Eclat

2025 ESG Report







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About the Report

We welcome you to read the ESG Report of Eclat Textile Co., Ltd. (hereinafter "Eclat" or "we"). Since its establishment, Eclat has been committed to the enhancement and innovation of its primary business in textiles. At the same time, Eclat has been working with its employees, partners and other stakeholders to create eco-friendly products and exert influence in the design and manufacturing of fabrics and garments in order to realize the idea of "Sustainability through Garment".

Through this report, we wish to illustrate the vision and strategy of Eclat in sustainable governance, present our performance in sustainable governance, and respond to the issues of stakeholders' concern about Eclat's sustainable development.

Reporting Boundary and Scope

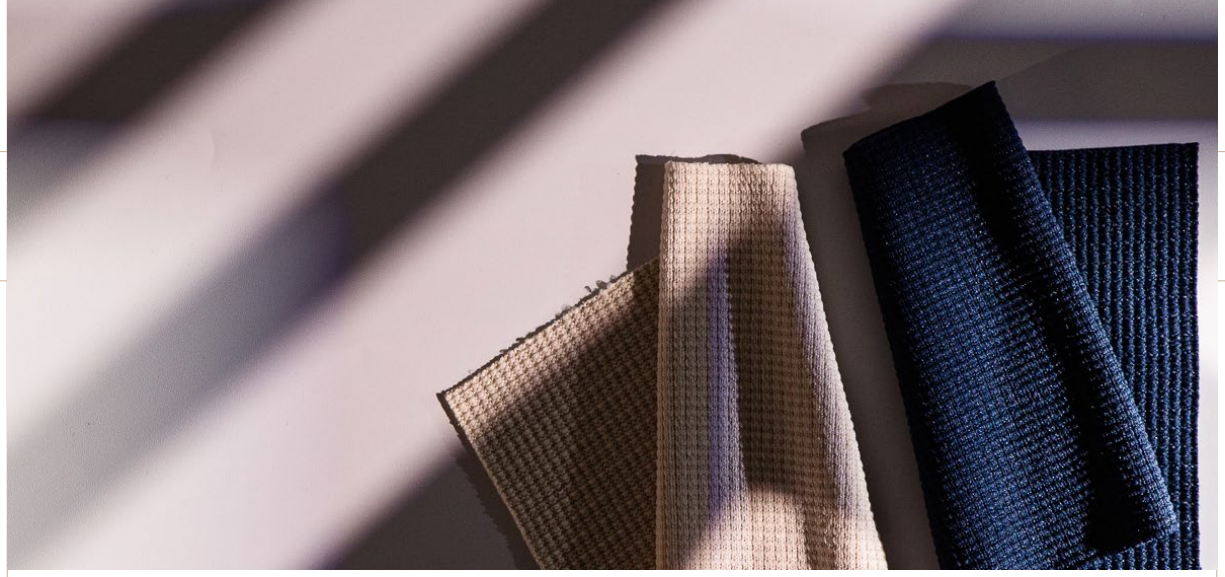
The scope of this report is consistent with the consolidated entities in the consolidated financial statements. For the full list of companies, please refer to the Company's consolidated financial statements. The reporting period of this report is consistent with the consolidated financial statements, covering the full year of 2025 (from January 1, 2025, to December 31, 2025). The content encompasses Eclat's sustainability vision and goals, as well as targets, concrete actions, and performance data across economic, environmental, and social dimensions. Some data date back to 2017 or present information from 2025 to ensure completeness and comparability. Unless otherwise indicated, all amounts mentioned in this report are in NT$, and those in other currencies will be specifically noted. Other environmental and social information is based on commonly used units, which are noted in the text. Eclat will regularly publish the ESG Report on an annual basis and disclose the report on its official website. If there is any inconsistency in the scope of disclosure of material issues in the report, it will be explained in the report.

Reporting Standards and Ensuring the Reliability of Disclosed Information

The content of this report is structured with reference to the latest standards of the Global Reporting Initiative (GRI) (GRI Standards 2021). This report is also prepared with reference to the Task Force on Climate-related Financial Disclosures (TCFD), the industry standards of the Sustainability Accounting Standards Board (SASB) (apparel, accessories and footwear), and the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEx Listed Companies.

The information in this report is collected by the employees of the relevant departments. We have engaged Ernst & Young, an independent and credible accounting firm, to provide limited assurance of this report in accordance with the Standard on Assurance Engagements No. 1 "Assurance not classified as audit or review of historical financial statements" issued by the Accounting Research and Development Foundation. For the independent limited assurance report, please see the appendices of this report.





Report Issuance and Cycle

Previous issue of the report: August 2025

Current issue of the report: August 2026

Eclat will regularly publish the ESG Report in August each year and disclose it on its official website.

There were no restatements of information in the 2025 Sustainability Report of Eclat Textile Co., Ltd.

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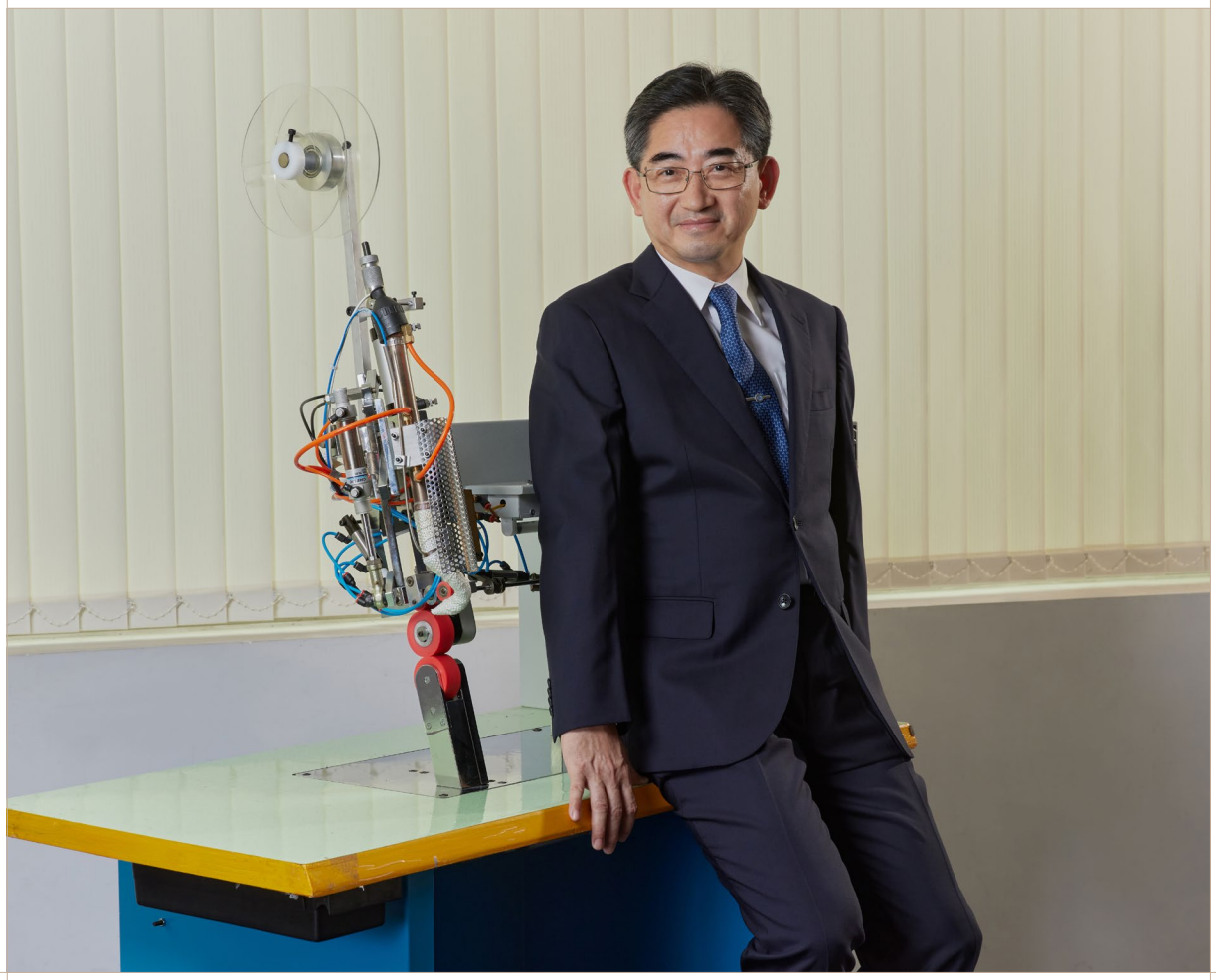
Company Website: http://www.eclat.com.tw



Message from the Chairman

In 2025, the global economic environment continued to be affected by multiple uncertainties, including inflationary pressures and geopolitical conflicts, presenting persistent market challenges. However, leveraging the strong cooperative relationships built through years of deep customer engagement and the core competitiveness accumulated through continuous investment in R&D and innovation, we successfully captured market opportunities, maintaining growth in new customer orders and shipment momentum. In terms of operations management, we actively promoted lean production and digitalized production management, effectively strengthening overall operational resilience through raw material cost control, production efficiency improvements, and supply chain collaboration. At the same time, our fabric and garment vertical integration strategy gradually delivered benefits. This not only improved product development and delivery efficiency but also further increased the revenue share of high value-added products, driving steady improvement in overall profitability and enabling the Company's operations to demonstrate stable and sustainable growth.

We uphold the core value of "continuous innovation and sustainable management" to promote the transformation of the textile and garment industry. This report centers around the main theme of "Weaving for Sustainability", which demonstrates our persistence in the textile and garment industry, and we hope to promote the sustainable development of the textile industry through the spirit of continuous innovation and partnership. In the 2025 report, Eclat has organized its sustainable management strategy and practices in the five aspects of corporate sustainable governance, creation of industrial values, talent development, protection of environmental resources and social charity, so that readers can understand how Eclat continues to implement corporate sustainable development, promote the green transformation of business, and facilitate the integration and development of the industry.



Sustainable Governance

We have expanded the concept of CSR to corporate sustainable development, continuing to promote corporate sustainable development in accordance with the United Nations' Sustainable Development Goals (SDGs) for contribution to the sustainability of business, industries, society and the environment.

Creation of Values

As the supply chain has increasingly concentrated in recent years, we continue to introduce new types of raw materials and equipment and maintain good communication with the upstream and downstream supply chains. To enhance industry competitiveness, we continue to develop high value-added products and integrate sports functionality into other fields, adding greater variety to our offerings through innovative design. At the same time, we have developed a win-win strategy to grow with our partners and drive industrial development. To drive low-carbon and intelligent transformation, we participated in the Industrial Development Administration of the Ministry of Economic Affairs' "Large Enterprises Leading SMEs in Low-Carbon and Intelligent Transformation Subsidy Program," working alongside supply chain partners to advance low-carbon transformation and enhance industry competitiveness. Moreover, we have made reference to SASB's industry standard to disclose relevant information, conduct on-site visits and give advice to our contractors, and communicate with them to promote sustainable supply chains in order to build a responsible and sustainable supply chain together.

Talent Development

Through industry-academia collaboration, we have developed a comprehensive management framework for talent selection, cultivation, utilization, and retention so that employees can foresee the stability of Eclat, enabling us to retain outstanding talent in the industry. We also continue to promote the Happiness Day and all kinds of welfare benefits to share the results of our operations with our employees. Moreover, we have set up a childcare center in the headquarters, hoping that our employees can achieve work-life balance. In addition, we continue to promote the project of "No Fees for Migrant Workers", which significantly improves the working conditions of migrant workers, and enhances their rights.

Protection of Environmental Resources

Eclat is committed to protecting resources and the environment and implementing various environmental and safety management systems and action plans to promote the transformation of corporate sustainability. Since 2017, the scope of GHG inventory has been expanded to all corporate locations at home and abroad, and the categories of Scope 3 inventory are continuously expanded to facilitate GHG management of the supply chain. Eclat continues to improve and invest in automated green processes in order to reduce the potential impact of carbon emissions on greenflation. We continue to follow the disclosure recommendations of the TCFD to identify significant climate risks and opportunities Eclat faces, quantify the financial impacts of significant climate risks and opportunities, and formulate management strategies and goals, hoping to reduce risks and seize opportunities. Eclat has also committed to joining the Science Based Targets initiative (SBTi) and will set future carbon reduction goals aligned with the latest climate science to enhance the transparency and effectiveness of its climate actions.

Social Charity Activities

Starting from our core business, Eclat contributes to society in various ways. In addition to sponsoring amateur athletes in need of assistance, donating materials, offering textile-related scholarships and organizing clothing design competitions, Eclat is also committed to becoming a good neighbor of the communities and making contribution to the communities around its plants through participation in activities as well as assistance in resources and manpower. In this way, Eclat has been able to know the communities better and promote harmony and integration with the communities.

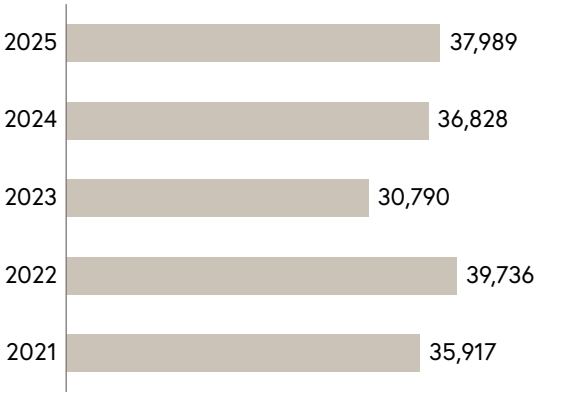
CH0 Overview

Overview of Sustainability Performance

Management aspect

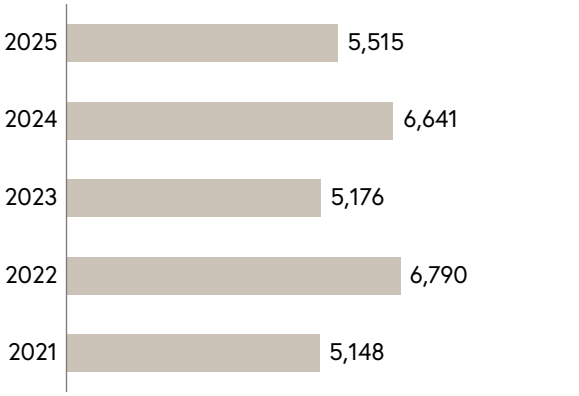
Operating revenue

Unit: NT$1 million



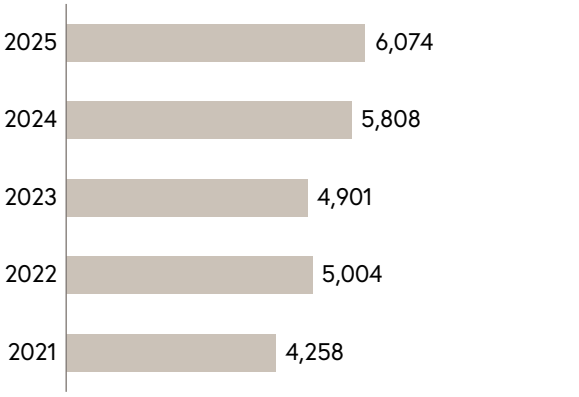
Net after-tax profit

Unit: NT$1 million



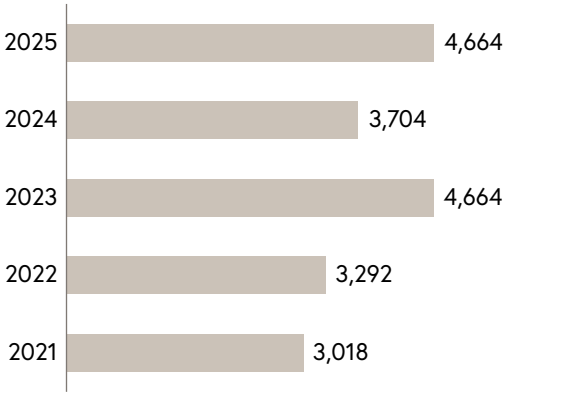
Employee Remuneration and Benefits

Unit: NT$ million



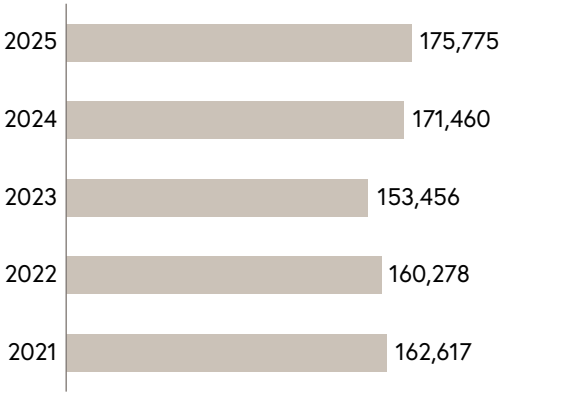
Dividends distributed

Unit: NT$ million



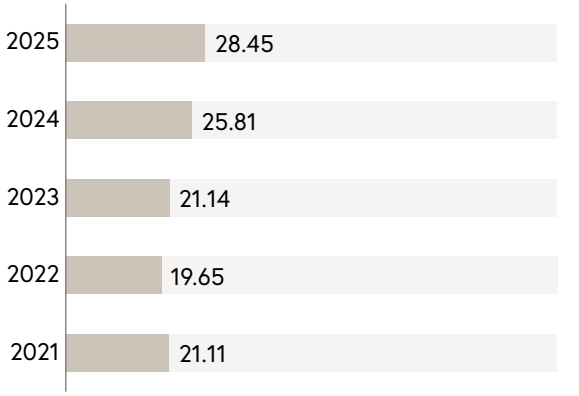
R&D and innovation budget

Unit: NT$ thousand



Percentage of recycled yarn purchases

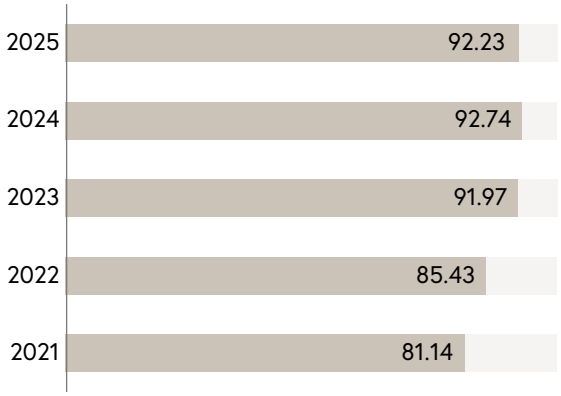
Unit: %



The system's calculation method was updated in 2023, and the figures in the 2023 report were revised accordingly.

