3. Sustainable Innovation

3.1.Customer Service Management

Customer Relations Management Management Policy

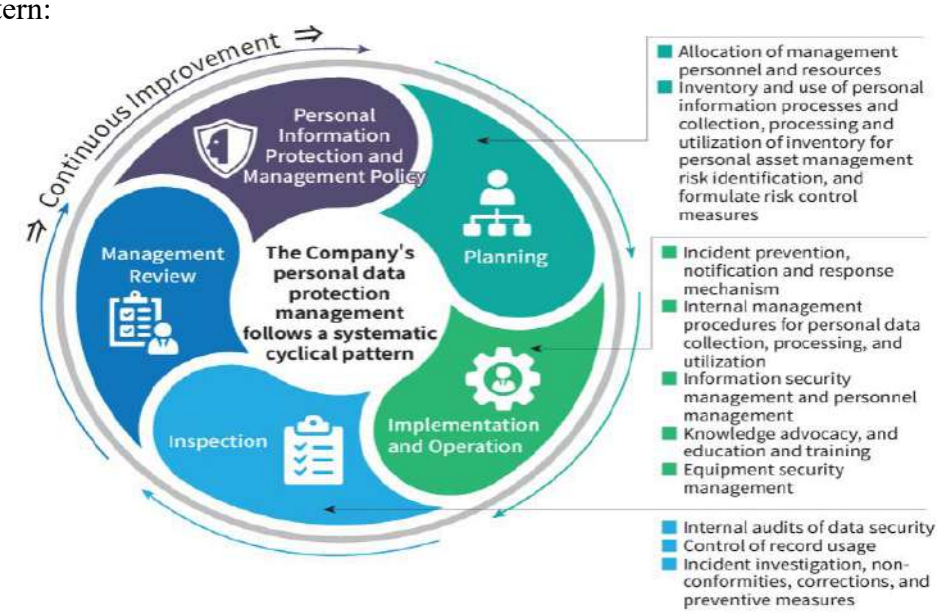
Item	Description	Content
Material Topics and its Boundaries	Reason for the materiality of this topic	Company's core values: Customer satisfaction, service integrity, proactive accountability, professional innovation, and inclusive growth. The main products are blanking components for automotive and motorcycle parts, with operations based on the IATF 16949 quality management system. The Company is committed to customer relationship management to enhance product and customer service, thereby improving customer satisfaction.
	Boundary for this topic	Customers/Clients (business conduct impact)
	Limitations of disclosure within this boundary	This annual report will disclose information related to customer relationship management from Taiwan headquarters and overseas operating locations.
Management Approach and Its Components	Management objectives for this topic	To effectively manage the Company's customer and product service processes and become a trusted provider of technology and capacity for customers.
	Policy	Following the quality policy of the IATF 16949 quality management system: Do it right the first time, satisfying both internal and external customers.
	Commitments	The Company commits to the execution requirements of the IATF 16949 quality management system, pledging not to accept, manufacture, or distribute defective products, and aims to provide products and services that satisfy customers.
	Goals and Targets	Each department of the Company sets annual goals based on the balanced scorecard's four management perspectives (financial/customer/internal processes/learning and growth). Specific, measurable, and quantifiable control indicators are proposed for quality policies and commitments to effectively monitor various management activities. The consolidated revenue target for 2024 is NT$3,090,493.
	Responsibility	1. Led by the President, cross-functional teams including the Department of Business Management and customer representatives provide high-value products to customers when introducing new parts to the market. 2. The Quality Assurance Department manages the operation of the IATF 16949 quality management system. 3. The Management Department manages the operation of various management systems, including ISO 14001, ISO 45001, and ISO 50001.
	Resources	1. The Company assigns management representatives for various systems, establishes promotion committees for various management systems composed of department heads and employee representatives, and continues to promote the operation of various management systems such as IATF 16949, ISO 14001, ISO 45001, and ISO 50001. 2. Major customers appoint managers as customer representatives. Cross-functional teams are formed for product development, procurement, production, and quality assurance management processes according to product requirements.

Item	Description	Content
Management Approach and Its Components	Grievance Mechanism	The Company has established the "Customer Service and Complaint Handling Management Regulations," which define the process for customers to lodge complaints through various channels, such as face-to-face discussions. The process includes prompt response, negotiation for correction and prevention, tracking and closure, and providing timely updates on customer progress and timelines.
	Specific Actions	1. To provide better service to customers in terms of previous mold development, FBT has developed an AI mold system, which offers customers references for mold designs in new product development. This system aims to save development time and costs by reusing previously developed molds. 2. In 2020, based on a material flow cost accounting recommendation, the design of the brake disc was modified to include wider material dimensions and a multi-cavity design analysis for the blanking disc. This modification aimed to lower material costs and create a competitive advantage for the company. 3. Promotion of FBT's self-developed smart disc to enhance the value of customer products.
Evaluation of the Management Approach	Management Assessment Mechanism	Monthly regular management meetings are held by executives at level 1 and above to conduct performance reviews for the current month.
	Results of Management Policy Evaluation	1. In 2024, the consolidated revenue achieved was NT$2,909,509 with an achievement rate of 94.14%. 2. The specialized action mold AI system and the design of a multi-cavity blanking disc have been implemented and are currently in operation. The Smart Disc is being promoted to customers, with rollout underway at the Vietnam and Taiwan operational site.
	Management Policy Adjustments	1. Continuously promote the operation of various management systems such as IATF 16949, ISO 14001, ISO 45001, and ISO 50001 to meet customer needs. 2. In the future, there will be ongoing collaboration with customers in developing various products. Market demands and order frequencies will be monitored and statistically analyzed to proactively remind customers of their ordering requirements and any changes in quantity variations. Internally, efforts will be made to enhance the production line changeover mechanism to align with customer scheduling needs and capacity requirements, aiming to become the preferred choice for customer cooperation.

