-related risks	5.1 Environmental Management	105
TCFD 3(b)	Describe the organization's processes for managing climate-related risks	5.1 Environmental Management	105
TCFD 3(c)	Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management system.	5.1 Environmental Management	105
Metrics and Targets			
TCFD 4(a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.	5.1 Environmental Management	105
TCFD 4(b)	Disclosure of Scope 1, Scope 2, and Scope 3 (if applicable) GHG emissions and related risks	5.2 Greenhouse Gas Management, Energy Efficiency and Carbon Reduction	111
TCFD 4(c)	Describe the targets used by the organization to manage climate-related risks and opportunities and its performance against these targets.	5.1 Environmental Management	105

Appendix 4: GHG Inventory Report

LRQA Independent Assurance Statement

Relating to United Orthopedic Corporation's GHG Inventory Report for the calendar year 2025

Terms of Engagement

This Assurance Statement has been prepared for United Orthopedic Corporation.

LRQA was commissioned by United Orthopedic Corporation. (hereafter referred to as the "UOC") to assure its GHG Inventory Report[1] of United Orthopedic Corporation. for the calendar year 2025 (hereafter referred to as the GHG Inventory Report").

The GHG Inventory Report relates to direct GHG emissions, energy indirect GHG emissions and other indirect GHG emissions (Indirect emissions from transportation and Indirect emissions from products used by the organization). The GHG emissions have been consolidated using "Operational control" approach.

The main activities of UOC include 'Design, manufacture and sales of orthopedic implants (artificial joints, spinal fixation system and polymer disc spacers/cages) and instruments and the associated facilities & equipment as set out in the GHG Inventory Report.

GHG Inventory Report of United Orthopedic Corporation
UOC's geographical boundary includes the Taipei Office, Hsinchu Plant, Kaohsiung Plant, Taipei Office of A-SPINE, Xindian Plant of A-SPINE, and the additional locations identified in this GHG Inventory Report.

Client reference	Site Address	Specific activity
UNITED-Headquarters & Hsinchu Plant	No. 51, 53, 55, 57, Park Ave. 2 & 2F., No. 12, Gongye E. 4th Rd., East Dist., Hsinchu City, Taiwan 2F., No.22 & 2F., No. 24, Gongye E. 4th Rd., East Dist., Hsinchu City, Taiwan	Manufacture & Office Warehouse
UNITED-Taipei Office	12F., No. 80 and 11F,11F-1,12F., No.82, Sec. 1, Chenggong Rd., Yonghe Dist., New Taipei City, Taiwan	Office
UNITED-Kaohsiung Plant	No. 16, Luke 1st Rd., Luzhu Dist., Kaohsiung City, Taiwan	Manufacture
A-SPINE Asia CO., Ltd.-Taipei Office	20F, 20F-1, No. 80 and 20F, 20F.-1, 82, Sec. 1, Chenggong Rd., Yonghe Dist., New Taipei City, Taiwan	Office
A-SPINE Asia CO., Ltd.-Xindian Plant	1F., No. 43, Fuxing Rd., Xindian Dist., New Taipei City, Taiwan	Manufacture

[1] Final GHG report_ISO14064-1-2018_ calendar year (2025)_United Orthopedic Corporation, dated 24 March 2026, 1st Edition.

Appendix 5: Independent Assurance Report

EY 安永 Building a better working world
Ernst & Young Global Limit
9F, No. 333, Sec. 1, Keelung Road
Taipei City, Taiwan, R.O.C.
Tel: 886 2 2757 8888
Fax: 886 2 2757 6050
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Limited Assurance Report of Accountants

To United Orthopedic Corporation

Assurance Scope

We, the accountants, have been engaged by United Orthopedic Corporation (United Orthopedic) to perform a limited assurance engagement, as defined by the assurance standards issued by the Accounting Research and Development Foundation, on selected sustainability performance information (subject matter information) in the 2025 Sustainability Report, and to issue a report thereon.