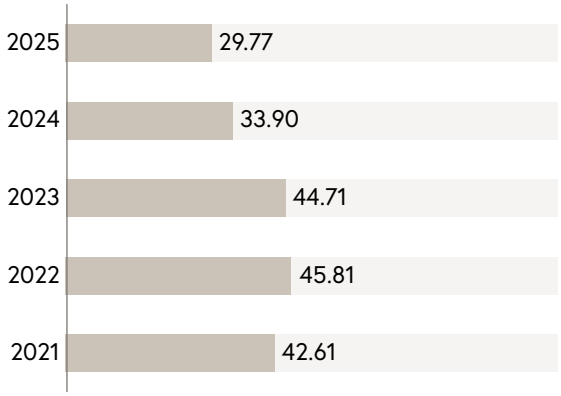
Local procurement ratio - Taiwan

Unit: %



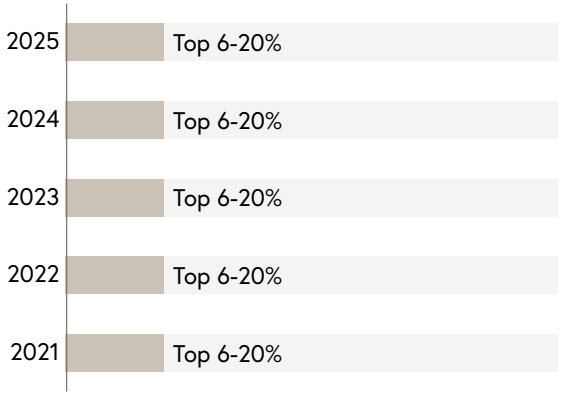
Local procurement ratio - Vietnam

Unit: %



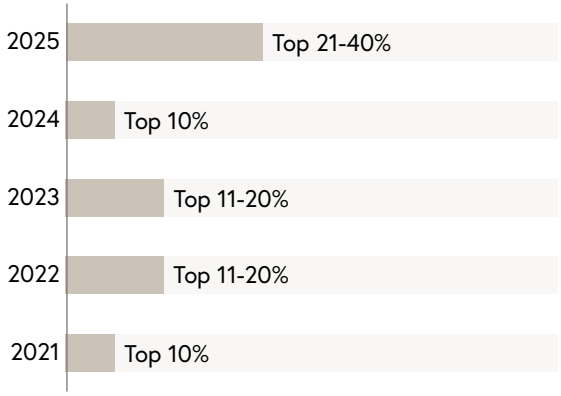
Corporate governance evaluation - all twse listed companies

Rank in interval



Corporate governance evaluation – non-financial and non-electronics companies with a market capitalization of over NT$10 billion

Rank in interval



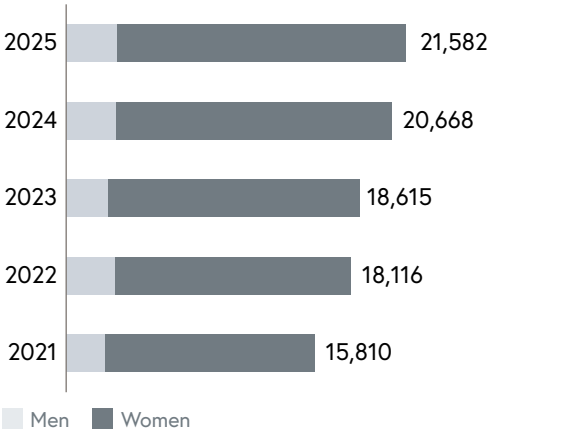
Note1 Categories of all public companies: 1st range: Top 5%; 2nd range: 6-20%; 3rd range: 21-35%; 4th range: 36-50%; 5th range: 51-65%; 6th range: 66-80%; 7th range: 81-100%.

Note2 Categories of non-financial and non-electronics companies with a market value of no less than NT$10 billion: 1st range: Top 10%; 2nd range: 11-20%; 3rd range: 21-40%; 4th range: 41-60%; 5th range: 61-100%.

Social aspect

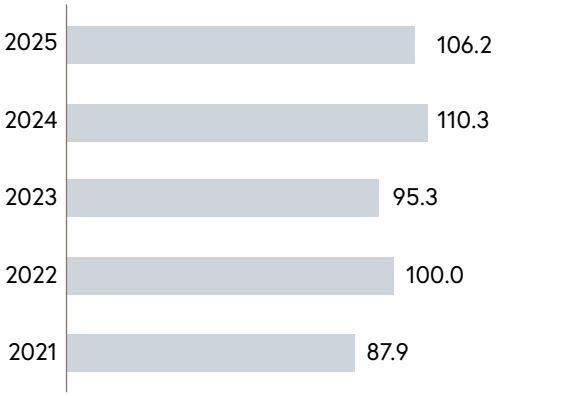
Full-time employees

Unit: Persons



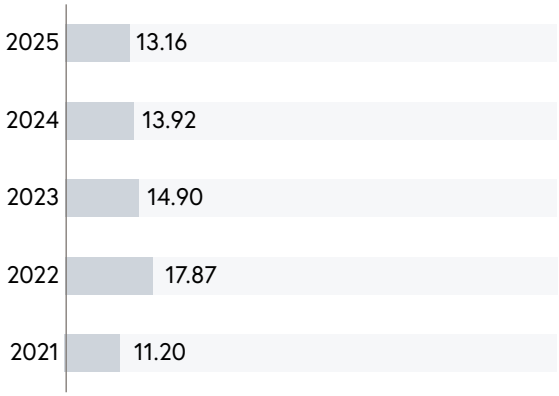
Average salary

Unit: NT$10,000



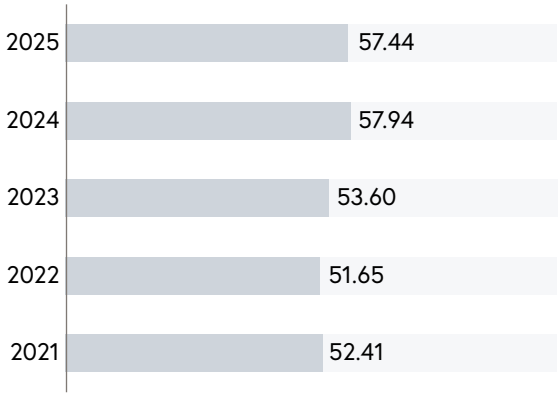
Turnover rate of Taiwan plants

Unit: %



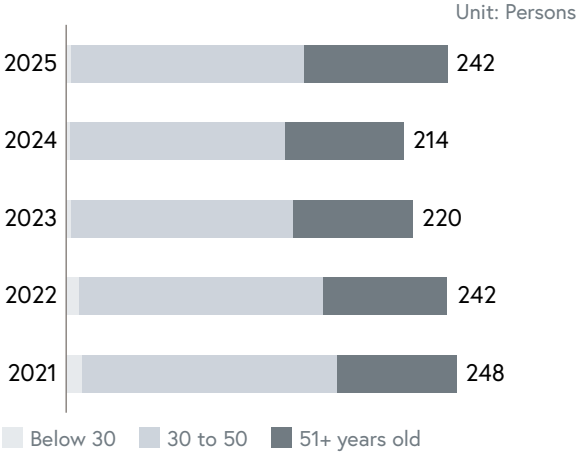
Proportion of female employees in managerial positions at Taiwan plants

Unit: %



The ratio of age distribution in managerial positions in Taiwan plants

Unit: Persons

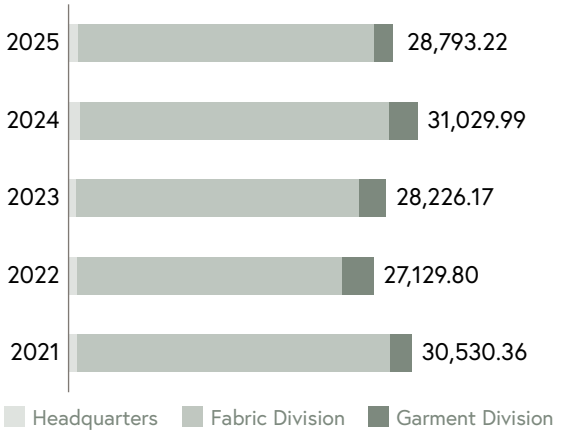


Note1 Since 2021, the statistical method has been changed to include overseas Taiwanese managers at the respective overseas plants.

Environmental aspect

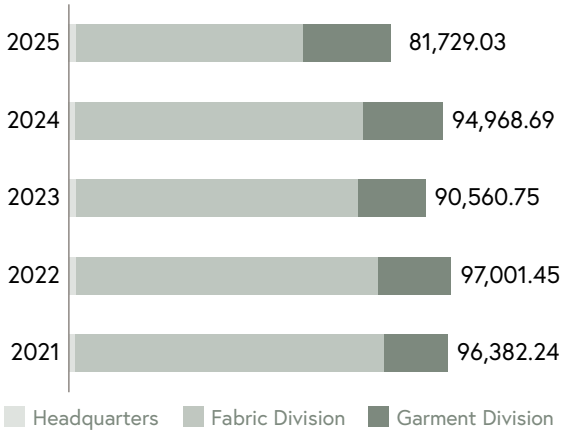
GHG emissions - Scope 1

Unit: tCO_2e



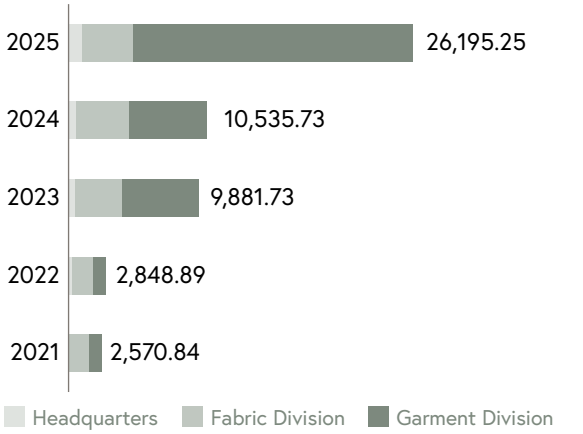
GHG emissions - Scope 2

Unit: tCO_2e



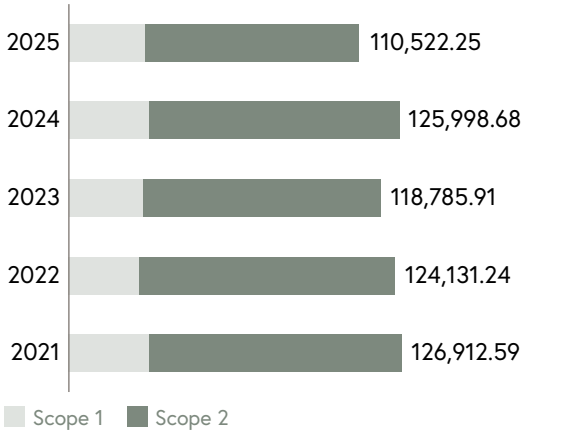
GHG emissions - Scope 3

Unit: tCO_2e



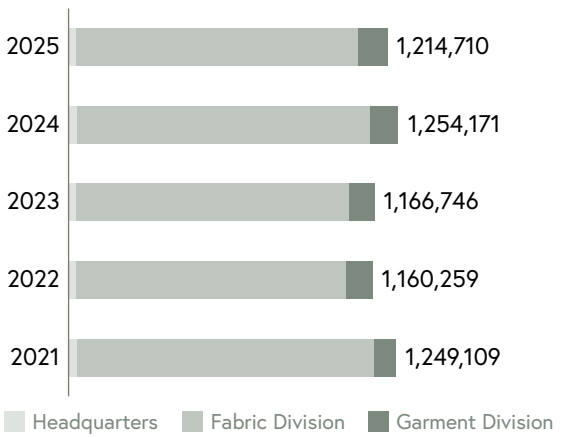
Greenhouse Gases Scope 1 + Scope 2

Unit: tCO_2e



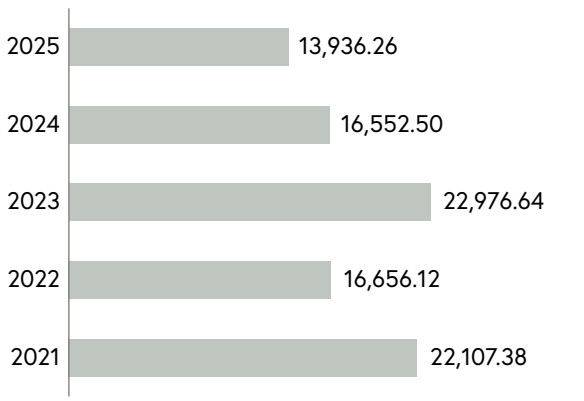
Total Energy Use

Unit: million kilojoules



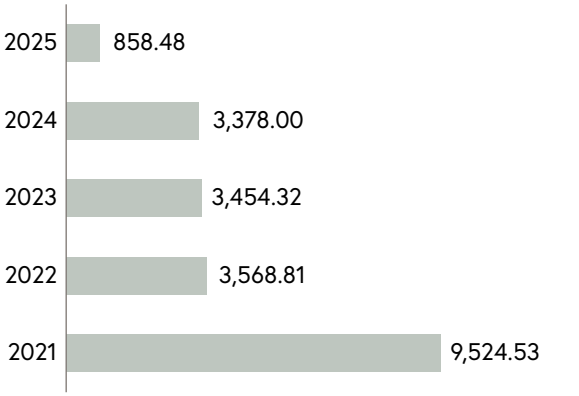
Nitrogen oxide emissions (NOx)

Unit: kg



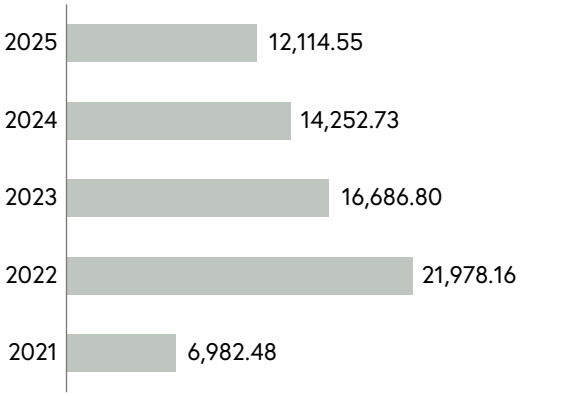
Sulfur Oxides (SOx)

Unit: kg



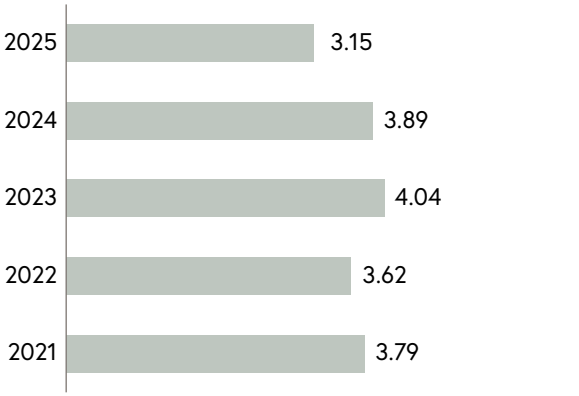
Volatile Organic Compounds (VOCs)