3.1.1.Customer Relationship

Customer trust has always been one of the core values of the Company. The trust between the Company and customers is one of the main reasons why many customers entrust their product manufacturing to us. Therefore, in terms of customer data protection, the Company established the Personal Data Protection Task Force (referred to as the Data Protection Task Force) in May 2014. The members consist of employee representatives from various departments, responsible for formulating personal data protection policies. Each year, we conduct regular personal data inventory, risk assessment, internal audits, and evaluations. In case of customer or personal data complaints, after the responsible unit supervisor fills out the "Personal Data Incident Report and Handling Form," the Data Protection Task Force conducts subsequent assessment, tracking, and verification before passing it to management representatives for approval in the next management review meeting. Complaints from customers or the provision of customer personal data are both protected through the aforementioned measures to ensure the security of customer personal data. In 2024, there were no incidents of information leakage, theft, or loss of customer data, nor were there any incidents of customer complaints or disputes.

The Company's personal data protection management follows a systematic cyclical pattern:



Regarding customer relationship services, the explanations are as follows:

● Early-Stage Development Services

To provide comprehensive customer service, we have developed a DISK (Disc Brake) Mold AI system. This system takes customers' past development parts molds and utilizes AI to simulate and arrange more combinations. It assists customers in initial design development, facilitates technical exchange during design, and helps generate more design possibilities. Once confirmed for use, this system can save subsequent mold costs and shorten development time. This approach allows us to evolve from being a contract OEM manufacturer, to being a reliable provider of technology and production capacity, becoming an essential partner for our customers' success. Furthermore, comprehensive protection is provided for customer mold development data.

To provide the best service to our customers, the company developed a high cost-performance patented component—the Smart Disc—in 2020. This product integrates the customer's individual brake disc and timing disc into a single smart (A+B) disc through advanced mold design and production technology. This innovation significantly reduces customers' assembly time and labor costs.

The Smart Disc was first launched at our Vietnam operational site in May 2022. At the Taiwan operational site, Smart Discs for electric vehicles and gasoline vehicles were introduced in July 2022 and July 2023, respectively. The product is currently being promoted to customers in other regions as well.

● New Product Development Services

The Company keeps track of the schedule for introducing new customer-developed parts to the market, monitors market demand and order frequencies, and promptly informs customers of their ordering requirements and any changes in quantity variations. Internally, the mechanism for changing production lines is improved to meet customer scheduling demands, allowing customers to save more assembly time and waiting time. FBT aims to become the preferred choice for customer cooperation.

An annual customer visit plan is established, with at least two visits per month, to keep track of customer needs and market conditions.

Initial stage of product development: The Company formulates internal customer service measures based on customer needs, as follows:

1. Progress of feedback evaluation of initial stage of product development: In-house production: 3 days, Outsourced production: 7 days.
2. Periodic cross-functional team meetings are held to confirm risks of new development products, evaluate new development product performance, and design processes. ISO 14001, ISO 45001, and ISO 50001 are taken into consideration.
3. Implement FAI analysis to increase material utilization rate, reduce development costs, and meet customer needs.
4. Utilize standardized mold development techniques to shorten mold development time by approximately 5%.
5. Development status: The success rate of new development project quotations in 2024 was about 50%.

In conclusion, these services collectively contribute to shortening the customers' product development and mass production time.

● Quick Order Service

Our company continuously monitors customers' market trends and demands by tracking order frequency, and timely reminds customers of changes in order needs and quantities. Particularly in 2024, due to the impacts of market inflation, political factors, and raw material demand shocks in 2023, many customers placed preventive orders in advance. To avoid material stockpiling caused by such preventive orders, FBT prepares materials based on customer forecasts and adopts a quarterly procurement approach. We provide ongoing feedback on material preparation status and adjust flexibly according to customer needs.

Moreover, FBT has always placed great emphasis on customer demands. As a result, the issue of material obsolescence caused by preventive orders in 2023 has been significantly reduced, not only meeting customer requirements but also lowering the risks of finished goods and material inventory accumulation. Internally, we have optimized production line

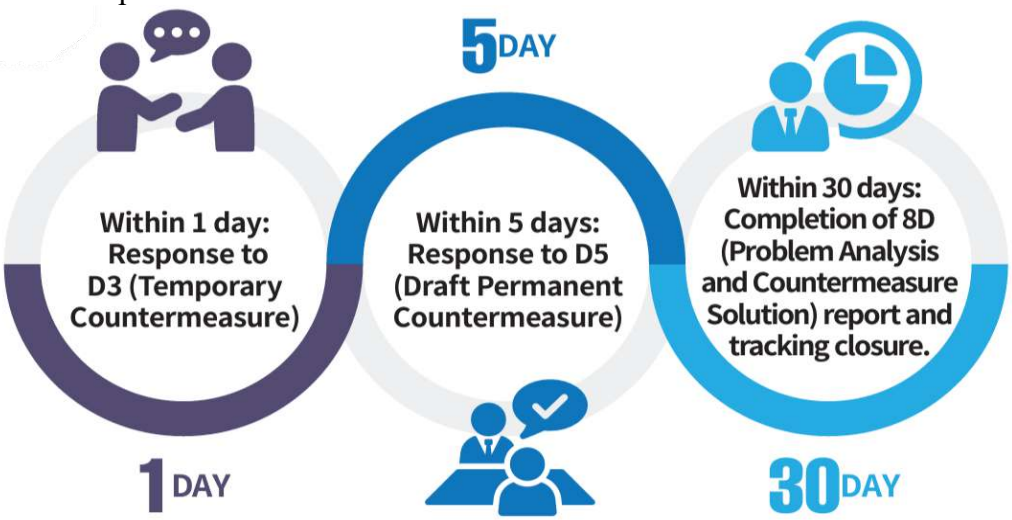
changeover mechanisms to more flexibly accommodate customer scheduling needs. Additionally, we have set an order response rate target of 100% feedback within 48 hours to meet customer order requirements.

