Risk Management Committee Member Information and Operation Status

(1) Risk management committee member appointment criteria and responsibilities:

The objective of this committee is to improve risk governance and strengthen the board functions, and it is formed by five members elected by the board of directors. The committee members shall not be less than three, and more than half of the members shall be independent directors. Its main responsibilities are as follows:

- Review various risk management policies and frameworks, risk appetite and limit.
- Supervise the risk management mechanism operation.
- Review management report on material risk issues.
- Report the risk management status to the board of directors timely.

(2) Risk management committee member professional qualification and experience and operation status:

- The Company's Risk Management Committee consists of five members.
- Term of office for the 1st session: From January 13, 2022 to June 12, 2024.
- Term of office for the 2nd session: From June 20, 2024 to June 11, 2027.

Risk management committee held three times of meetings (A) in the most recent year, and the member professional qualification and experience, attendance status and discussion matters are as follows:

Title	Name	No. of Meetings Attended (B)	Proxy Attendance	Attendance Rate (%) (B/A)	Remarks
1st Term					
Convener	Shu-Wen Wang	1	0	100%	Appointed on Jan. 13, 2022
Member	Hsien-Chin Tsai	1	0	100%	
Member	Yea-Kang Wang	1	0	100%	
Member	Cheng-Ping Yu	1	0	100%	
Member	Nai-Ming Liu	1	0	100%	
2nd Term					
Convener	Shu-Wen Wang	2	0	100%	Reappointed on Jun. 20, 2024
Member	Cheng-Ping Yu	1	0	50%	
Member	Nai-Ming Liu	2	0	100%	
Member	Jui-Ting Hung	1	1	50%	Newly appointed on Jun. 20, 2024
Member	Chiu-Chun Lai	2	0	100%	

Other matters required to be recorded:
Description of the meeting date, session, agenda item, content of member recommendations or objections, resolution results of the Risk Management Committee, and the Company's response:
Resolutions Passed by the Risk Management Committee in 2024:

Session & Date	Agenda Item and Resolution Result	Company's Handling of Committee Opinion
1st Term, 6th Meeting May 2, 2024	Agenda: Upgrade of the Company's information security risk control operations and revised implementation budget. Resolution: After reviewing each budget item and evaluating the test results, all members unanimously agreed to adopt the CyberArk solution.	Submitted to the board of directors and approved by all attending board members.
	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	
2nd Term, 1st Meeting Oct. 4, 2024	Agenda: Ratification and supplemental discussion on customer credit authorization cases. Resolution: Discussed according to the customer's credit terms and unanimously approved.	According to the "Customer Credit Investigation and Credit Management Guidelines," as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.
	Agenda: Ratification and supplemental discussion on customer credit authorization cases. Resolution: Discussed according to the customer's credit terms and unanimously approved.	
	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	
2nd Term, 2nd Meeting Nov. 7, 2024	Agenda: Ratification and discussion on accounts receivable credit limits. Resolution: All members agreed to raise the credit limits for the 13 listed customers to match their respective bank-insured amounts.	In accordance with the "Customer Credit Investigation and Credit Management Guidelines," credit limits for two customers had reached board approval thresholds. Submitted to the board of directors and approved by all attending members.
	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	According to the "Customer Credit Investigation and Credit Management Guidelines," as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.

To implement risk management mechanism, the risk environment faced by the Company, management focus assessment and responsive measures are reported in the risk management meeting periodically. The chair of the Risk Management Committee has reported the risk management supervision status during the Board of Directors' meeting held on January 16, 2025.

Note: Professional scope of Risk Management Committee: Please refer to Eclat Textile Co., Ltd. 2024 Annual Report 2.2.1 of II. Corporate Governance Report for disclosure of professional qualification of directors and supervisors and independence of independent directors.