Unit: kg



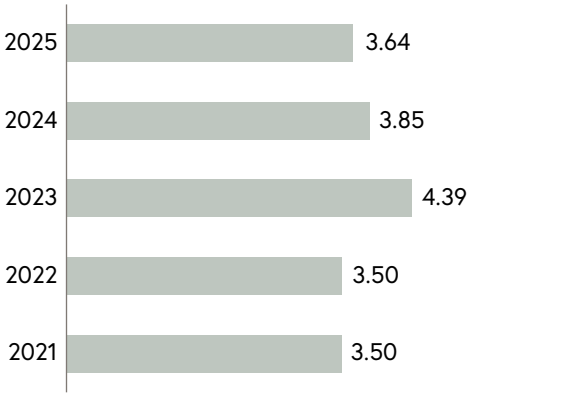
Knitting greenhouse gas emission intensity

Unit: tonnes of CO_2e/tonne



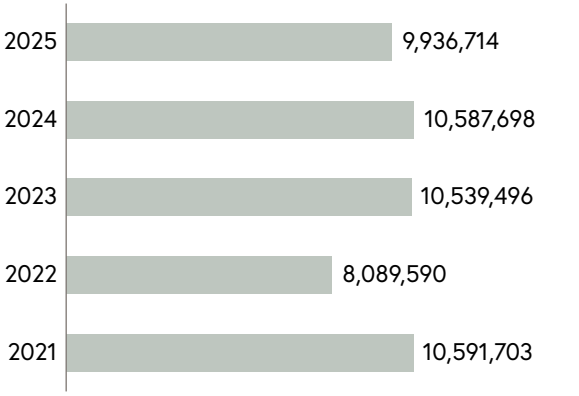
Apparel greenhouse gas emission intensity

Unit: tonnes of CO_2e/thousand dozen



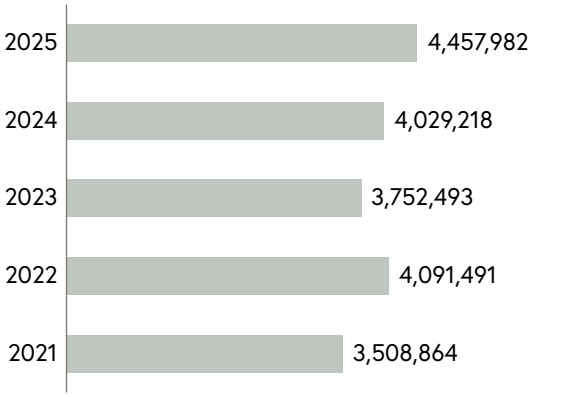
Waste statistics of the Fabric Division

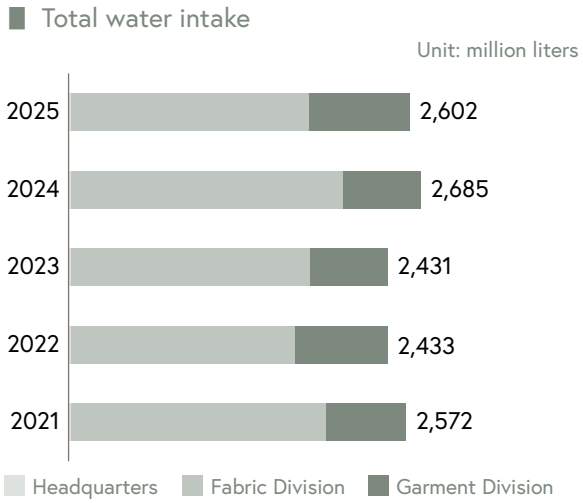
Unit: kg



Waste statistics of the Garment Division

Unit: kg




Total water intake
Unit: million liters
2025
2,602
2024
2,685
2023
2,431
2022
2,433
2021
2,572
Headquarters
Fabric Division
Garment Division



01

Sustainable Eclat

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1.1 About Eclat

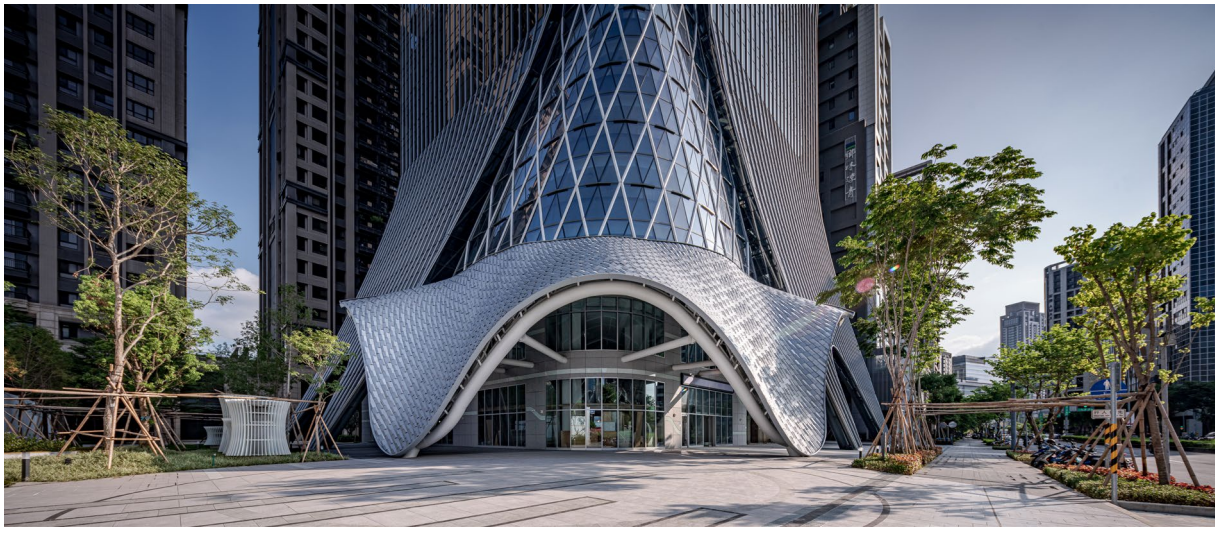
1.1.1 Overview of Operations

Company profile

Company name	Eclat Textile Co., Ltd.
Stock code	1476 (Eclat became listed on the Taiwan Stock Exchange in 2001)
Date of establishment	November 28, 1977
Location of headquarters	No. 738, Zhongyang Rd., Xinzhuang Dist., New Taipei City
Number of employees	1,846 employees (Taiwan); 21,582 employees (Global) (as of December 31, 2025)
Sales	Garments: 8,917,833 (dozens); knitted fabrics: 21,908 (tonnes)
Operating revenue	NT$37,989,751 thousand (as of December 31, 2025)
Total assets	NT$35,036,913 thousand (as of December 31, 2025)

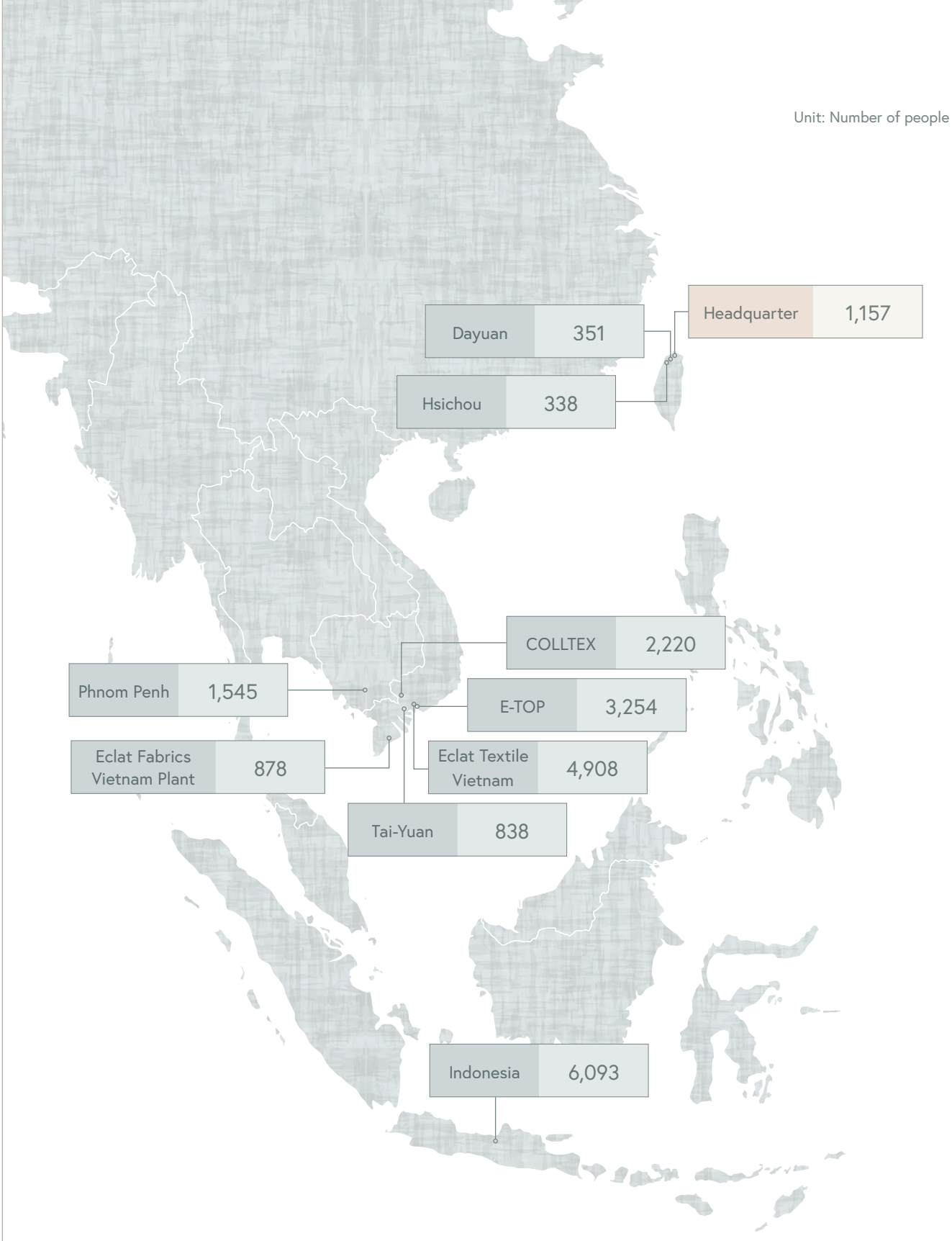
History

Eclat Textile Co., Ltd. was established in 1977, starting out with fabrics, garments, and textile raw materials. Since its establishment, Eclat Has maintained steady growth in a changing environment through its four business strategies of self-requirements for quality, integration of the upstream and downstream industries, global strategy and one-stop purchase plans. By utilizing the strategic alliance of the upstream and downstream industries, investment in automated production equipment, and continuous development and innovation, Eclat has established long-term relationships with numerous well-known brands around the world, and has become a professional supplier in the global industry. For the history and development of Eclat, see the official website or the annual report for the shareholders' meeting.



Operation Site and Market Distribution

Since its founding, Eclat has maintained its roots in Taiwan and set up its global logistics center in Wugu District, New Taipei City. At the end of 2017, an investment of NT$3.367 billion was made to purchase 1,566 pings of land in Xinzhuang Sub-City Center for the construction of a new corporate headquarters, which was completed and put into operation at the end of 2022. The operation headquarters emphasizes "**green energy and environmental protection**" and has received "**Silver**" certification from the Green Building Label. Eclat includes the Fabric Division and the Garment Division. The Fabric Division has set up plants with different functions in Taoyuan and Miaoli in Taiwan and in Vietnam. The Garment Division has production bases in Vietnam, Cambodia and Indonesia.



Changes in operation and production locations

To enhance productivity and mitigate the risks of production base concentration, Eclat has established manufacturing facilities not only in Taiwan but also in Vietnam, Cambodia, and Indonesia. In the future, Eclat will actively expand the production capacity of its own factories while forming alliances with industry peers, establishing strategic alliance garment manufacturing plants in locations such as Lesotho in South Africa, Vietnam, and mainland China. In addition, Eclat has long-term partner agents in major consumer markets worldwide to handle the sales of its fabrics and garments, while the production bases of its apparel division are primarily located in Vietnam, Cambodia, and Indonesia. Compared with 2024, there were no significant changes in Eclat's value chain, products and services, or business relationships.

Eclat's history of sustainable development

1977	Eclat Textile Co., Ltd. was established.
1991	Eclat was computerized with automated production equipment. Became one of the top 500 manufacturers in Taiwan in terms of revenue.
1993	Eclat received the "Q Mark" quality certification from DuPont, becoming the first company in the Asia-Pacific region to receive certification authorized by DuPont, which proves that Eclat has the quality and development capability to make elastic fabrics containing Lycra®.
1997	Successfully developed "Eclon®" yarn and fabric.
1997	Eclat merged with Ru Jie, and its shares began to be traded publicly.
2000	Started to introduce the ISO14001 environmental management system. Selected by the Council of Labor Affairs, Executive Yuan as a National Outstanding Enterprise in Labor Relations.
2001	Listed on the Taiwan Stock Exchange.
2005	Received Control Union Sustainable Textile and Organic Exchange certification for the production process of organic cotton.
2006	Received IMO GOTS certification for the production process of organic cotton.
2007	Received the Oeko-Tex certification for environmental protection.
2011	Received the bluesign® certification.
2012	Won the Award for Outstanding Importer/Exporter from the Bureau of Foreign Trade, Ministry of Economic Affairs. Received the International Trade Award from the Ministry of Economic Affairs.
2013	All boilers at the Hsichou plant began to use natural gas to reduce carbon emissions from energy use.
2014	Won the award for "2013 Top 20 Innovative Enterprises in Taiwan" from the Industrial Development Bureau, Ministry of Economic Affairs.
2015	All boilers at the fabric plant in Vietnam began to use natural gas, reducing CO_2 by about 60%.
2016	Received the 2016 Taiwan i-Sports certification from the Sports Administration, Ministry of Education. Participated in CDP carbon disclosure.
2017	Received the Lenzing Innovation Award from Lenzing. Started to introduce the ISO45001 occupational safety and health management system. Started to introduce the ISO14064 GHG inventory system.
2018	Conducted independent greenhouse gas inventory and assurance, covering parent and subsidiary companies consolidated in the financial statements. Received the 2018 Taiwan i-Sports certification from the Sports Administration, Ministry of Education. Ranked in the top 6% to 20% of all public companies in the Corporate Governance Evaluation.
2019	Founder Cheng-Hai Hung won the 17th Global Views Leaders Forum - Outstanding Leadership Award in 2019. Selected as a 100 constituent in corporate governance. Received the "2019 R&D 100 Award".
2020	Received the International Trade Award for Contribution to Expansion in Emerging Markets from the Ministry of Economic Affairs. Selected as a constituent of the Taiwan ESG Index by FTSE Russell.
2021	Won the Silver Medal of the "Edison Awards", an international award for innovation and R&D. Nominated for the "2021 R&D 100 Award". Our product "windproof knitted fabric" won the "Taiwan Excellence" award from the Ministry of Economic Affairs. Listed as one of the top 10% non-financial and non-electronics companies with a market value of no less than NT$10 billion in the Corporate Governance Evaluation.
2022	Received the 2022 International Trade Award for "Best Contribution to Trade".
2023	Received the 2023 Taiwan i-Sports certification from the Sports Administration, Ministry of Education. Received recognition from the Ministry of Education's Sports Administration for "Promoting the Employment of Sports Instructors by Enterprises." The plants in Taiwan have installed solar power equipment with a capacity of approximately 2,022.09 kW.
2024	Awarded the "Outstanding Enterprise Award in the Occupational Health and Safety Performance Evaluation of Corporate Sustainability Reports by the Occupational Safety and Health Administration. Won the "2024 Net Zero Industry Competitiveness Award" from the 21st Century Foundation. Awarded the 1st Class Gold in the "Sustainability Reporting – Traditional Manufacturing Industry" category at the 17th TCSA Taiwan Corporate Sustainability Awards in 2024.
2025	Awarded the "Outstanding Enterprise Award in the Occupational Health and Safety Performance Evaluation of Corporate Sustainability Reports by the Occupational Safety and Health Administration. Awarded the 1st Class Gold in the "Sustainability Reporting – Traditional Manufacturing Industry" category at the 18th TCSA Taiwan Corporate Sustainability Awards in 2025.

1.1.2 Vision and Core Values

Adhering to the vision of "**continuous innovation and development of functional, fashionable and sustainable fabrics and garments to enhance the quality of life**", Eclat develops the four core values of "**enthusiasm**" for the industry and products, "**professionalism**" in technology and products, "**partnership**" in the upstream and downstream sectors, and a "**people-oriented**" corporate culture, and exercises its corporate influence to drive industrial development and innovation and inject new and sustainable energy into traditional industries.

Enthusiasm

Our enthusiasm for product innovation and the industry is what keeps us going forward.