● Customer Feedback and Interaction

Our customer relationship services cover early-stage development services, new product development services, and quick ordering services. We continuously improve our services throughout each product's development and production stages, keeping pace with customer preferences and needs to enhance customer loyalty.

Details of customer feedback and interaction are as follows:

1.Customer Complaint Feedback Process:



2. Four customers (AUTOLIV, KYMCO, SYM, YAMAHA) are used as the basis for FBT's target setting through their evaluation scores. If internal evaluation standards are not met, FBT will issue corrective action reports for the items that fall short, notify the relevant departments to provide reasons and countermeasures for improvement, and proactively report the results back to the customers. In 2024, there was one instance where KYMCO's quality evaluation fell below FBT's internal target. FBT proactively communicated with the customer to understand the quality issues, implemented improvements, and provided feedback accordingly.

3.Revenue from new development products: developed product accounted for 5% of total revenue in 2024.

● Product Safety Assurance

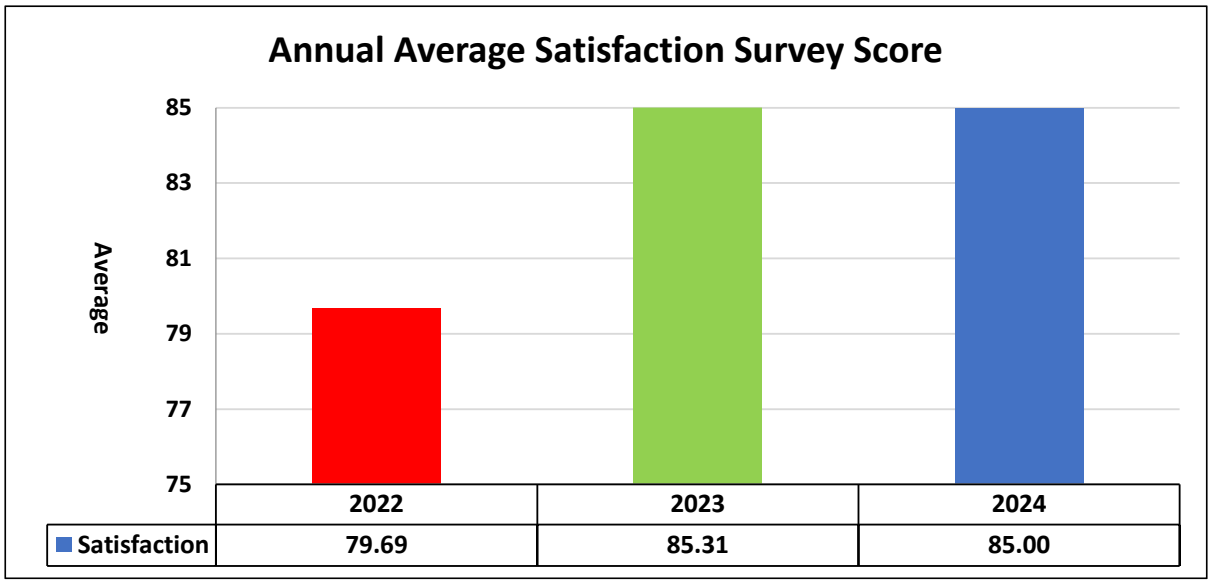
For manufactured products, a self-inspection station is established for quality control at the beginning and end of the manufacturing process. In addition, finished products undergo confirmation by quality personnel before leaving the factory to ensure quality control before shipment. Consequently, in 2024, there were no significant quality issues or recalls.

3.1.2 Customer Satisfaction

The Company is committed to providing the best customer service, we firmly believe that customer service is key to consolidating customer satisfaction and loyalty. In 2022, FBT developed a smart disc production technology, reducing production and labor costs for

customers. This achievement was highly praised by domestic automakers and adopted for use in the market. This not only enhanced customer satisfaction through new technology but also attracted new customers and strengthened customer relationships, exerting a significant impact. At the Taiwan operational sites, in accordance with the "Customer Satisfaction Management Method," questionnaires are sent to customers in June each year to conduct surveys regarding four aspects: quality, cost, service, and delivery time. Each category has a full score of 25 points. The satisfaction standard scores are as follows: Quality – 20 points, Cost – 15 points, Service – 20 points, and Delivery – 20 points. A total score of 75 points or above is considered meeting the standard.

In 2024, a questionnaire survey was conducted targeting the top 20 customers, achieving a total score of 85.00 points. Compared to 2023, the cost indicator showed a slight decline, mainly due to the consumption of raw materials from 2023 inventory. However, overall customer recognition remained positive. Therefore, the company will continue to enhance customer satisfaction and optimize service quality to more precisely meet customer needs.



The two largest customers of the Vietnam operational sites: NISSIN (NBV) and HONDA (HVN). The customer system provides monthly ratings based on customer needs, and the ratings were 100% in 2024.

For our China operational sites, the customer system actively conducts monthly evaluations of customer satisfaction based on service, quality, and delivery. In 2024, there were three months when the evaluation scores fell below the 100% standard: two due to quality issues and one due to delivery. The quality concerns primarily involved surface dents. Through process improvements and adjustments to production techniques, we successfully met customers' appearance requirements. Regarding delivery, to address customers' demands for small-batch and diverse products, we enhanced production equipment changeover efficiency to better fulfill their needs. The average annual evaluation score remained above 95 points.