Subject Matter Information and Applicable Criteria

The subject matter information and applicable criteria for United Orthopedic are detailed in Attachment 1.

Management's Responsibility

United Orthopedic's management is responsible for preparing the subject matter information in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TPEx-Listed Companies issued by the Taipei Exchange and in accordance with appropriate reporting criteria, including the GRI Standards 2021 issued by the Global Reporting Initiative (GRI). Management of United Orthopedic is responsible for selecting the applicable criteria and for ensuring that the subject matter information is reported in accordance with these criteria in all material aspects. This responsibility includes establishing and maintaining internal controls related to the preparation of subject matter information, maintaining appropriate records, and making estimates to ensure that the subject matter information is free from material misstatement, whether due to fraud or error.

The Accountant's Responsibility

Our responsibility as accountants is to form a conclusion on the subject matter based on the evidence we have obtained.

We have conducted our assurance engagement in accordance with TWSAE3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the Accounting Research and Development Foundation. The engagement was planned and performed to identify whether the subject matter information requires any material modifications to conform with the applicable criteria in all material aspects and to issue a limited assurance report.

Based on our professional judgment, including the assessment of risks of material misstatement due to fraud or error, we determine the nature, timing, and scope of assurance procedures.

We believe we have obtained sufficient and appropriate evidence to provide a basis for expressing our limited assurance conclusion.

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The Accountant's Independence and Quality Control

We and our firm comply with the independence and other ethical requirements in the Professional Ethics Standards for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm complies with Statement of Quality Management Standards No. 1 Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, which requires firms to design, implement, and operate a quality management system, including policies or procedures to ensure compliance with ethical requirements, professional standards, and applicable legal and regulatory obligations.

Description of Procedures Performed

The nature and timing of procedures performed in a limited assurance engagement are different from a reasonable assurance engagement, and their scope is more limited. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than that obtained in a reasonable assurance engagement. Our procedures are designed to obtain limited assurance and form a conclusion accordingly, and do not provide all the evidence necessary for reasonable assurance.

Although we considered the effectiveness of United Orthopedic's internal control when determining the nature and scope of our assurance procedures, this engagement does not provide an opinion on the effectiveness of those internal controls. Our procedures performed do not include testing controls or performing procedures related to checking aggregation or calculation of data within IT systems.

A limited assurance engagement involves making inquiries, primarily of those responsible for preparing the subject matter information and related data, and applying analytical and other appropriate procedures.

Our procedures performed include:

- Conducting interviews with United Orthopedic's personnel to understand their business operations, overall sustainability development implementation, and the sustainability reporting process;
- Through interviews and review of relevant documents, to understand United Orthopedic's key stakeholders and their expectations and needs, the specific communication channels between them, and how the Company responds to these expectations and needs;
- Conducting interviews with relevant personnel of United Orthopedic to understand the related processes for collecting, organizing, and reporting the subject matter information;
- Examining whether calculation criteria have been correctly applied in accordance with the methods outlined in the applicable criteria;
- Performing analytical procedures on selected sustainability performance information in the report; collecting and evaluating other supporting evidence and management representations obtained; and conducting sample testing where necessary;
- Review United Orthopedic's sustainability report to confirm its consistency with our understanding of the Company's overall sustainability initiatives;

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Inherent Limitations

Due to the inherent measurement uncertainties in non-financial information included in sustainability reports, the use of different measurement methods may result in significant variations in performance measurement. Additionally, as assurance work is conducted on a sampling basis and all internal controls have inherent limitations, it may not be possible to detect all material misstatements, whether arising from fraud or error.

Conclusion

Based on the procedures performed and the evidence obtained, we have not identified any matters that would necessitate material modifications to the subject information in accordance with the applicable criteria.