Professionalism

Our dedication to professional excellence has put us in a leading market position, and we continue to strengthen our technology and enhance the quality and functions of our products.

We continue to innovate and develop functional, fashionable and sustainable fabrics and garments to enhance the quality of life.

Partnership

We are committed to creating a win-win situation with our customers and supply chains in the industry. We work with our customers and suppliers to design customized products.

People-oriented

We are committed to a people-oriented corporate culture. We firmly believe that "people" are the core of our business, and we put emphasis on diversified development, with "people" as the cornerstone of our success.

Eclat embraces the philosophy that "**textile manufacturing is not a form of consumption, but an innovation in aesthetics, an enhancement of quality of life, a transformation of cultural eras, and a testament to sustainable industrial transformation.**" The Company aims to leverage its corporate influence to drive sustainable development in the industry and improve the quality of life for the public.



1.1.3 Participation in Public Affairs

Eclat actively participates in domestic textile industry associations, gaining industry insights through interaction and communication, and fostering friendly relationships with peers. At the same time, Eclat's senior executives participate in lectures within the private and academic sectors to share management knowledge, collaborate with various partners to publish books, and support the development of the textile industry to enhance international competitiveness and promote sustainable industrial development.

List of associations participated in by Eclat

Associations participated in by Eclat	Membership type
Taiwan Textile Federation, R.O.C.	The founder serves as an advisor and committee member
Taiwan Textile Research Institute	The founder serves as an advisory committee member
Industrial Technology Research Institute	The founder was honored with the prestigious title of Academician
Miaoli County Industrial Development and Investment Promotion Committee	Committee Member, Miaoli County Industrial Development and Investment Promotion Committee
Industrial Development Advisory Committee, New Taipei City Government	General Committee Member, New Taipei City Government Industrial Development Advisory Committee
Taiwan Knitting Industry Association	General member
Taiwan Garment Industry Association	General member
Miaoli County Industrial Association	General member
Taoyuan Dayuan Industrial Park Manufacturers' Association	General member
Taiwan Textile Printing Dyeing & Finishing Ind. Asso.	General member
New Taipei Enterprises Development Association	General member
Miaoli County Labor-Management Relations Association	General member
New Taipei City Commercial & Industrial Association	General member

Books Published with Eclat's Participation

Publishing unit	Book title
Industrial Development Bureau, MOEA	New Growth in the Southbound Policy – Sharing Stories of Taiwanese Businesses Deeply Rooted in the New Southbound Regions
Taiwan Knitting Industry Association	Resilience in Warmth – 70th Anniversary Commemorative Book
Chinese Materials Research Society	Life stories of 20 leaders

1.1.4 Sustainability Initiatives

Emphasizing the importance of the sustainable development of the industry, and in line with international sustainable textile initiatives and actions, Eclat has become a bluesign® system manufacturer partner and provides its customers with ZDHC-compliant products. At the same time, we use the Higg Index developed by Sustainable Apparel Coalition (SAC) to conduct corporate sustainability assessment to do our part for the sustainable development of the industry. Eclat began responding to the Carbon Disclosure Project (CDP) climate change and water security questionnaires in 2016, achieving a "B" rating for both questionnaires this year. Since 2020, Eclat has continued to be selected as a Taiwan Sustainability Component by FTSE Russell.

List of sustainable textile initiatives which Eclat participates in

bluesign® SYSTEM PARTNER



As a bluesign® system manufacturer partner, Eclat manages the use of chemicals and hazardous substances to provide its customers with bluesign® certified sustainable textile products.

ZDHC

As a supplier of well-known brands, Eclat provides customers with products that comply with the requirements of the ZDHC Manufacturing Restricted Substances List (MRSL).

CDP

In 2025, Eclat received a "B" rating for both the Climate Change and Water Security questionnaires of the Carbon Disclosure Project (CDP).

Sustainable Apparel Coalition | Higg Index

Eclat uses the Higg Index, developed by Sustainable Apparel Coalition (SAC), to assess the environmental and social impacts of its business.



Selected as a constituent stock of the FTSE4 Good TIP Taiwan ESG Index by FTSE Russell.

Global Recycled Standard



Eclat purchases recycled yarns that meet the criteria of the Global Recycled Standard (GRS) and promotes the reuse of recycled materials.

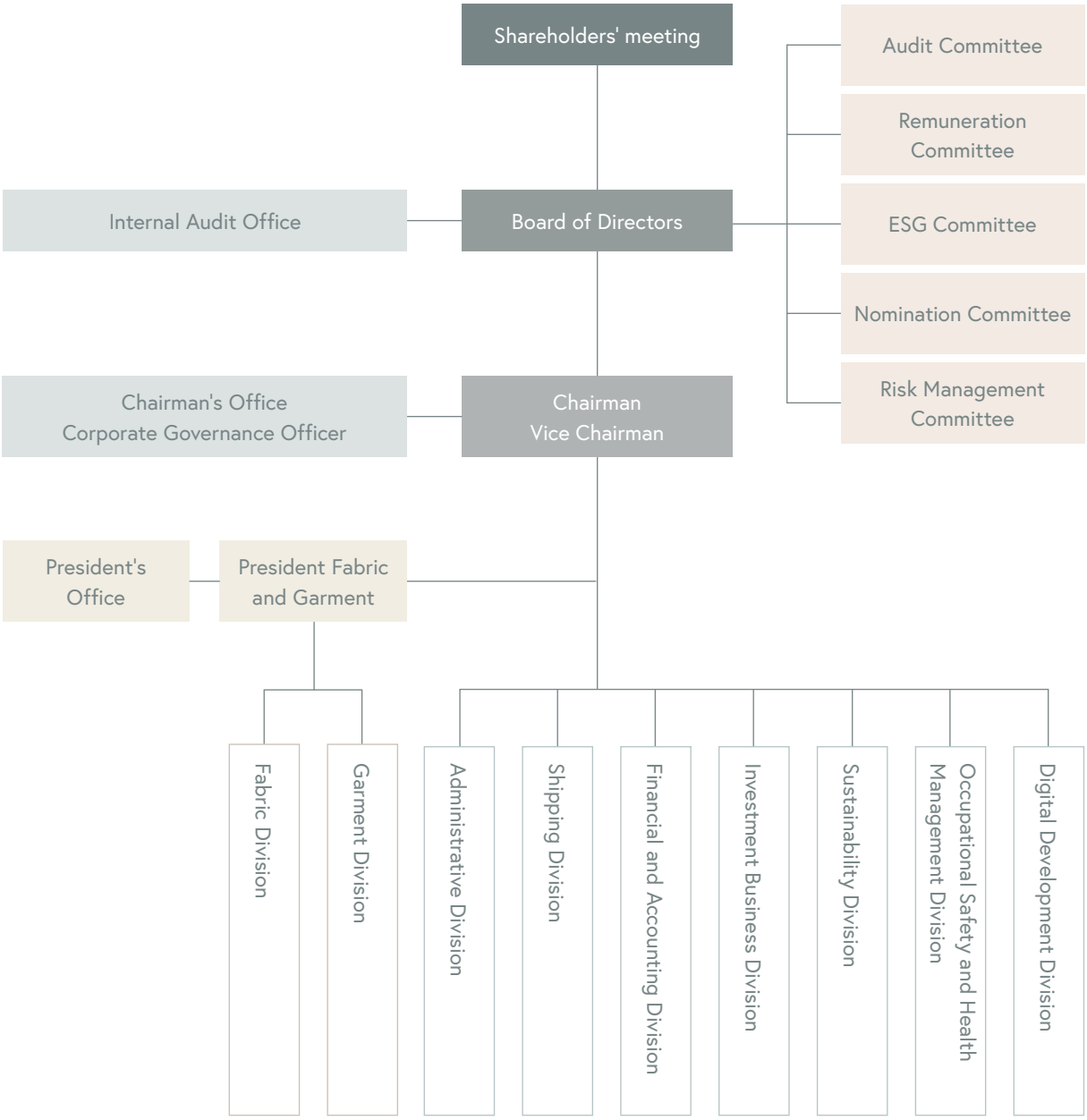
1.1.5 Governance Structure

In accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", we have established the "Ethical Corporate Management Best Practice Principles" and the "Corporate Governance Best Practice Principles", which have been published on our website, in order to strengthen the effectiveness of our ethical management and corporate governance. In addition to regularly disclosing the information of financial statements and annual reports on our website, we also appoint dedicated personnel to disclose corporate information on our website on a timely basis in response to the needs of shareholders and stakeholders.

Corporate governance structure

In order to effectively perform the functions of the Board of Directors and improve the quality of its decision-making, our corporate governance structure consists of the Board of Directors and its functional committees, including the Audit Committee, Remuneration Committee, ESG Committee, Nomination Committee and Risk Management Committee, which have been established based on the needs of the Board of Directors. The Board of Directors performs its supervisory duties through regular meetings (at least 1- 4 meetings per year in accordance with the organizational rules of each committee) to improve corporate governance. In addition, the Company has appointed a Chief Corporate Governance Officer to support the operations of the Board of Directors and its functional committees.

■ Organizational system of Eclat

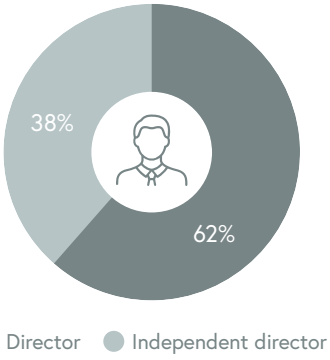


Pursuant to the Articles of Incorporation, all board members are elected under a candidate nomination system by the shareholders' meeting from a list of candidates in accordance with the "Regulations for Election of Directors". In order to enhance the independence and diversity of the Board of Directors, careful consideration is given to the criteria for composition and diversity of the Board of Directors based on Eclat's industrial characteristics and future development strategy. The Board of Directors is composed of professionals with different backgrounds, specializing in the fields of textile, finance, accounting and education.

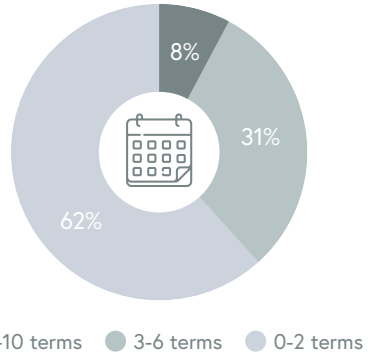
To support directors in acquiring the knowledge and skills necessary for executing their duties and ensuring regulatory compliance, relevant continuing education courses focus on sustainability and risk management. During the reporting period, the total hours of training related to sustainability and risk amounted to 72 hours, out of a cumulative total of 99 training hours. Please refer to the Company's annual report for further information on the continuing education of directors.

In accordance with the Articles of Incorporation, we hold an election of directors every three years, with the most recent one for the 14th term of the Board of Directors held in June 2024. There are 8 directors and 5 independent directors, and the Chairman is Mr. Wang Shu Wen, who does not concurrently serve as the President. The re-election took into account the diverse composition of the Board of Directors and referenced the opinions of external evaluations of the Board, increasing the number of independent directors to five, which includes three female directors. For the names of Board members, their diverse professional and educational backgrounds, and concurrently held corporate positions, please refer to the Company's annual report and the official website.

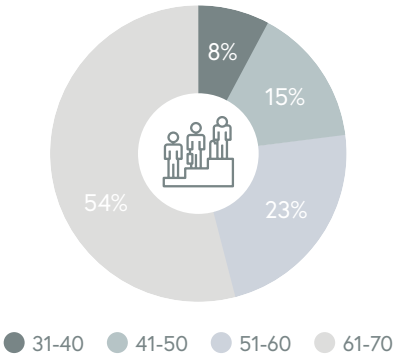
Composition of the Board of Directors and Independent Directors



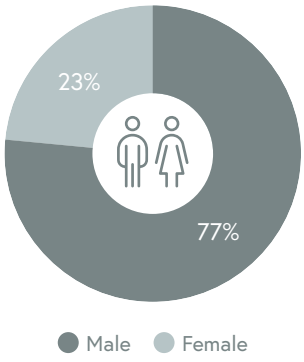
Term of office



Age composition



Gender composition



The Board of Directors operates in accordance with Regulations Governing Procedure for Board of Directors Meetings regulations, convening meetings at least once per quarter. Additionally, in the event of material matters requiring Board resolution, extraordinary Board meetings are convened for discussion and resolution. During the reporting year, the Board held 6 meetings.

Members of the Board exercise strict self-discipline and follow the "Regulations Governing Procedure for Board of Directors Meetings" to avoid conflicts of interest. If there is any possibility of a conflict of interest, the members must disclose the detail and extent of their interests and refrain from participating in discussions and voting on the relevant matters. For specific information about recusal, please refer to our annual report.

Remuneration policy for directors and managers

Remuneration for directors

We have established the "Regulations Governing Evaluation of the Performance of the Board of Directors" and the "Regulations Governing the Remuneration to Directors, Members of Functional Committees and Managers", which serve as the basis for the Remuneration Committee to determine the remuneration to Independent Directors and Directors. The Committee takes into account Eclat's overall operating performance and profitability, as well as personal participation, performance achievement and contribution to Eclat's operating efficiency, to provide them with reasonable remuneration.

Remuneration for managers

The Remuneration Committee determines the remuneration for managers in accordance with the "Regulations Governing the Remuneration of Directors, Members of Functional Committees and Managers". In addition to fixed salaries paid under the "Regulations Governing Salaries", the remuneration for managers is adjusted according to the annual results of performance evaluation, rewards and penalties for each manager after the end of each business year when Eclat determines the base amount of the year-end bonus based on the operating conditions. For those who make special contributions, adjustments will be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

For the remuneration scale table of directors and managers in 2025, please refer to pages 17–19 of the Company's 2025 Annual Report.



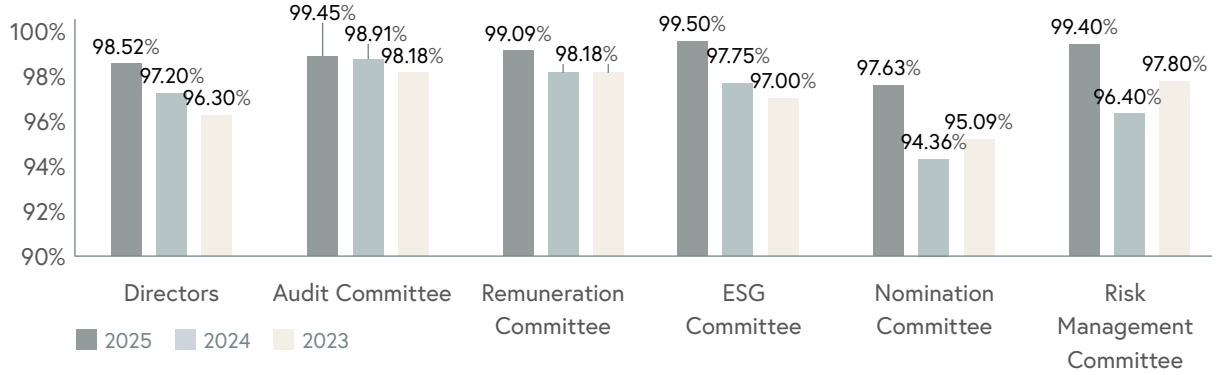
Functional committees

 Audit Committee	Responsible for overseeing the Company's financial statements; the appointment, dismissal, independence, and performance of the certifying accountant; the effectiveness of the internal control systems; compliance with laws and regulations; and the management and control of corporate risks. Risk management control and procedure supervision and implementation result tracking are carried out with the assistance of the auditors of the Internal Audit Office.	Composed of **5** independent directors Held **a total of 5** regular meetings in 2025 2025 attendance rate (in-person): **100%**
 Remuneration Committee	Members of the Remuneration Committee are appointed by the Board of Directors, with the number of members being no less than 3 in accordance with the "Remuneration Committee Charter". The Committee is responsible for assisting the Board of Directors in making comprehensive considerations and formulating policies and related measures for performance evaluation of Directors and Managers as well as their remuneration.	**3** independent directors At least **two** regular meetings are held every quarter 2025 attendance rate (in-person): **100%**
 Nomination Committee	Members of the Nomination Committee are appointed by the Board of Directors. The Committee is responsible for ensuring that the Board of Directors has appropriate expertise, experience and gender diversity, Moreover, the Committee, according to its authority, conducts regular performance evaluation on the Board of Directors, reviewing Directors' training programs, and establishing succession plans for Directors and senior managers.	**5** directors (including **2** independent directors), with independent directors representing 40% of the committee At least **one** regular meeting is held every year 2025 attendance rate (in-person): **100%**
 Risk Management Committee	Members of the Risk Management Committee are appointed by the Board of Directors. The Committee is responsible for assessing risks and formulating risk management strategies and plans in consideration of economic, environmental, social and other corporate governance issues that may have a significant impact on customers, investors and other stakeholders.	Composed of **5** Directors (including **3** Independent Directors), with Independent Directors accounting for 60% At least **one** regular meeting is held every year 2025 attendance rate (in-person): **100%**
 ESG Committee	The ESG Committee is appointed by the Board of Directors. Its responsibility is to assess the overall economic, environmental, and social impacts of Eclat's operations in accordance with the Company's sustainable development goals, and to formulate management strategies and plans.	Composed of **4** Directors (including **2** Independent Directors), with Independent Directors accounting for 50% At least **one** regular meeting is held every year 2025 attendance rate (in-person): **100%**

Evaluation of the performance of governance bodies

Self-evaluation

To strengthen corporate governance and enhance the functions of the Board of Directors and its functional committees, Eclat established the "Regulations Governing Evaluation of the Performance of the Board of Directors." Since 2018, the Company has conducted annual performance evaluations of the Board of Directors and all functional committees to serve as the basis for evaluating the performance of directors and independent directors. These evaluations cover five key dimensions: level of participation, awareness of responsibilities, quality of decision-making, board composition and selection, and internal control. The results of evaluation for the functional committee are all 90% or above.