3.2 Technology and Innovation R&D

Technology and R&D Management Policy

Item	Description	Content
Material Topics and its Boundaries	Reason for the materiality of this topic	Company's core values: Customer satisfaction, service integrity, proactive accountability, professional innovation, and inclusive growth. The main products are blanking components for automotive and motorcycle parts, based on the IATF 16949 global automotive industry quality management system. We are committed to optimizing product processes, developing new products/technologies, and enhancing customer satisfaction.
	Boundary for this topic	Employees (direct impact), Customers/Clients (business impact), Shareholders (indirect impact), Group (indirect impact)
	Limitations of disclosure within this boundary	This annual report will disclose information related to product R&D from Taiwan headquarters and overseas operating locations.
Management Approach and Its Components	Management objectives for this topic	Effectively manage the Company's new product development process and quality risks related to products.
	Policy	Following the quality policy of the IATF16949 quality management system: Do it right the first time, satisfying both internal and external customers.
	Commitments	The company implements the requirements of the global automotive industry quality management system IATF 16949, pledging not to accept, manufacture, or distribute defective products, and aims to provide products and services that satisfy customers.
Management Approach and Its Components	Goals and Targets	Each department of the Company sets annual goals based on the balanced scorecard's four management perspectives (financial/customer/internal processes/learning and growth). Specific, measurable, and quantifiable control indicators are proposed for quality policies and commitments to effectively monitor various management activities. Achieved a 100% development, design change, and sample submission rate for 2024.
	Responsibility	1. The Research and Development Department is committed to optimizing product processes and developing new products/technologies. 2. The Quality Assurance Department manages and operates the IATF 16949 global automotive industry quality management system. 3. The Management Department manages the operation of ISO 14001, ISO 45001, ISO 50001, and other management systems.
	Resources	1. The Company assigns management representatives for various systems, establishes promotion committees for various management systems composed of department heads and employee representatives, and continues to promote the operation of various management systems such as IATF 16949, ISO 14001, ISO 45001, and ISO 50001. 2. Major customers appoint managers as customer

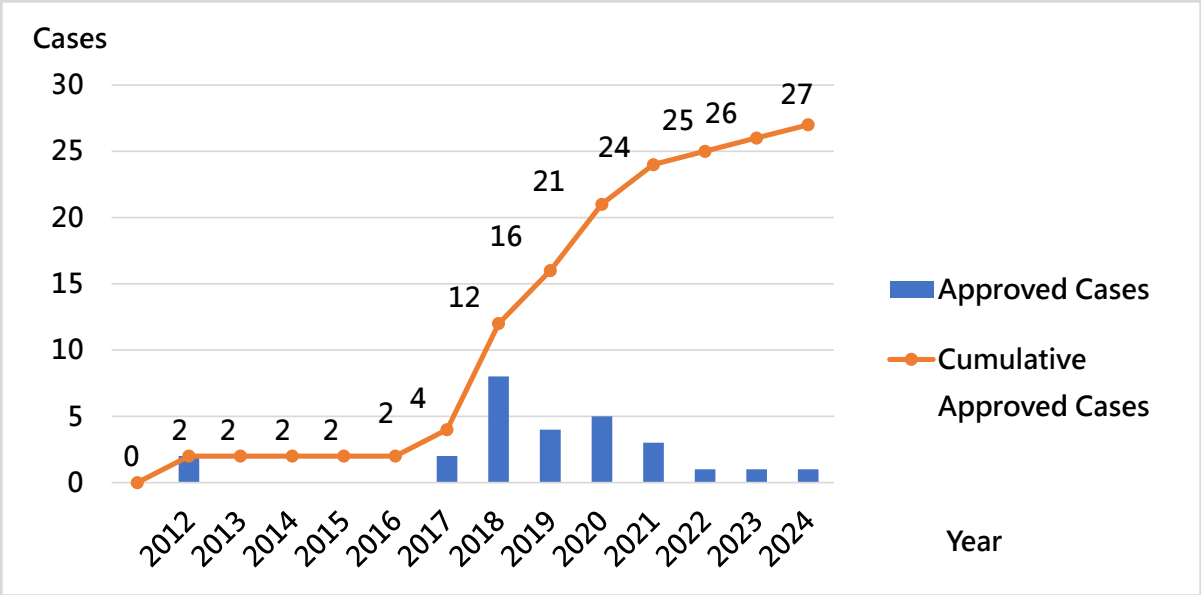
Item	Description	Content
		representatives. Cross-functional teams are formed for product development, procurement, production, and quality assurance management processes according to product requirements.
	Grievance Mechanism	The Company has established the "Customer Service and Complaint Handling Management Regulations," which define the process for customers to lodge complaints through various channels, such as face-to-face discussions. The process includes prompt response, negotiation for correction and prevention, tracking and closure, and providing timely updates on customer progress and timelines.
	Specific Actions	1. Established a joint laboratory with China Steel Corporation and continued to integrate relevant resources from the Group to develop new materials, optimize material usage, and assist in process optimization and improvement. 2. Actively invest in innovative research and development, focusing on enhancing intellectual property rights through "innovation" and submitting "patent" applications to create competitive advantages for the company.
Evaluation of the Management Approach	Management Assessment Mechanism	Monthly regular management meetings are held by executives at level 1 and above to conduct performance reviews for the current month.
	Results of Management Policy Evaluation	1. Achieved a 100% development, design change, and sample submission rate for 2024. 2. Results of specific actions in 2024: (1).Provided 6 products with the best cost-to-performance ratio in 2024. (2).Obtained 3 patents in 2024, accumulating a total of 71 patents acquired by Taiwan and China operational sites.
	Management Policy Adjustments	1. Continuously promote the operation of various management systems such as IATF 16949, ISO 14001, ISO 45001, and ISO 50001 to meet customer needs. 2. In the future, we will continue to collaborate with customers to develop various products and apply for patents through self-research and development. Our goal is to become the most trusted business partner for customers.