Ernst & Young Global Limited

CPA: Lin, Shih-Huan

August 13, 2026

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Appendix 5: Independent Assurance Report

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Attachment 1:

<table>
<tr><th>No.</th><th>Chapter</th><th>Content Title</th><th>Subject Information</th><th>Applicable Criteria</th></tr>
<tr><td>1</td><td>About United Orthopedic</td><td>Operating Performance</td><td>2025 Operating Performance
<table>
<tr><th>Item</th><th>Basic Requirements</th><th>2025</th></tr>
<tr><td>Direct Economic Value Generated</td><td>Operating Revenue</td><td>5,655,418</td></tr>
<tr><td rowspan="5">Economic Value Distributed</td><td>Operating Costs</td><td>1,255,883</td></tr>
<tr><td>Employee Remuneration and Benefits</td><td>1,384,978</td></tr>
<tr><td>Payments to Providers of capital (Current Year Dividends)</td><td>433,969</td></tr>
<tr><td>Payments to Government</td><td>143,590</td></tr>
<tr><td>Community Investment</td><td>6,845</td></tr>
<tr><td>Economic Value Retained</td><td>Net Profit after Tax</td><td>571,471</td></tr>
</table></td><td>GRI 201-1 Direct Economic Value Generated and Distributed</td></tr>
<tr><td>2</td><td>Chapter 2</td><td>2.1 Corporate Governance and Integrity</td><td>In 2025, the Company had only one instance of legal violation resulting in a fine, which did not reach the threshold for a material penalty.

United Orthopedic defines material penalty events as disasters, collective protests, strikes, environmental pollution, information security incidents, or other major occurrences that result in any of the following circumstances and require the disclosure of material information in accordance with laws and regulations:
(I) Any incident that causes material damage or impact to the Company;
(II) Where the relevant authorities have ordered a suspension of work, suspension of business, closure of business, or the cancellation or revocation of pollution-related permits;
(III) The cumulative amount of fines for a single incident reaches NT$1 million or more.</td><td>GRI 2-27 Compliance with Laws and Regulations</td></tr>
</table>

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<table>
<tr><th>No.</th><th>Chapter</th><th>Content Title</th><th>Subject Information</th><th>Applicable Criteria</th></tr>
<tr><td>3</td><td>Chapter 3</td><td>3.3 Value Chain Management</td><td>2025 Supplier Distribution by Region
<table>
<tr><th>Region</th><th>Number of Suppliers</th><th>Supplier Distribution by Region</th></tr>
<tr><td>Domestic</td><td>644</td><td>90%</td></tr>
<tr><td>Overseas</td><td>74</td><td>10%</td></tr>
<tr><td>Total</td><td>718</td><td>100%</td></tr>
</table></td><td>GRI 204-1 Proportion of Spending on Local Suppliers</td></tr>
<tr><td>4</td><td>Chapter 4</td><td>4.1 Workforce Overview</td><td>2025 Employee Gender Statistics
<table>
<tr><th rowspan="2">Item</th><th colspan="3">2025</th></tr>
<tr><th>Female</th><th>Male</th><th>Total</th></tr>
<tr><td>Number of Permanent Employees</td><td>307</td><td>395</td><td>702</td></tr>
<tr><td>Number of Temporary Employees (Contracted)</td><td>7</td><td>83</td><td>90</td></tr>
<tr><td>Number of Full-Time Employees</td><td>314</td><td>478</td><td>792</td></tr>
<tr><td>Total Number of Full-time and Part-time Employees</td><td>314</td><td>478</td><td>792</td></tr>
<tr><td>Percentage</td><td>39.65%</td><td>60.35%</td><td>100%</td></tr>
</table></td><td>GRI 2-7 Employees</td></tr>
<tr><td>5</td><td>Chapter 5</td><td>5.3 Wastewater and Waste Management</td><td>2025 Wastewater Discharge
<table>
<tr><th>Plant Site</th><th>Unit</th><th>2025</th></tr>
<tr><td>Hsinchu</td><td>metric tons</td><td>7,783.20</td></tr>
<tr><td>Kaohsiung</td><td>metric tons</td><td>13,867.06</td></tr>
</table></td><td>GRI 303-4 Water Discharge</td></tr>
</table>

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