External evaluation

Every three years, Eclat engages an external organization to conduct a performance evaluation of the Board of Directors. In 2023, we entrusted "EY Business Advisory Services Inc." to conduct an external performance evaluation of the Board of Directors for the year of 2022, focusing on the effectiveness of the Board of Directors (including its performance). The organization and its experts have no business dealings with us and are independent, and EY conducted a written review and on-site inspections, including interviews with the Chairman, the convener of the Audit Committee, the Head of Corporate Governance, and other persons. After a comprehensive evaluation, the performance of the Board of Directors in terms of "structure", "members" and "process and information" was "advanced". EY also provided suggestions to the Board of Directors for improvement, and we have used the evaluation results as a reference for continuous improvement of the competency of the Board of Directors. For details of the suggestions and improvement plans, please refer to our annual report.

Internal Audit Office

The internal audit department is an independent unit directly subordinate to the Board of Directors and operates under the direction and supervision of the Board and the Audit Committee. It is staffed with two dedicated personnel, including the department head and an auditor. At the end of each year, the department conducts risk assessments based on changes in the external environment and prior audit results to determine the audit focus for the following year. An annual audit plan is then formulated and implemented upon approval by the Board of Directors. In response to sustainability trends, the internal audit department has incorporated sustainability information management into its 2025 audit plan to verify and audit sustainability-related internal control systems and information. For details, please refer to the Company's website.

Internal control process



Strengthening of shareholders' rights

In order to protect the legal rights of shareholders, Eclat fulfills the responsibilities of a business operator through corporate governance guidance and corporate management mechanisms, treats all shareholders fairly, provides smooth communication channels, and enhances information transparency in the following ways to inform shareholders of important news of Eclat in a timely manner, break down language barriers, reduce asymmetry between internal and external information, and protect shareholders' right to know:

The Company also records the entire shareholders' meeting and uploads the audio files to its corporate website for shareholders' reference, in order to enhance information disclosure and promote transparent governance.

Providing the official website, material information, annual report and ESG report in Chinese and English

Optimizing the quality of disclosures in the ESG report through third-party opinions

Convening investor conferences to explain Eclat's operations

Annual shareholders' meetings are recorded and uploaded for viewing by shareholders who are unable to attend the meetings



1.2 Sustainability Strategy and Risk Management

1.2.1 Sustainable Governance Mechanism

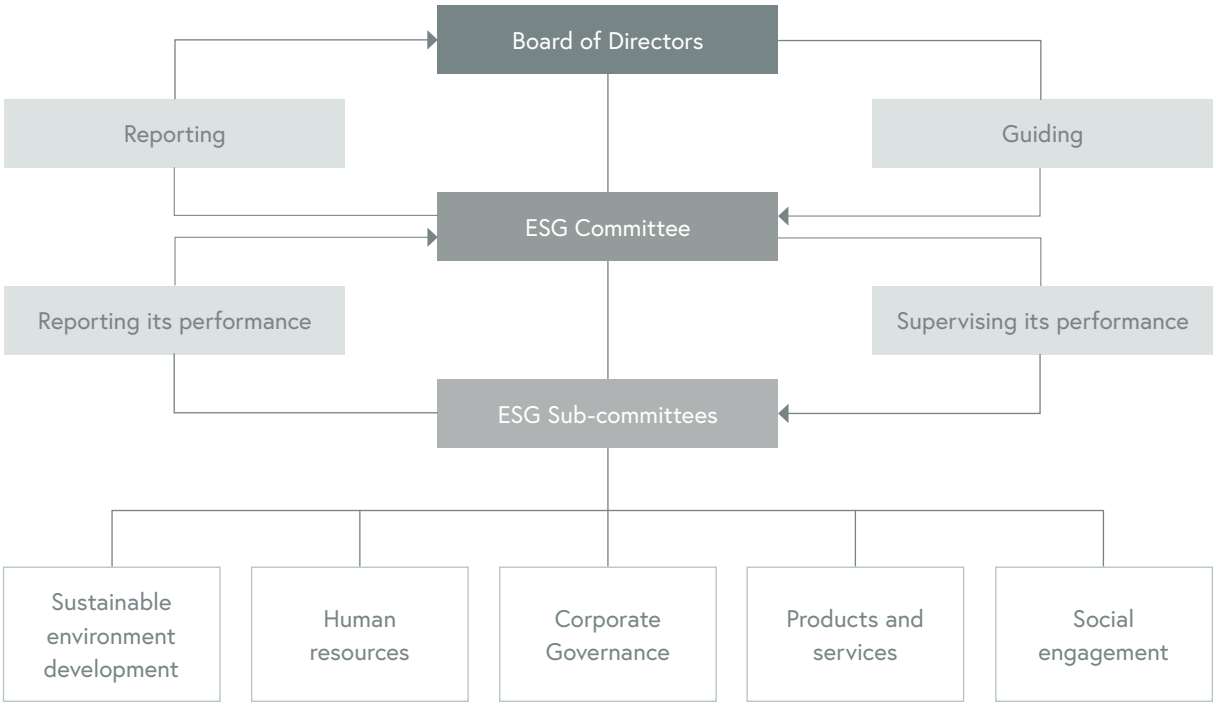
In 2017, Eclat formulated the "Sustainable Development Best Practice Principles" (formerly "code of sustainable development practices") and the "organizational charter of the sustainable development committee," and established the "ESG Committee." The ESG Committee consists of 5 sub-committees on "sustainable environmental development", "human resources", "corporate governance", "products and services" and "social engagement". According to the Regulations Governing Establishment of the ESG Committee, the committee's powers and responsibilities are divided among the sub-committees to manage the economic, environmental and social impacts of Eclat's overall operations to achieve its sustainable development.

The ESG Committee is appointed by the Board of Directors with no fewer than three members, and one member is elected by all committee members to serve as the convener. The convener appoints a manager from the responsible department to serve as the team convener. This term's committee consists of four members: two independent directors, the company chairman, and the president. The Chairman's Office serves as the administrative unit, regularly tracking and reporting the progress of managed matters to the Board of Directors. The ESG Committee is responsible for identifying, suggesting, and implementing ESG issues. The Committee convenes meetings annually or from time to time as needed. If any adverse event affecting stakeholders occurs, the responsible unit shall report the causes and measures to the Board of Directors. By reporting the current year's implementation results and the next year's work plan to the Board members at least once a year, and discussing the goals and performance of Eclat's sustainable development, the Committee improves the Board members' overall knowledge on economic, environmental, and social issues. The ESG Committee also adjusts and optimizes the future implementation direction and goals based on the results of the Board of Directors. In 2025, the ESG Committee held two meetings and 16 quarterly team meetings, and submitted the 2024 ESG Report to the Board of Directors for approval. For further details on the committee's members and operations, please refer to the Company's 2025 Annual Report.

Procedure chart for writing an ESG report



Organizational chart of the ESG Committee

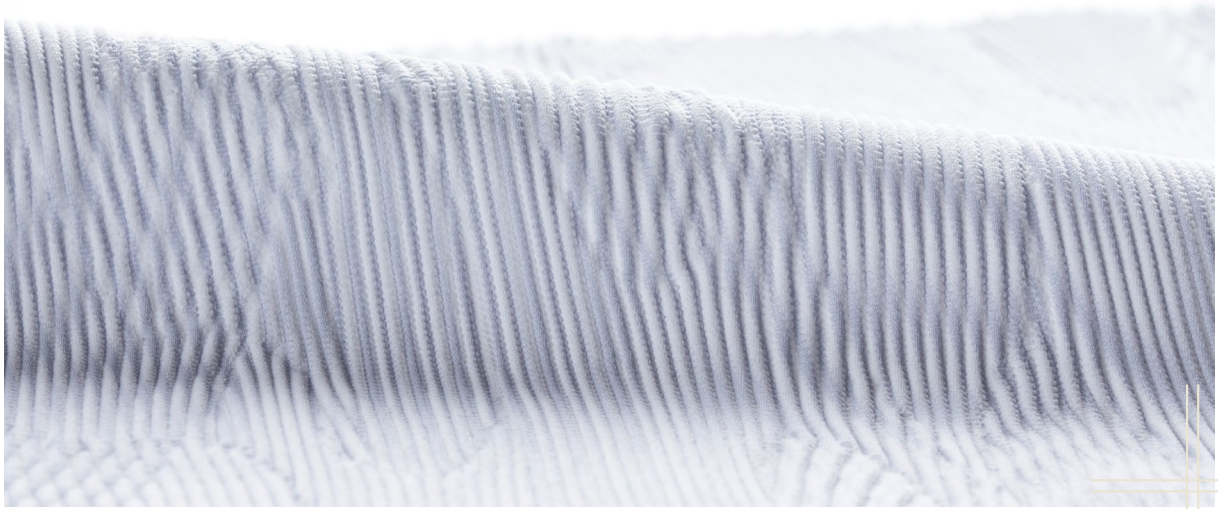


1.2.2 Sustainability Risks and Opportunities

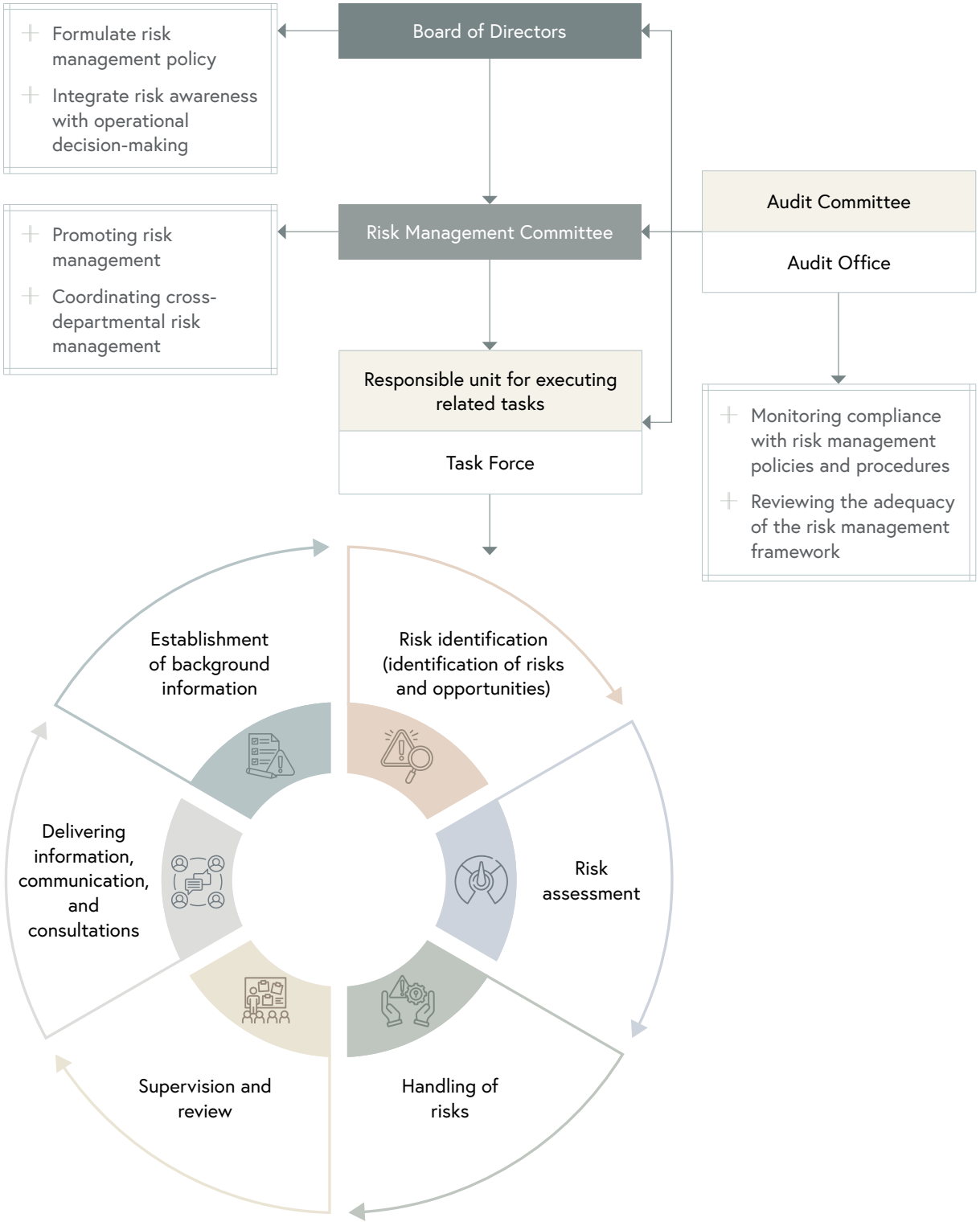
Risk management framework

The Board of Directors takes sole responsibility for supervising the risk management framework of Eclat. The "Risk Management Committee" is responsible for establishing risk management policies to identify and analyze the risks Eclat faces, supervising and controlling compliance with the risk limits by setting appropriate risk limits, reviewing the risk management policies and systems on a regular basis to reflect changes in the market conditions and Eclat's operations. At the same time, it develops a disciplined and constructive control environment through training, management guidelines and operating procedures, so that all employees are aware of their roles and responsibilities.

The Audit Committee monitors compliance with the risk management policies and procedures and reviews the appropriateness of Eclat's risk management framework in relation to the risks it faces. The internal auditors are also required to assist the Audit Committee in its supervisory role by conducting regular and extraordinary reviews of risk management controls and procedures and reporting the results of such reviews to the Audit Committee.



Risk management process



In the event of a material incident, the plant or responsible personnel should first make a preliminary assessment of the nature of the incident, determining whether it is a "general material incident" affecting internal staff, production, or marketing plans, or a "special material incident" that may pose a crisis to the Company's external stakeholders and reputation, requiring responses to authorities, media, or the public, or potentially impacting future production and operations. For general material incidents, emergency response measures should be implemented first, followed by reporting to the headquarters afterward. For special material incidents, the headquarters must be notified immediately. The headquarters will convene relevant units to form a major incident response team, determine the appropriate decision-making level in accordance with the approval authority management guidelines, and proceed with actions after obtaining approval from the corresponding supervisor, the president, or the board of directors.

Risk and Opportunity Identification

In accordance with our own business model, we have established the "Regulations Governing Risk Management", the "Principles Governing the Risk Management Committee and Risk Management" and the "Organizational Rules for the Risk Management Committee", and formed a task force in response to the "Risk Management Committee" by identifying the responsible bodies related to six major risks and opportunities for sustainable management.

Sustainability risk and opportunity identification and management

Risk issues	Principles for early warning of risks	Opportunities and management approaches
Customer risks	+ Visiting customers and exchanging product and market information to understand the direction of customer development + Observing customers' revenues + Monitoring changes in customer credit and accounts receivable	+ Controlling the maximum share of the revenue of a single customer to diversify the risk of concentration of customers' revenue. + Diversifying business risks through a strategy of business diversification. + Reducing credit risks by credit ratings, insurance and assignment of accounts receivable. + Enhancing the transparency of customer communication and keeping track of changes in procurement policies.
Financial risks	+ Tracking interest rates + Tracking exchange rates	+ Strengthening financial management and corporate control. + Strengthening control of exchange rate risks. + Actively negotiating with banks to obtain more favorable financing rates to lower interest rates. + Timely use of pre-sale forward exchange for hedging purposes to reduce the risk of exchange rate fluctuations.
Supply risks	+ Observing the transaction amount of each supplier + Observing the product types and volumes traded by each supplier + Observing the technology and quality of each supplier + Supplier evaluation	+ Requirements for the production, quality and R&D potential of suppliers. + Joint R&D with suppliers. + Adopting a decentralized procurement strategy.
Talent risks	+ Observing the turnover rates + Employee satisfaction surveys + Internal and external complaint channels + Regular labor union meetings	+ Improving basic training of employees. + Implementing cooperative education programs to increase recruitment resources. + Strengthening the promotion system and the training of management. + Continuing to track the turnover rate and employee satisfaction and make system adjustments. + The Vietnam Plant has established a negotiation mechanism to deal with strikes through labor unions.
Climate change risks	+ Identifying climate risks + Tracking GHG emissions + Tracking achievement of targets + Observing identified risks and opportunities for financial losses, expenses or revenues	+ Identifying climate change opportunities and risks. + Managing risks and seizing opportunities. + Organizing special or educational training. + Tracking performance and making timely reviews and adjustments. + Developing a response process in case of recurrence of risk.
Information risks	+ Blocking spam and observing its frequency + Detecting non-internal devices connected to the intranet + Regularly scanning firewalls and programs for vulnerabilities	+ Enforcing access control to the server room and regular updating of hardware equipment. + Ensuring internal data security and stability with dedicated lines. + Reducing remote processing, except in special cases. + Strengthening firewalls and patching program vulnerabilities, and conducting regular exercises on software rebuilding and contingency procedures. + Using multi-factor verification for authorization. + Introducing special account management.