3.2.1 Intellectual Property Right Protection

Innovation R&D and Advanced Technology

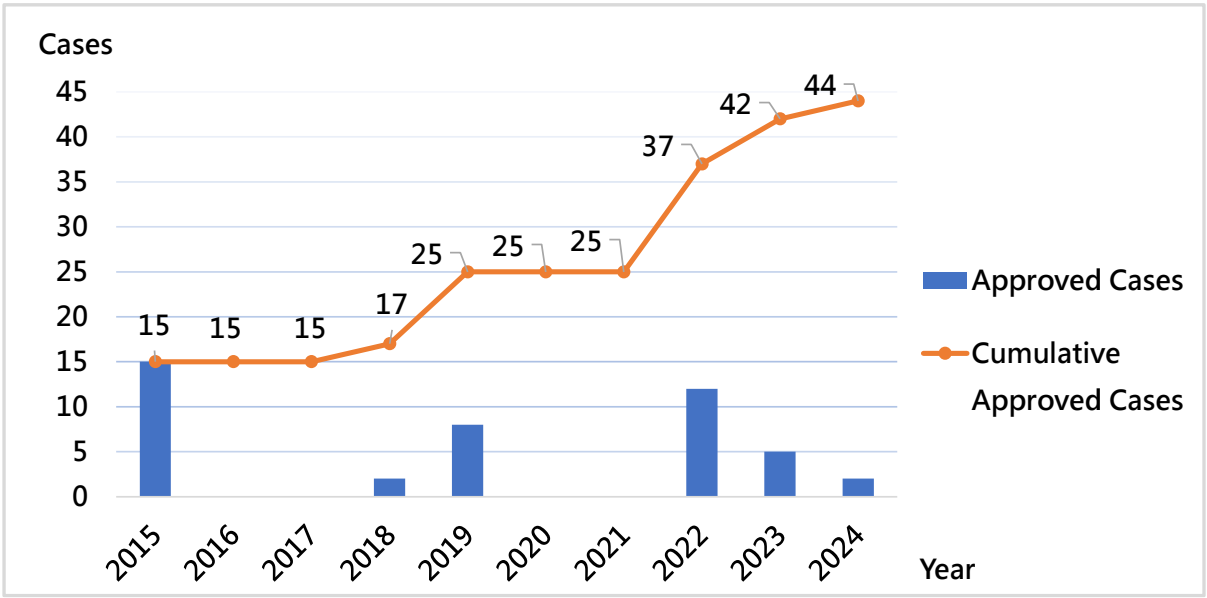
In response to technological trends, consumer and customer demands, and global trends, FBT has been actively engaged in innovative research and development in recent years to break through the status quo. We emphasize strengthening intellectual property rights, encouraging "innovation," owning "patents," and creating competitive advantages. We aspire to leverage our existing strengths as a preferred global business partner for customers when purchasing automobiles, motorcycles, and bicycles.

In 2024, the company obtained 1 patent in the field of intellectual property achievements and patent development. To date, a total of 27 patents have been granted. The company will continue to pursue various innovations and submit patent applications.

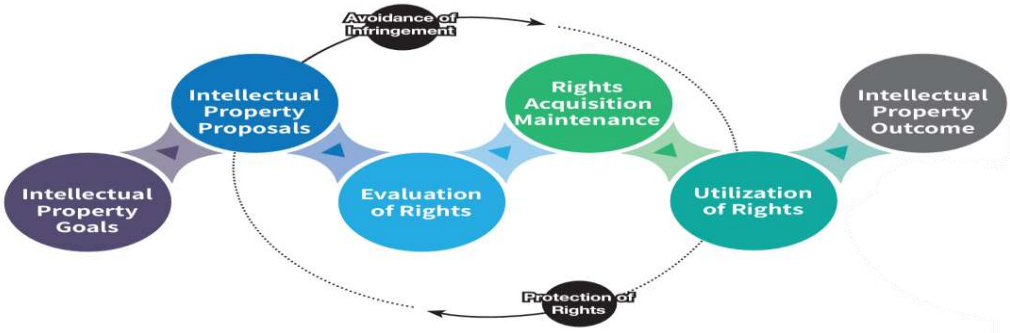


At the China operational site, 2 patents were obtained in 2024, bringing the total to 44 patents to date. The company will continue to pursue various innovations and submit patent applications.

The patent application results for the China operational sites are shown in the figure below.



Our company, due to the continuous increase in the number of patents obtained, will develop an internal intellectual property management policy based on the following management process model to ensure a comprehensive basis for intellectual property management:

