2025 USI Risk Assessment & Countermeasures Table [1]

Operation & Infrastructure Risk	Risk Scenario	Countermeasure
Innovation and R&D	1. Failure to develop technologies and products that meet market demand may reduce competitiveness, market share, and returns on innovation investments. 2. Loss of key R&D talent may weaken innovation capabilities and delay product development.	**Enhance R&D and innovation capabilities through technological sharing, strategic planning and talent motivation** 1. Establish customer-aligned technology roadmaps and annual development plans in line with market trends. 2. Promote participation in industry exchanges, exhibitions, and technical learning activities. 3. Hold technology forums and invite external experts to share emerging trends. 4. Encourage innovation through R&D competitions and recognition programs.
Succession Planning	Inadequate succession planning and talent pipeline development may result in capability gaps, operational disruption, and knowledge loss during personnel transitions.	**Safeguard leadership continuity through succession planning and targeted talent development** 1. Maintain a succession planning framework for key positions and regularly assess successor readiness. 2. Develop and evaluate potential successors through talent assessment programs. Provide job rotation, cross-functional assignments, expanded responsibilities, and strategic projects to strengthen leadership capabilities.
Global Talent Management	Global talent development may fail to support overseas expansion and operational needs, resulting in talent shortages and delayed execution of globalization strategies.	**Build a globally capable workforce through structured talent development and cross-border learning programs** 1. Integrate global learning resources and maintain dual career paths for managerial and professional talent. 2. Provide role-based development programs and diverse learning opportunities through USIU to strengthen professional and leadership capabilities. Extend global learning initiatives across subsidiaries to support multicultural collaboration and globalization efforts.
Strategy & Planning Risks	**Risk Scenario**	**Countermeasure**
Geopolitics	Geopolitical tensions, trade restrictions, sanctions, and regional conflicts may disrupt operations, increase costs, and affect supply chain stability.	**Bolster operational resilience through market monitoring, business diversification, and supply chain risk management** 1. Monitor macroeconomic developments, industry trends, and emerging geopolitical risks while maintaining stakeholder engagement. 2. Optimize manufacturing footprint and business allocation to enhance regional diversification. 3. Strengthen supply chain risk management through supplier monitoring, corrective actions, and procurement strategy adjustments.
Corporate Growth	Failure to adapt growth strategies to market conditions and stakeholder expectations may result in inefficient resource allocation, reduced competitiveness, and constrained long-term growth.	**Drive sustainable growth through stakeholder engagement, market intelligence, and strategic planning** 1. Conduct quarterly investor conferences to enhance transparency regarding business performance and development strategies. 2. Monitor market developments and communicate significant business impacts to investors in a timely manner. 3. Benchmark industry and competitor trends to support strategic adjustments and resource allocation decisions.

Note:
1. The focus items are risk factors integrated by ASEH. Please refer to the 2025 Annual Report Risk Management: Section 3: VI. (IV) Possible Risks.

Emerging Risks	Risk Scenarios	Countermeasures
Talent and/or Labor Shortage	Global shortages of highly skilled talent may create gaps in critical technical and IT positions, delaying innovation, digital transformation, and business growth.	**Enhance talent retention and incentive mechanism** 1. Conduct regular salary surveys, review and adjust salary structure based on performance and market trends. Implement annual salary adjustment to maintain market competitiveness. 2. Plan and implement attractive retention and incentives to enhance pay equity and incentive effectiveness, improve employee satisfaction and loyalty. 3. Offer additional job allowance to strengthen retention and career commitment for key talents.
Online Harms	Increasing digitalization and adoption of generative AI may heighten cybersecurity, data privacy, and AI misuse risks, potentially disrupting operations and undermining stakeholder trust.	**Fortify information security and operational resilience through governance, technology controls, and employee awareness** 1. Maintain ISO 27001 certification and continuously improve information security management practices. 2. Operate an Information Security Steering Committee and regularly update information security policies and procedures. 3. Implement access controls, data protection measures, and multi-factor authentication to safeguard systems and sensitive information. 4. Conduct regular cybersecurity awareness training and phishing simulation exercises. 5. Maintain document classification and access management mechanisms. 6. Conduct periodic cybersecurity assessments, vulnerability scanning, malware monitoring, and security testing.
Infectious Disease	Disease outbreaks or pandemics may result in labor shortages, supply chain disruptions, logistics constraints, and production delays, affecting operational continuity and product delivery.	**Preserve business resilience through supply chain diversification, workforce flexibility, automation, and crisis preparedness** 1. Establish alternative suppliers across multiple regions and evaluate localization opportunities to improve supply chain resilience. 2. Maintain flexible workforce arrangements, including shift scheduling and remote work where applicable. 3. Expand automation and smart manufacturing to reduce dependence on labor-intensive operations. 4. Maintain crisis communication and response mechanisms and regularly review emergency response plans. 5. Incorporate infectious disease risks into business continuity planning and conduct related exercises.