Information security management

In 2025, Eclat achieved significant results in information security management, effectively protecting the Company's digital assets. The firewall and intrusion detection system successfully blocked 114,979 external threat attacks, the multi-factor authentication system intercepted 32,220 unauthorized login attempts, and the email protection system blocked 25,994 suspicious emails, effectively countering business fraud threats. In March 2026, following verification by the third-party British Standards Institution (BSI), the Company obtained ISO 27001:2022 certification, which not only strengthened information security management requirements but also enhanced Eclat's resilience in digital trust. Eclat plans to upgrade security infrastructure across overseas facilities to align with headquarters standards, and introduce Endpoint Detection and Response (EDR) systems to address novel threats.


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Certificate of Registration

...making excellence a habit.

In accordance with the Personal Data Protection Act and the Trade Secrets Act, the Company designates the administration department as the responsible unit, with specific tasks implemented by departments based on their professional functions: business units collect and maintain brand client information, the human resources department maintains and safeguards all collected personnel information, and the information security department strengthens digital data protection. Internally, access to specific brand client information is restricted based on authorization levels, while externally, unauthorized access is prevented. Personal data protection training is also conducted in conjunction with information security courses to ensure all employees have information security awareness, with approximately 1,120 participants, accounting for about 93% of headquarters employees. Additionally, in a social engineering test conducted for 2,076 employees in 2025, results showed that 19% of employees opened malicious attachments, clicked suspicious links, or entered their account passwords. For employees who participated in the test and fell into the trap, the Company required them to attend mandatory information security awareness training to enhance their sensitivity to information security threats and prevention capabilities, thereby strengthening the overall corporate security culture.

Regarding the collection, processing, use, and protection of personal data related to applicants, employees, or brand customers, we comply with laws and regulations, using such data only within the legal scope and never providing, renting, or otherwise disclosing personal data to third parties. All protective measures are implemented in accordance with the law to protect the information security and privacy rights of all data providers. For more information-on-information security management, please refer to the Company website.

Intellectual property right management

In 2025, Eclat continued to strengthen its intellectual property management to support its operational goals and innovative research and development. We have established a comprehensive management system for patents, trademarks, fabric samples, and apparel designs to encourage employee creativity and protect intellectual property rights. The implementation status is reported to the Board of Directors annually.

In terms of patents and trademarks, Eclat refined its management policies in 2024; the R&D department collaborates with the legal department and external experts to continuously advance applications, responses, and maintenance. Regarding trade secrets and copyright management, employees sign confidentiality agreements, and strict confidentiality measures are implemented for newly developed fabric samples and apparel designs to ensure information access is limited to relevant personnel only.

As of 2025, the Material Division had developed 1,252 sample fabrics, and the Garment Division completed the development of 2,844 styles. 14 patents and 91 trademarks have been accumulated, and related maintenance work has been completed as planned. In the future, the Company will continue to enhance its comprehensive intellectual property management mechanisms to promote the protection and utilization of innovative achievements, thereby strengthening market competitiveness.

Sustainable development strategy

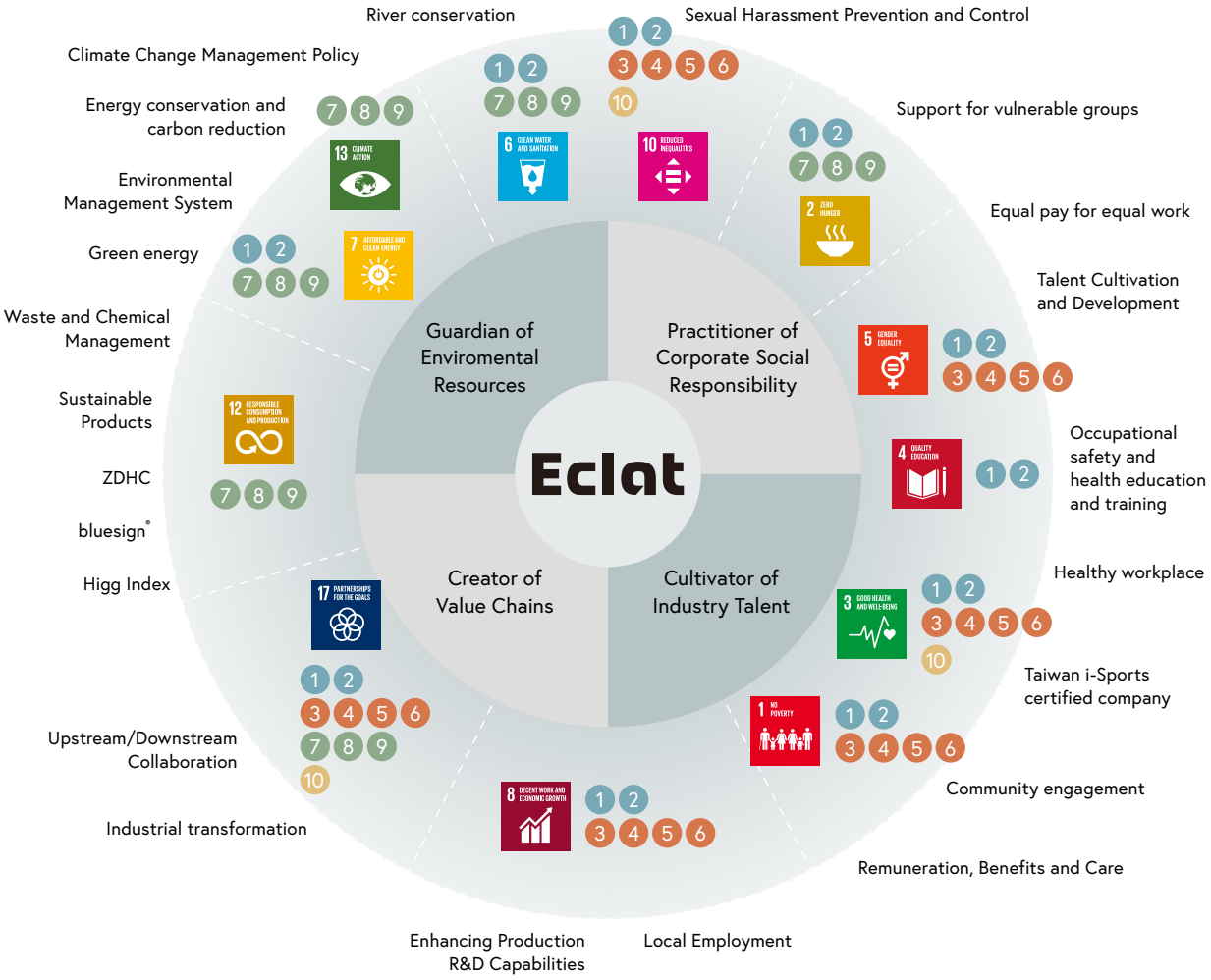
To implement corporate sustainable development and promote economic, environmental, and social progress in order to achieve sustainable development goals, Eclat has established the Code of Sustainable Development Practices to effectively manage the impacts of the Company and its subsidiaries on economic, environmental, and social risks. The Code applies to the headquarters, all subsidiaries within the Group, and their investee enterprises. Considering domestic and international sustainability trends, their relevance to the Company's core business, and the impacts of the Company's and the Group's overall operations on stakeholders, Eclat has established sustainable development policies, systems, related management guidelines and implementation plans, which are approved by the Board of Directors and reported to the shareholders' meeting. When shareholders present proposals related to sustainable development, the Board of Directors should consider including them in the agenda of the shareholders' meeting.

Although Eclat is not a signatory to the United Nations Global Compact (UNGC), it upholds the spirit of diligent management and continuous innovation, leveraging its advantages to build a vertically integrated industry and develop a sustainable enterprise blueprint. In response to the United Nations' 17 Sustainable Development Goals (SDGs) and the 10 Principles defined by the United Nations Global Compact for corporate operational strategies and policies, Eclat has identified four major sustainable development strategies. By integrating these strategies with the SDGs and the 10 Principles, Eclat is actively committing resources to initiatives across the environmental, social, economic, equality, and partnership dimensions.

10 Principles of the "UN Global Compact"

Area	Principles	Contents
 Human rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2	Make sure that they are not complicit in human rights abuses.
 Labor	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
	Principle 4	The elimination of all forms of forced and compulsory labor.
	Principle 5	The effective abolition of child labor.
	Principle 6	The elimination of discrimination in respect of employment and occupation.
 Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges.
	Principle 8	Undertake initiatives to promote greater environmental responsibility.
	Principle 9	Encourage the development and diffusion of environmentally friendly technologies.
 Anti Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

Eclat's sustainability map for SDGs





1.3 Business Performance and Integrity Governance

1.3.1 Operating Performance

Through R&D innovation, Eclat has developed high-value and niche products, and has worked closely with brand customers to continue the trend of growth in its operating revenue and profit. The following information of operating performance includes the financial information of each plant in the Fabric Division and Garment Division. The information discloses the financial performance as well as the values distributed by Eclat to its stakeholders and the financial assistance from government. For detailed financial information, please see our annual report.

Unit: NT$ thousand

Financial performance	2023	2024	2025
Total assets	31,832,735	35,865,120	35,036,913
Total liabilities	6,162,154	6,943,459	5,399,776
Shareholders' equity	25,670,581	28,921,661	29,637,137
Operating revenue	30,790,462	36,828,499	37,989,751
Net after-tax profit	5,176,467	6,640,852	5,514,937

Unit: NT$ thousand

Economic values distributed to stakeholders	2023	2024	2025
Operating revenue	30,790,462	36,828,499	37,989,751
Non-operating income and expenses (excluding interest expenses, government payments, and community investment)	289,461	705,874	21,954
Direct economic value generated (A)	31,079,923	37,534,373	38,011,705
Cost of goods sold	19,340,331	23,265,291	24,823,485
Employee wages and benefits expense	4,901,281	5,807,783	6,074,346
Payments to capital providers — shareholder dividends	4,664,241	3,703,956	4,664,241
Payments to capital providers — interest expense	117,374	78,287	65,021
Payments to government	1,541,608	1,736,883	1,531,195
Investments in communities	2,862	5,277	2,721
Direct economic value distributed (B)	30,567,697	34,597,477	37,161,009
Retained economic value (A-B)	512,226	2,936,896	850,696

Unit: NT$ thousand

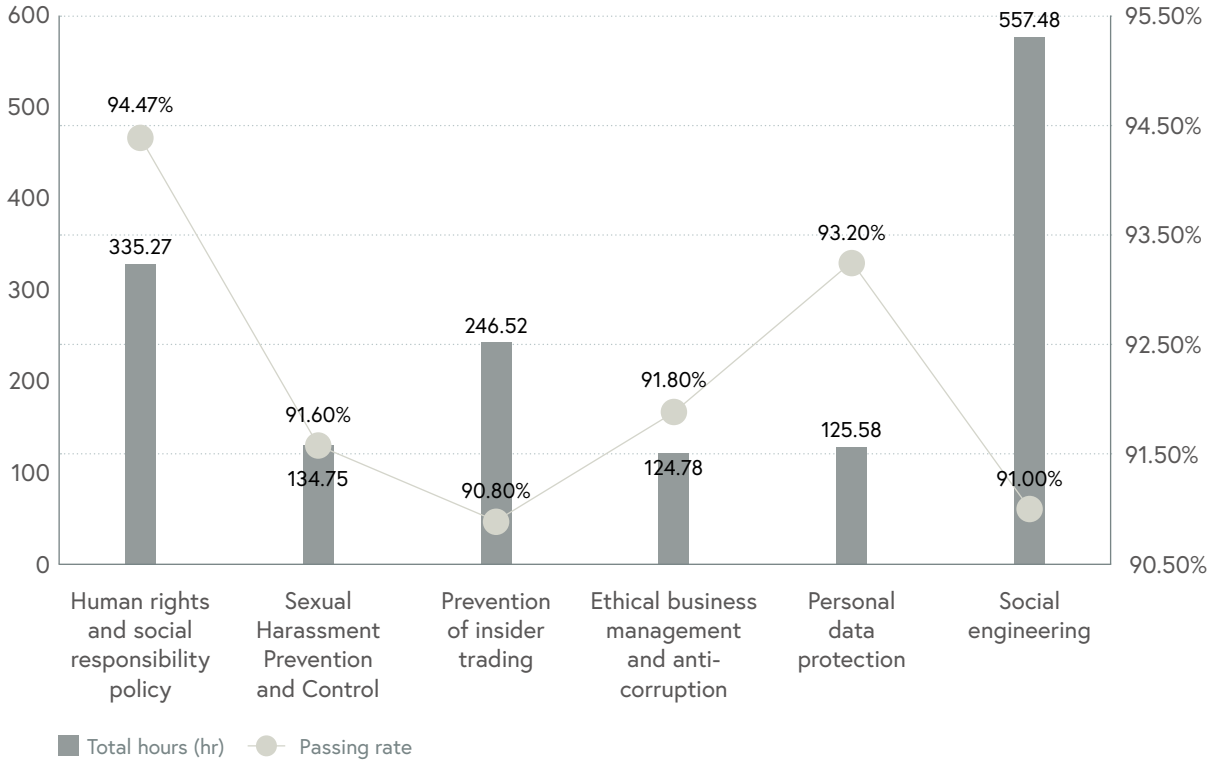
Financial assistance from government	Type	2023	2024	2025
Total monetary value of financial assistance from government	Tax reduction and credit	1,167	1,807	37,833
	Others: Investment grants, R&D grants and other grants, subsidies, incentives, royalty exemption periods, financial assistance from export credit agencies (ECAs), financial incentives	21,928	2,702	1,404
Government's proportion in shareholding structure		0%	0%	0%

1.3.2 Philosophy of Ethical Management

Ethical management is the foundation of Eclat. Upholding ethical principles, we have established the "Ethical Management Best Practice Principles", "Articles of Incorporation", and "Procedures for Prevention of Insider Trading and Handling of Material Internal Information". Additionally, we have set up a human resources sub-committee under the ESG Committee to manage matters related to Eclat's ethical management, while Eclat's material information has been published on our website. Through combination of the management regulations, remuneration system, internal control system and operating regulations (including management policy, authorization system and division of functions), supplemented by the implementation of internal audits and relevant disciplinary provisions, we ensure that our directors, managers and employees are in strict compliance with the relevant requirements.

Eclat requires new employees to sign a "Guarantee" and a "Confidentiality Commitment" for ethical behavior in accordance with Article 5 of the "Rules for Employee Management" to ensure employees understand Eclat's anti-corruption philosophy and policies, and posters in different languages have been put up in the plant to explain the related issues. In 2017, Eclat revised the "Employee Code of Conduct" (hereinafter referred to as "Code of Conduct") to more clearly define various issues, including integrity, equality, conflict of interest, anti-corruption, insider trading, confidentiality, and intellectual property. This revision aimed to ensure that employees fully understand the company's business philosophy and related conduct requirements. This policy was also promoted to Taiwanese executives in Vietnam, Cambodia, and Indonesia. Starting in 2024, the Code of Conduct has been incorporated into employment contracts, requiring new employees to comply with the Code of Conduct upon signing.

In order to strengthen promotion of the philosophy of ethical management, Eclat has enhanced the relevant training, and it started to organize comprehensive courses for awareness of ethical management in September 2020. This year, the Company offered four mandatory online training courses — namely, Human Rights and Social Responsibility Policy, Sexual Harassment Prevention, Corporate Business Integrity and Anti-Corruption, and Insider Trading Prevention. Additionally, two new mandatory online courses, Personal Data Protection and Social Engineering, were introduced. An average of over 1,330 employees completed the training and successfully passed the assessments for each of these six courses.



Since 2024, we have published the existing "Code of Conduct for Suppliers" for outsourced processing suppliers on our official website. In addition to continuing to require suppliers to commit to issues such as anti-corruption, labor rights, occupational health, safety and environment, greenhouse gases, energy conservation, and biodiversity in accordance with local legal requirements and standards of ethical corporate management, if there are any changes to the relevant issues, they will be modified and updated on the official website at any time. Its contents apply to all outsourced processing suppliers. In 2025, there were no confirmed cases of corruption at Eclat.