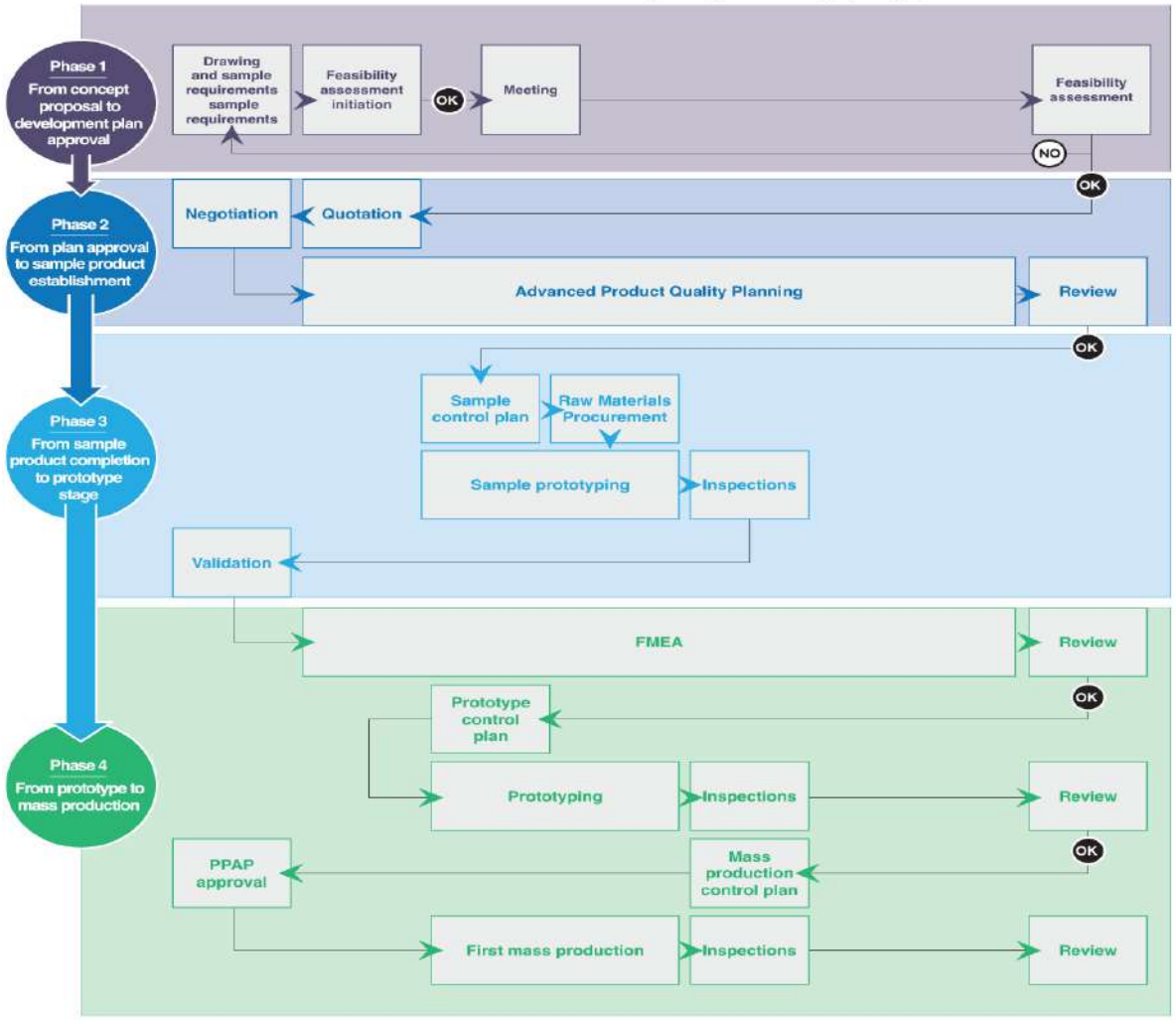


In 2024, there were no fines for non-compliance with laws and regulations concerning the provision and use of products and services.

3.2.2 Innovation R&D Process

FBT has established a comprehensive development and technological advancement process to provide products that meet customer expectations. The Company meticulously records ideas, data, technology, and issues related to project development to ensure that customer needs are fully realized, while the valuable experience gained is preserved. The design and development data and experience are precious assets for FBT as they represent our commitment to customers, shareholders, and employees.

- **Innovation R&D Process: Advanced Product Quality Planning (APQP)**



In 2024, the production of smart discs as single brake discs and timing disc combinations increased material utilization, reduced development costs, and met customer demands. Simultaneously, it decreased material usage and greenhouse gas emissions. In 2024, the total shipment of smart discs from the Vietnam operational sites was: 291,325 PCS, reducing material usage by 110,152 KG. For the Taiwan operational sites, the total shipment in 2024 was: 21,415 PCS, reducing material usage by 5,013 KG. We will continue to introduce new products and styles.

The Taiwan operational sites shared molds for brake pad blanking discs, saving material usage and processing time and effectively reducing greenhouse gas emissions. In 2024, a total of 84,508 PCS of multi-hole blanking discs were processed, increasing material utilization by 5.86% and saving 4,949.51KG of material. The 2024 product benefits from “reducing emissions” at the Taiwan operational sites totaled a reduction of 9,962.51 KG of steel.

The Company employs diverse product packaging methods to prevent pollution and increase resource recycling. Some products are shipped using trolleys, some products are shipped without packaging to reduce waste, with cumulative shipments of 66,996 PCS in 2024 and 100% packaging material recycling.

Ferrous, stainless steel, aluminum, and plastic components sold to customers by FBT can all be recycled and reused. Therefore, the percentage of recyclable products sold by the Company in 2024 was 100%.

The Company’s products, which are metal structural components in the automotive supply chain, no revenue from products that can improve fuel efficiency or reduce emissions.

In 2024, larger stamping products generated scrap iron, which was recycled to produce smaller stamping products. A total of 49,433 PCS (≒69,713KG) were processed, generating revenue of NT$43,344,000. The percentage of recycled or remanufactured materials used is 69,713 KG / total production weight of 9,653,000 KG = 0.72%.

3.2.3 Product Responsibility

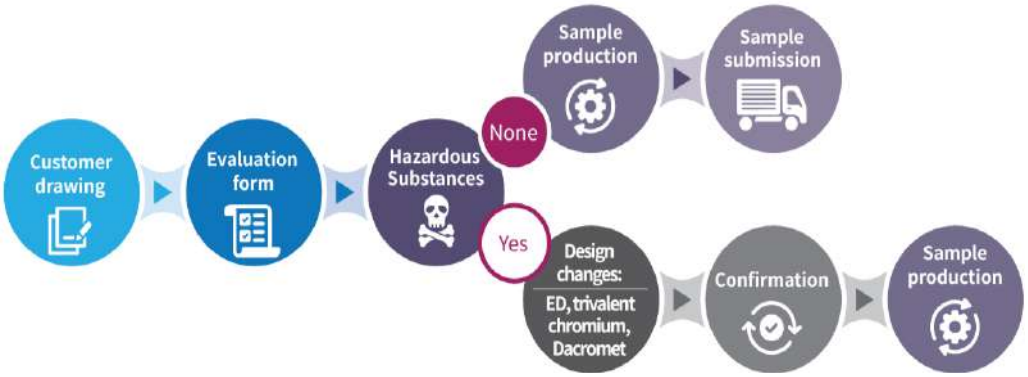
● Initial Development Assessment

The escalating environmental pollution has become the most significant issue faced by global citizens. With the rise of environmental awareness and demands, countries around the world have begun to control various substances harmful to humans and the environment. Various assessment legislations have also been enacted to protect the environment. In response to environmental protection trend, the Company requires the use of trivalent chromium plating processes for outsourced electroplating. This is to reduce the use of toxic chemicals and comply with the European Union's Restriction of Hazardous Substances (RoHS 2.0) and REACH regulations, including RoHS 2.0 .

In 2023, the total shipment quantity of externally processed surface treatment products was 189,578 PCS. Currently, all 189,578 PCS comply with RoHS 2.0 and REACH, including RoHS 2.0 , accounting for 100% of the total.

During the development or prototype phase, the Company adheres to the "Advanced Product Quality Planning and Control Plan Management Procedure." Environmental considerations are taken into account during product development and design. The customer's drawings are reviewed for environmental requirements. If not present, the Company recommends modifications such as ED (black ED coating), trivalent chromium, Dacromet (also known as Dacrotizing, zinc-chromium coating, etc.). In 2023, a total of 6 development items were assessed. There were 3 items with black ED coating, 1 with Geomet, 1 with trivalent chromium,and the remaining 1 items did not require surface treatment. 100% of the items requiring surface treatment comply with the European Union's RoHS 2.0 and REACH RoHS 2.0 regulations.

FBT focuses on the RoHS 2.0 regulations. During the process assessment and development stage, environmental considerations are the guiding principles. The Company avoids using raw materials containing harmful substances in the process, ensuring that the produced products comply with international regulations and customer requirements.



3.4 Product Quality Control

3.4.1 Product Liability Guarantee

FBT's operational sites in Taiwan, Vietnam, and China are professional precision blanking and automotive component OEMs that have been verified through ISO 9001 and IATF 16949 certifications.

Amid escalating geopolitical tensions, ongoing inflationary pressures, a severe labor shortage, and the ripple effects of AI technological transformations, 2024 is both a year of testing adaptability and sparking innovation. The U.S. trade policies have introduced more uncertainty. Therefore, adopting new strategies to address the complexity of the rapidly changing global trade landscape is essential. Quality requirements must be raised to higher levels to avoid supply chain disruptions and customer complaints. The comprehensive promotion of the Total Quality Management (TQM) concept, continuous review of the rationality and rigor of control plan engineering sheets, simplification and acceleration of inspection processes, will all strengthen the fundamental organizational structure, promoting both vertical and horizontal collaboration within the organizational structure to emphasize the concept that "quality is the responsibility of every employee." This is achieved through internal promotion driven by the FBT Management System (FMS) improvement task forces, the implementation of TPM Phase III activities, external BSI audits, and more. These efforts continue to enhance product quality, production efficiency, reduce quality costs, and strengthen the Company's quality culture.

Quality Management Approach

Item	Responsibility	Division	Management Content	Control Method
Calibration of Gauges and Measuring Instruments	Quality Control Division 1	Internal Calibration	1. Internal calibration of gauges such as vernier calipers, micrometers, scales, etc. 2. Internal calibration of process, finished product measuring instruments, and gauges	Calibration Record Form
		External Calibration	1. Annual external calibration plan for large-scale gauges such as coordinate measuring machines, profile projectors, etc. 2. External calibration plan for testing specialized machines"	Calibration Report
Product Development	Quality Control Division 1	Sampling and Measurement	1. Development of Quality Control Plans (QC), Inspection Standards, and SOP Manuals 2. Full-scale measurement of new machine models 3. Measurement System Analysis (MSA) for gauges 4. Statistical Process Control (SPC) process capability analysis	Measurement Report Analysis Report
		Functional Testing	1. Material spectrum analysis, metallographic microscopy analysis, Vickers and Rockwell hardness testing, etc. 2. Disc durability testing, axial direction curve strength testing, impact testing 3. Salt spray testing 4. Weld penetration depth testing"	Testing Report
		SQA	1. Supplier assessment and evaluation (initial assessment, annual assessment) 2. Supplier project inspection, education, training, and guidance 4. Planning and implementation of IATF internal audits 5. Customer complaint response and tracking"	Audit report issuance 8D Report
Mass Production of Products	Division of Quality Inspection 2	Incoming	1. Inspection of raw materials, materials, and semi-finished products	Incoming Inspection Standards
		Manufacturing Process	1. Process inspection and process capability analysis 2. Review of SOP and process engineering supervision	Process Inspection Standards
		Finished products	1. Finished product shipping inspection 2. Handling and responding to abnormal customer complaints"	Shipping Inspection Standards

The Company's relevant products include manufacturing safety belt buckles and their

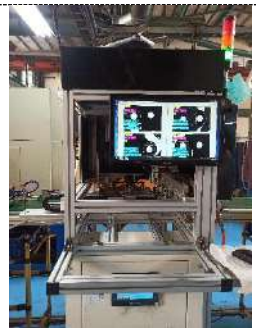
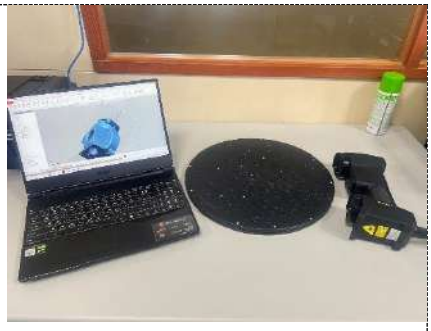
components, brake discs, one-way bearings, starter gears, seat adjusters (single units and assemblies), steering mechanisms, balance mechanisms, pedals, clutch assemblies, car seats, and motorcycle cushions. These product categories cover safety systems, engine systems, body and interior systems, and transmission systems, all of which are closely related to the safety of people's lives and property.