Remediation procedures for negative impacts

Eclat provides legitimate grievance channels and systems. In October 2019, the Company established the "Grievance Handling Procedures," under which anyone may report any matter. Such reports are independently reviewed by the Grievance Review Committee to protect complainants from any retaliatory or improper treatment. Furthermore, the Company has established mechanisms for the handling of material information as well as related disclosure and confidentiality mechanisms to prevent unauthorized information leakage and to ensure the consistency and accuracy of all public disclosures.

Complaint channels for stakeholders

For suppliers	Contact for suppliers: Procurement Department - Senior Manager Huang Email: partnerships@eclat.com.tw
For customers	Contact for sales: Sales Department - Vice President Tsai Email: partnerships@eclat.com.tw
For employees	Contact for employees: Human Resource Department Email: hrservice@eclat.com.tw
For investors	Contact for investors: Financial and Accounting Division - Vice President Fen-Ju Lin Telephone: (02)2299-6000 Email: tiffanylin@eclat.com.tw
Comprehensive complaint email	Email: help@eclat.com.tw

	Prevention	+ Instruction for new employees. Signing of employment contract and compliance with the "CCode of Ethical Business Conduct." + All employees receive annual training on ethical management and anti-corruption. + Strengthening the concept of anti-corruption at the level of senior management. + Suppliers commit to abiding by and comply with the Code of Conduct for Suppliers attached to the processing outsourcing contract. + Filtering for counterparties with a history of unethical behavior or high risks.
	Monitoring	+ Regularly analyzing and evaluating business activities that pose a risk of unethical behavior in order to develop preventive measures. + Unscheduled internal audits. + Internal and external reporting channels and mechanisms.
	Improvement	+ Regularly reviewing the appropriateness and effectiveness of prevention programs. + Reviewing incidents of non-compliance to improve the management process and internal control system. + The content of training is updated annually based on the results of training tests.

Ethical Management and Anti-Corruption Implementation and Management Mechanisms

Tax governance

Eclat fulfills its tax obligations in accordance with the law. All operating sites comply with applicable laws and do not shift profits to low-tax countries for the purpose of tax avoidance. To mitigate tax risks arising from legal amendments, our professional staff in the Financial Accounting Division closely monitor relevant amendments. We also collaborate closely with external tax consultants to strengthen our professional knowledge and reduce related risks, while upholding the principle of information transparency to maintain a relationship of mutual trust with tax authorities. This year, the tax payment amount was NT$1,544,191 thousand (covering income, property, land value, licenses, fuel, and printing taxes).

Unit: NT$ thousand

Item	2025
Pre-tax net profit (A)	6,965,570
Profit-seeking enterprise income tax in 2025	1,450,633
Taxes (Housing, land value, license, fuel and stamp taxes)	51,922
Income tax expense (B)	1,502,555
Valid tax rate (B)/(A)	21.57%
Income tax paid (C) Note 1	1,544,191
Cash tax rate (C)/(A)	22.17%
Operating revenue in 2025	37,989,751

The above figures are disclosed based on data from the Eclat Group.

Note 1 Income tax paid (C) consists of corporate income tax paid in the amount of NT$1,492,269 thousand and taxes paid in the amount of NT$51,922 thousand.

1.4 Identification of Material Issues

Through a comprehensive, systematic and objective process for identification of material issues, we select issues that are of greater concern to stakeholders or have a greater impact on our sustainable management as the focuses of disclosure in the ESG report. The process for identification of material issues is as follows:

Collection of sustainability issues

23 sustainability issues

- In light of the current situation affecting both domestic and overseas industries, as well as the business experiences of each department, we considered Eclat's management issues and then analyzed and summarized 23 sustainability issues as the areas of identification of material issues in this report.

Survey on issues of concern

Survey collection

- Through the questionnaire survey, we identified stakeholders in the 6 areas and their level of concern about each issue, the importance of each issue to our sustainable operations, and the level of impact of each issue on our value chain.
- Stakeholders: 185 questionnaires were collected, of which 71.4% were valid.
- Senior managers and members of the ESG Committee: 19 questionnaires were collected, of which 79.0% were valid.

Identification of material issues

Draw a **three-dimensional matrix**

- Through analysis of the questionnaires, a three-dimensional matrix was prepared to determine the level of impact of the material issues on stakeholders and Eclat's sustainable management, and the level of their impact on the economic, environmental and social aspects of the industry value chain. This matrix ensures the full disclosure of material issues in the report meets the expectations of stakeholders and Eclat.

Confirmation of material issues

six material topics

- The results of the material topic identification were reviewed and validated, and will be submitted to the Board of Directors for approval prior to the publication of the ESG report, thereby defining Eclat's six material topics.

Identification of stakeholders

In order to understand the issues of concern to stakeholders and help Eclat keep track of the trend of sustainable development, we have identified 6 categories of key stakeholders, including customers/brands, employees, shareholders/investors, suppliers/third party, government agencies and community residents, based on the five principles of AA1000 SES Stakeholder Engagement Standards (SES): "dependency", "influence", "responsibility", "diverse perspective" and "tension".

Wide-ranging collection of sustainability issues

We make reference to the questionnaire topics for the textile, apparel and luxury industry under Dow Jones Sustainability Indices (DJSI) and previously identified material issues, the issues of peers, and analysis of the sustainability trend, and we follow the standards of "2021 GRI3: Material Topics" in respect to the sustainability trend and the direction of Eclat's operations. The ESG Committee has submitted a proposal regarding stakeholders and their issues of concern, taking into account the terms used and disclosures in the GRI standards, with a total of 4 aspects consisting of 23 sustainability issues:

Corporate governance aspect

- Business Performance
- Corporate Governance
- Legal Compliance
- Risk and crisis management
- Information security and privacy protection

Social aspect

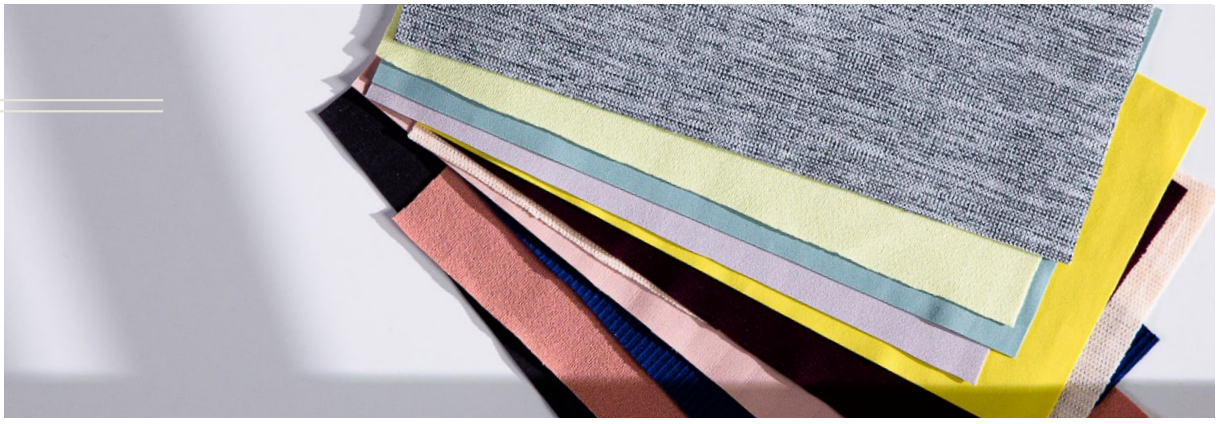
- Employee Remuneration and Welfare Policies
- Training and talent development
- Labor Policy and Human Rights Protection
- Occupational Safety and Health
- Labor-management relations
- Community engagement and contribution to society

Environmental aspect

- Purchase of raw materials
- Sustainable supply chain
- Energy and Greenhouse Gas Management
- Climate change strategy
- Water Resource Management
- Waste Management
- Biodiversity

Product aspect

- Innovative Products and Technologies
- Product Quality and Production Efficiency
- Customer Communication and Complaint Management
- Sustainable marketing and brand image
- Circular fashion

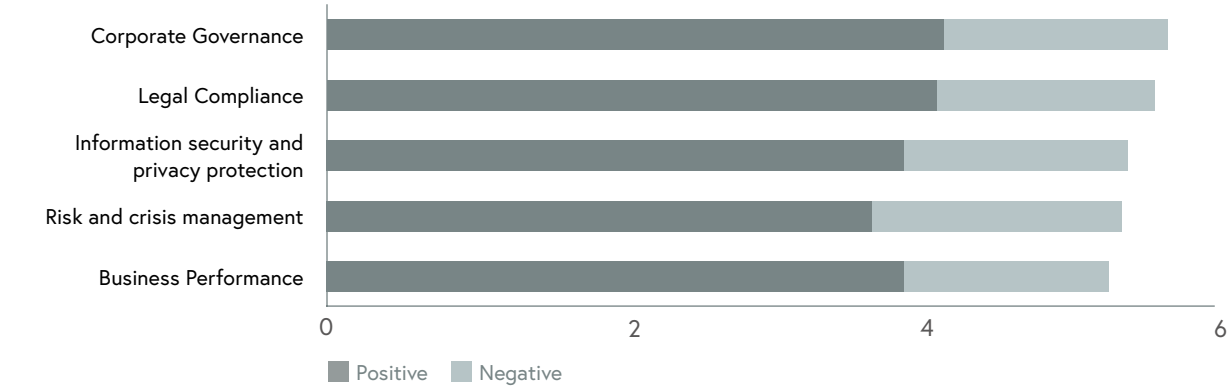


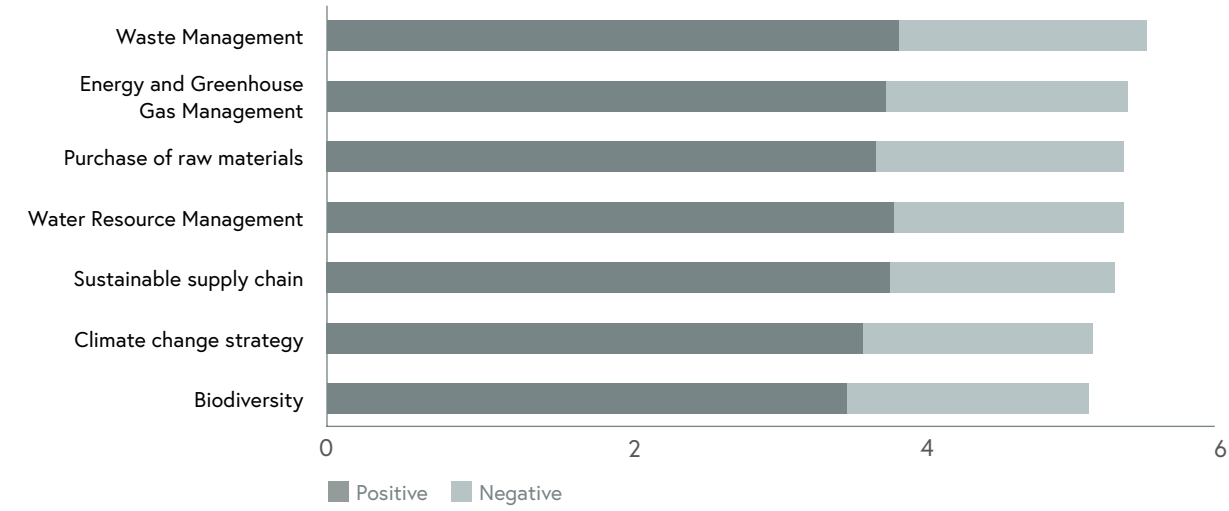
Ranking of sustainability issues

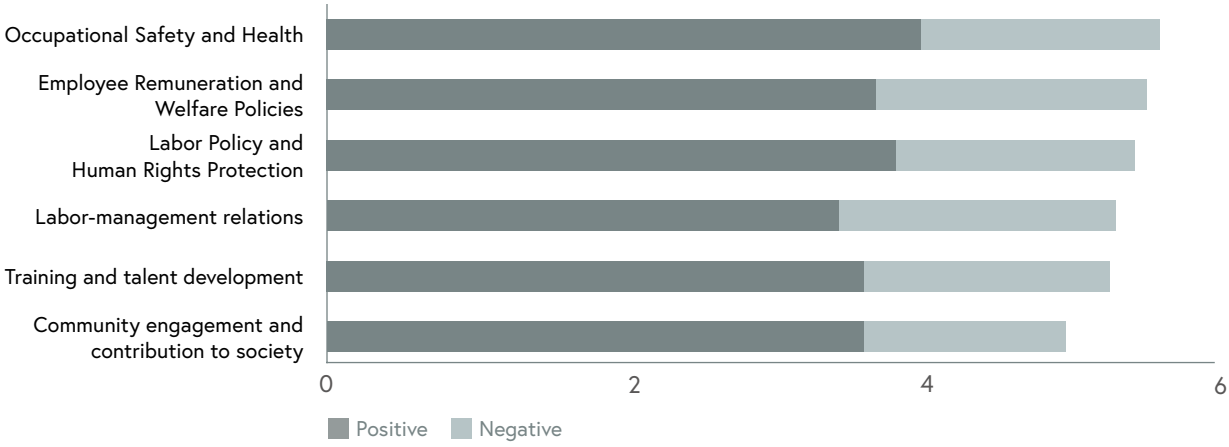
In 2023, we identified material issues by sending questionnaires to stakeholders, senior managers of Eclat and members of the ESG Committee (collectively referred to as Eclat's ESG members). The ranking was divided into two parts: "level of stakeholders' concern" and "level of impact on Eclat's sustainable development". The former was filled in by stakeholders, while the latter was answered by Eclat's ESG members. Material topics affect the execution of the Company's sustainability strategy and should not be changed frequently. Therefore, we plan to conduct internal and external questionnaire surveys every three to five years in line with implementation progress. The previous survey was conducted in 2023, and the next survey is scheduled for 2026.

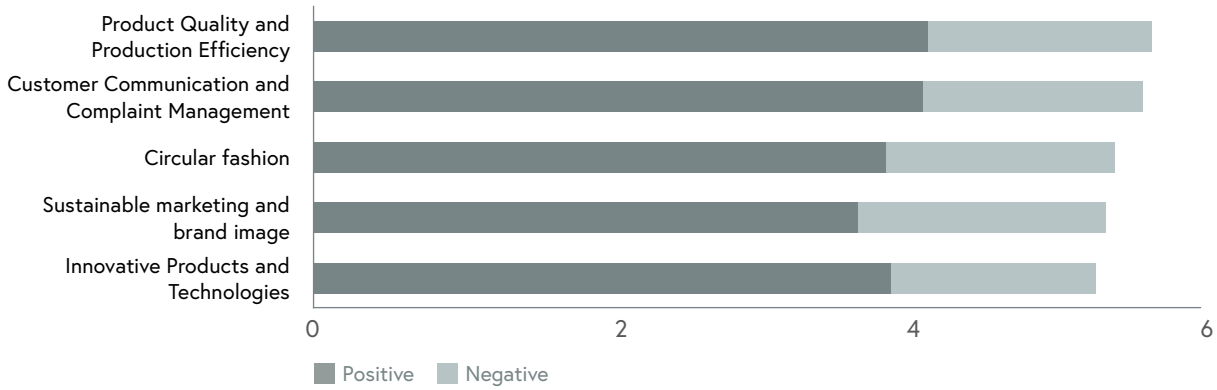
We conducted surveys on two types of evaluation aspects by means of questionnaires. For each question, a score of 1 to 5 was given for positive and negative impacts respectively, with 1 given to those having the lowest level of impact and 5 to those having the highest level of impact. The questionnaires clearly explain the content and meaning of each issue, while requiring respondents to differentiate between high and low scores for each issue. Questionnaires with little or no score variation will be considered invalid.

The evaluation scores for positive and negative impacts of the issues on stakeholders by aspect are as follows:









Furthermore, "economic, environmental and social impacts" and "impacts on businesses" were used as two axes for the ranking of sustainability issues and the matrix of material issues.