Given that the Company's products fall under the safety components of automobiles and motorcycles, in accordance with the IATF 16949 global automotive industry international quality standards, and the critical security requirements (CC, SC) and dimensions of the drawings and specifications required by our customers, we review the failure modes (FMEA) and design the process control parameters from the development stage (APQP). The quality control plan (QC), inspection benchmarks, and standard operating procedures are all extended to the development stage design parameters for control, from material incoming (material analysis), process inspection, shipment inspection and related tests are in accordance with the quality control plan (QC) to carry out stringent quality monitoring. Furthermore, regular testing is conducted for product safety lifecycles (durability testing, high and low-temperature cycling testing, etc.) and compliance with environmental regulations such as REACH and RoHS 2.0 .

The metrology room utilizes precision instruments for measurement, including the German ZEISS three-coordinate measuring machine, Japanese KEYENCE automatic measuring projector, Japanese Mitutoyo roughness contour combined measuring machine, German SPECTRO spectrometer, OLYMPUS metallurgical microscope, Vickers hardness tester, and other instruments. These ensure that product design and dimensions do not adversely impact product use. Regarding product functionality, the Company's testing laboratory employs specialized testing machines for activities such as hardness testing, tensile strength testing, salt spray testing, temperature and humidity environmental testing, and durability testing. This ensures the fulfillment of the quality commitment of "no acceptance, no production, no distribution of defective products," guaranteeing product safety and consumer protection.

In 2022, we continued to collaborate with domestic and international automotive and motorcycle component customers to meet International Material Data System (IMDS) declaration certification requirements and conflict minerals declarations. Moreover, we are gradually moving towards reduction in carbon emissions and sustainable supply chain management. Through collaboration and communication with suppliers in various engineering phases, ongoing process evaluation and optimization are conducted. Rigorous quality and reliability verification methods are employed, emphasizing seamless integration and refined quality control between upper and lower processes. The goal is to achieve correct and standards-compliant products in one go, meeting customer demands and enhancing customer satisfaction.

The Company adheres to the consistent quality policy of "getting things right the first time, satisfying both internal and external customers." We manufacture products for renowned domestic and international automobile, machinery, and bicycle supply chain manufacturers. Through the measurement of precision instruments in the measuring room, the inspection of specialized testing machines and the professional third party impartial units (such as the Metal Industries Research & Development Centre, Plastics Industry Development Center, Automotive Research & Testing Center, SGS Taiwan...) all conform to customer requirements, ensuring that products comply with safety standards and international environmental regulations. In 2024, the company insured its final market products with product liability insurance for a coverage amount of USD 6.536 million. Furthermore, there were no violations of regulations regarding the health and safety impacts of products and services during their life cycle, as required by sales markets and customer requirements. There were no product recall incidents caused by product safety in 2024.

		
Automatic Disc Hinge Hole Inspection Machine	Disc Thermal Stress Tester	3D Reverse Engineering Scanner
		
Human-machine disk impact tester	ZEISS three-coordinate measuring achine (Factory No.1)	IM8030 Automatic Measurement Image Projector

3.4.2 Improvement Activities

Since 2017, FBT has initiated the FBT Management System activities for the purpose of sustainable development and continuous improvement. These activities incorporate TPS, TPM, TQM, and customer requirements. Through internal units proposing improvement proposals every six months, improvement activities are promoted in a circular manner. Experienced consultants are also engaged to assist and guide the progress of these improvement activities.

Aiming at continuous improvement activities proposed internally, an excellent team was selected to represent the company in Taiwan's Continuous Improvement Competition. In 2024, the Manufacturing Section 3 formed a team with the theme “Enhancing DB977 Brake Disc Productivity” and won the Silver Tower Award for Continuous Improvement in the Teamwork Category.

This proposal was inspired by the company’s production objectives and aligned with the TPS (Toyota Production System) policy. It involved equipment improvements and process adjustments to enhance product productivity, reduce personnel load, and eliminate unnecessary waste.

A cross-functional team was formed to identify issues and productivity bottlenecks. Using the 4M (Man, Machine, Material, Method) approach, the team conducted root cause analysis and validated the findings using the "Three Realities" method (Genchi Genbutsu). After confirming the root causes and the feasibility of improvement measures, the team implemented equipment modifications and process adjustments. These changes significantly increased productivity, including the addition of an automatic robotic arm and a reorganization of the plant layout. This improved personnel flexibility, reduced physical strain, and lowered the likelihood of occupational hazards, aligning with TPS goals of multi-skilled workers and labor reduction.

Since participating in the National Solidarity Circles Competition for the first time in 2017, FBT has continuously achieved the highest honor of the Golden Tower Award in the Self-Strengthening Section. This recognition from the judges has not only bolstered team

confidence but also showcased FBT's commitment and determination in promoting "continuous improvement." Starting in 2021, FBT has risen to a higher level of solidarity circle challenges in the national competition, gaining high praises from the judges. In the years ahead, FBT will uphold the spirit of continuous improvement, further enhancing organizational functionality, increasing production efficiency, and reducing costs, to lead the company toward a more sustainable future.

FBT awards from participating in the Taiwan Continuous Improvement Award

Year	Prize		Theme	Achievement	Improvement Benefits(Note)
2022	Continuous Improvement Category, Solidarity Section	Golden Tower Award	Enhancing FB tongue productivity	Productivity increased by 212.5% Process defect rate decreased by 61.6%	NT$ 4,771,590
2023	Continuous Improvement Category, Solidarity Section	Golden Tower Award	Enhancing Brake Disc Productivity	Productivity increased by140%	NT$ 205,000
2024	Continuous Improvement Category, Solidarity Section	Silver Tower Award	Enhancing DB977 Brake Disc Productivity	Productivity increased by16%	NT$ 935,000

Note：The improvement benefits are calculated based on the implementation guidelines of the FMS small group activities of the company.

Participated in the 2024 "Taiwan Continuous Improvement Award" and was honored with the Silver Tower Award in the Continuous Improvement Category, Solidarity Section.