The sustainability issues are ranked as follows:

1. Corporate Governance
2. Legal Compliance
3. Employee Remuneration and Welfare Policies
4. Innovative Products and Technologies
5. Occupational Safety and Health
6. Energy and Greenhouse Gas Management
7. Water Resource Management
8. Product Quality and Production Efficiency
9. Risk and crisis management
10. Sustainable supply chain
11. Climate change strategy
12. Labor-management relations
13. Business Performance
14. Information security and privacy protection
15. Labor Policy and Human Rights Protection
16. Customer Communication and Complaint Management
17. Waste Management
18. Biodiversity
19. Circular fashion
20. Sustainable marketing and brand image
21. Purchase of raw materials
22. Training and talent development
23. Community engagement and contribution to society

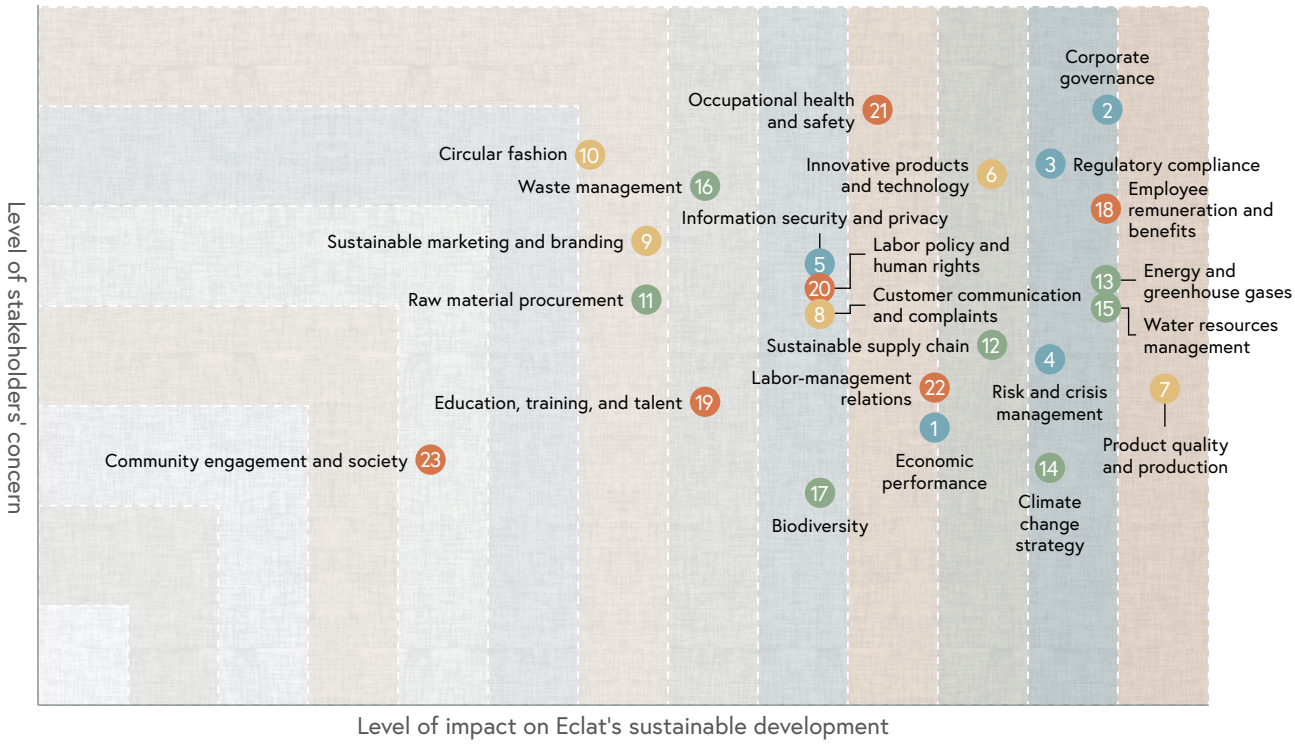
Material Topics	Ranking	Original ranking	Change
Corporate Governance	1	5	⇑
Legal Compliance	2	2	⇔
Employee Remuneration and Benefits	3	10	⇑
Innovative Products and Technologies	4	1	⇓
Occupational Safety and Health	5	3	⇓
Energy and Greenhouse Gas Management	6	18	⇑

The Company observed a significant increase in attention to "employee remuneration and benefits" and "energy and greenhouse gas management." This may reflect stakeholders' rising expectations for salary adjustments and benefits protection amid inflationary pressures and changes in the global labor market. Meanwhile, in the face of the global net-zero trend and regulatory drivers such as carbon fees and carbon inventory, corporate carbon reduction initiatives have also become a sustainability focus of high stakeholder concern.

Matrix and boundaries of material issues

Based on the prioritization results from the aforementioned procedures, the materiality matrix is as follows: Eclat identifies issues that are of higher concern to stakeholders and have a greater impact on its sustainable development as material topics, which serve as a reference for information disclosure in the report. Material issues significantly impact the execution of the Company's sustainability strategy and should not be changed frequently. Therefore, we plan to conduct internal and external surveys every 3 to 5 years based on implementation status. The results of this year's materiality matrix are shown in the following table:

Matrix and boundaries of material issues



The rankings of material issues and the boundaries of their impact are as follows:

Ranking	Material issue	Internal	External						Corresponding Sections	Corresponding GRI topic
		Eclat	Shareholders/ Investors	Employees	Customers/ Brand Partners	Community Residents	Government/ Competent Authorities	Supplier/ Third Party		
1	Corporate Governance	●	●		●			●	Chapter 1 Sustainable Governance	-
2	Legal Compliance	●	●	●	●		●	●	Chapter 1 Sustainable Governance	GRI2-27
3	Employee Remuneration and Benefits	●		●			●		Chapter 2 Cultivator of Industry Talent	GRI 405: Diversity and Equal Opportunity (2016)
4	Innovative Products and Technologies	●	●	●	●			●	Chapter 4 Creator of Value Chains	-
5	Occupational Safety and Health	●		●	●		●	●	Chapter 3 Practitioner of Corporate Social Responsibility	GRI 403: Occupational Health and Safety (2018)
6	Energy and Greenhouse Gas Management	●			●	●	●	●	Chapter 5 Guardian of Environmental Resources	GRI 302: Energy (2016)

Note 1 Explanation: Items without the ● marking indicates no direct impact. However, Eclat still engages with various stakeholders through diversified means.

Management Approach for Material Topics

Material Topics	Corporate Governance
Actual/ Potential Impacts	Good corporate governance and ethical management earn the trust of stakeholders and achieve long-term sustainable development. Conversely, lacking these fundamentals will hinder the achievement of operational goals and fail to protect the interests of shareholders and other stakeholders.
Impacts to Value Chain	Procurement ✓ Manufacturing ✓ Customers
Policies and Commitments	Eclat complies with regulations, guidelines, and various corporate governance standards set forth by competent regulatory authorities. Eclat has also dedicated personnel for corporate governance and a secretarial team for the Board of Directors. This strengthens the functions of the Board of Directors, supplemented by an internal audit system, to ensure the utmost care for the interests of stakeholders. Sustainable environmental management is implemented through four main aspects: green production, energy conservation, water resource management, and environmental stewardship.
Goals	Short-term: 1. Increasing the number of directors to promote diversity of the Board of Directors. 2. Through the Nominating Committee, nominate independent directors, review senior management promotion and performance management, and develop a corporate succession plan. 3. Appointing a full-time head of corporate governance to strengthen his/her functions. 4. Maintain corporate governance ratings in the top 6% to 20% of all listed companies. Medium to long term: In accordance with the "ESG Sustainable Development Action Plan for TWSE and TPEx Listed Companies" introduced in 2023, we continue to strengthen Board functions, enhance information transparency, and strengthen stakeholder engagement. By aligning with international standards and promoting stewardship, we aim to integrate corporate governance and sustainable development principles across our operations.
Committed Actions and Resources	1. The Board of Directors and Functional Committees, dedicated Corporate Governance Specialists, the Chairman's Office and the Board of Directors' Secretarial Team are jointly responsible for corporate governance-related matters.
2025 Results	1. The Company maintains rankings within the top 6%–20% bracket among all listed companies in corporate governance evaluations annually.

Material Topics	Legal Compliance
Actual/ Potential Impacts	Compliance with legal regulations not only meets societal expectations but also ensures business stability, improves efficiency, and reduces costs. Failure to comply with regulations may result in the risk of being unable to provide stakeholders with a safe and stable environment, as well as potential fines and damage to the Company's reputation.
Impacts to Value Chain	Procurement ✓ Manufacturing ✓ Customers ✓
Policies and Commitments	1. Promote sustainable development and to meet or exceed the requirements and expectations of all stakeholders in order to maximize the value of all parties. 2. Vietnam, Cambodia, and Indonesia have less stringent environmental regulations compared to Taiwan. Leveraging Taiwan's experience and expertise, Eclat conducts regular internal and external audits to ensure the reduction of environmental impact in these regions.
Goals	Short-term: No violation of environmental, social, and economic laws and regulations. Medium and long term: In accordance with Eclat's risk organization structure, operational risks are classified, and relevant units are formed to establish detailed operating procedures, supplemented by internal audits, to implement risk management.

Material Topics	Legal Compliance
Committed Actions and Resources	1. The Audit Office of the Board of Directors is staffed by dedicated internal auditors who receive further training each year. In terms of environmental aspects, environmental engineering auditors have been established, collaborating with various plant environmental and safety units or management departments.
2025 Results	1. Internal auditors are responsible for auditing the Group's businesses, reviewing the self-assessment of internal control implementation in various units. They regularly report audit results to Eclat's Audit Committee and Board of Directors.

Material Topics	Employee Remuneration and Benefits					
Actual/ Potential Impacts	Maintaining a robust talent pool ensures continuity and consistency in business operations. Conversely, failing to attract and retain top talent can lead to talent gaps, disrupt business succession, and ultimately reduce productivity and business performance.					
Impacts to Value Chain	Procurement	✓	Manufacturing	✓	Customers	
Policies and Commitments	1. Employees grow professionally with satisfactory remuneration and benefits. 2. Employees can achieve work-life balance. 3. The long-term trend of employees' salary growth is stabilized.					
Goals	Short-term: Maintain an employee turnover rate of less than 20%. Medium-term: Maintain a leading position in the industry in terms of salary remuneration and benefits, so as to attract more excellent talents to join us. Long-term: Offer fair direct compensation and rewards for employees to effectively motivate key talents.					
Committed Actions and Resources	1. Institutional: Paid leave (annual leave) is transitioned to an hourly system, allowing employees to leave work one hour early one day per week, and no make-up work on make-up days. 2. Facilities: daycare center, gym, yoga studio, new building, employee cafeteria, coffee machines, and more. 3. Compensation: Offer year-end bonuses, benefits for three Major Festivals, and performance bonuses that are higher than industry standards. 4. Other Benefits: Dormitory for out -of town employees, childcare subsidies, marriage, bereavement, and maternity benefits, employee incentive trip subsidies, club subsidies; departmental teambuilding meals, meal allowances, education subsidies for expatriates' children, and family rental assistance.					
2025 Results	1. Since 2020, the annual employee turnover rate has remained below 20%, recorded at 13.2% in 2025. 2. The average score of the employee satisfaction survey was 4.32 for 2025. 3. Regarding average employee salary, the average was NT$1.103 million in 2024 and NT$1.062 million in the current year. 4. Employee compensation and benefits expenses were NT$5.8 billion in 2024 and NT$6 billion in the current year.					



Material Topics	Innovative Products and Technologies					
Actual/ Potential Impacts	Continuously enhancing product features and investing in new technologies are essential to expanding the market, maintaining a leading position, and achieving sustainable development. Conversely, failure to innovate may result in falling into low-price competition, leading to a decline in product gross margins and profitability, ultimately damaging the brand image.					
Impacts to Value Chain	Procurement	✓	Manufacturing	✓	Customers	✓
Policies and Commitments	The R&D team continues to innovate in order to improve operational performance and create value for the sustainable development of the industry.					
Goals	Short-term: Invest in technology upgrades and talent cultivation to effectively manage the supply chain collaboration model; improve development accuracy and increase customer adoption rate. Long-term: Maintain traction of excellent technology and talent development, reduce production loss and environmental impact, and create a green manufacturing process and supply chain.					
Committed Actions and Resources	Each processing plant, procurement department, production department, sales department, andESG team collaborate closely and communicate to explore innovative growth opportunities. This year, a total of NT$171.5 million was invested in innovation and R&D expenses.					
2025 Results	By examining performance growth and product utilization rates, Eclat evaluates the outcomes of product research and development as well as identifies future research directions.					

Material Topics	Occupational Safety and Health					
Actual/ Potential Impacts	Protecting employees' physical and mental health and providing a safe working environment ensures labor stability. Otherwise, occupational accidents or diseases not only affect attendance but also result in compensation costs, litigation risks, and damage to the Company's reputation.					
Impacts to Value Chain	Procurement	✓	Manufacturing	✓	Customers	
Policies and Commitments	Eclat abides by the laws and regulations, strengthens the prevention of hazards, and creates a safe and healthy working environment. At the same time, Eclat actively enhances the safety awareness of employees, establishes a safety culture, and creates a safe and secure workplace.					
Goals	Short-term: Comply with laws and regulations, reduce the number of accidents and disasters, and establish a system certified to the ISO45001 Occupational Safety and Health Management System to ensure the safety of our employees. Medium and long term: By enhancing the occupational safety and health management system and implementing a comprehensive PDCA (Plan-Do-Check-Act) approach, Eclat takes care of employees' physical and mental health and safety. This prevents accidents, injuries, and illnesses, fostering a safety and health culture within Eclat.					
Committed Actions and Resources	1. Direct investment in safety, health, environmental improvements, and protection totaled approximately NT$18.29 million, while indirect investment in physical examinations, safety training, and other initiatives totaled approximately NT$2.29 million. 2. Da-Yuan Plant has established a graded health management system for employees, offering health checkups, lung cancer screenings, pandemic prevention campaigns, and health programs that exceed regulatory requirements. 3. Da-Yyuan Plant introduced a pneumatic cloth clamp handler and established an automatic chemical (material) supply system to reduce labor load and minimize contact with chemicals. 4. All of Eclat's plants purchased infrared thermal imaging equipment and conducted regular inspections of electrical panels in the plant. 5. We implemented an ergonomic improvement program to analyze and optimize work postures and procedures in packaging, sewing, cutting, and ironing, thereby reducing the risk of ergonomic hazards.					

Material Topics	Occupational Safety and Health
2025 Results	1. Reduce the rates of accident injuries and lost workdays; conduct internal, cross-site, and government audits. Obtain feedback through third-party verification and customer factory audits. 2. For Taiwanese employees, physical examinations and health management (including follow-ups on issues) were implemented. The variance analysis between 2024 and 2025 (after follow-up) is as follows: Level 1 management increased from 13% to 34%, Level 2 management increased from 19% to 55%, Level 3 management decreased from 28% to 11%, and Level 4 management decreased from 10% to 0%. The Dayuan Plant obtained the Taoyuan City Government's 2025 certificate of qualification for healthy workplace promotion self-assessment. 3. In 2025, the Dayuan Plant procured seven bamboo charcoal lumbar support belts with steel plate reinforcement and 25 adjustable wrap-around wrist supports for employees to reduce musculoskeletal strain on the waist and wrists during manual handling. 4. The Company's plants in Taiwan use infrared thermal imagers to inspect electrical panels; in 2025, there were no incidents caused by electrical panel abnormalities.

Material Topics	Energy and Greenhouse Gas Management					
Actual/ Potential Impacts	As a player in the manufacturing industry, energy and greenhouse gas management helps control costs and reduce environmental impact. Conversely, if mismanaged, it could not only increase the environmental burden but also result in lost orders for failing to meet customers' carbon reduction targets, or incur additional manufacturing costs due to carbon tariffs.					
Impacts to Value Chain	Procurement	✓	Manufacturing	✓	Customers	✓
Policies and Commitments	Eclat has established a central environmental audit team at its headquarters to ensure the integrity of environmental management systems and resource usage across domestic and overseas plants. In addition to complying with prevailing regulations, we also proactively establish stricter management mechanisms and strive for continuous improvement goals.					
Goals	Short-term: Gradually promote the certification of various management systems in each plant. Long-term: 1. Reduce greenhouse gas emissions. 2. Increase the use of renewable energy. 3. Enhance Eclat's resilience to extreme weather conditions.					
Committed Actions and Resources	1. The Fabric Division has implemented the ISO14001 environmental management system in all of our plants. 2. The Fabric Division, except for the Knitting plant, has implemented the ISO50001 Energy Management System. 3. Taiwan's Dayuan Plant, Hsichou Plant, and the headquarters buildings have all installed solar energy equipment to increase the use of low-carbon energy. The amount invested in construction in 2022 and 2023 was approximately NT$ 100 million. In 2025, our plants in Vietnam increased installed capacity of solar power by 3,661 kWp.					
2025 Results	1. The ISO management system introduced by the Fabric Division has passed external validation and continues to be effective. 2. Energy conservation and carbon reduction projects reduced 3268.08 tCO2e in 2024. 3. The total power generation of solar energy equipment in Vietnam plants was 6,597,584kWh this year. 4. The total power generation of solar energy equipment in Taiwan plants was3,250,065kWh this year. 5. The total power generation from solar power equipment at the Cambodia plant reached 142,569 kWh this year. 6. In 2024, we continued to track the five material climate risks and four opportunities identified in 2021.					

1.5 Stakeholder Engagement

To offer diverse and convenient communication channels for stakeholders, Eclat utilizes methods such as meetings, phone calls, emails, and official documents to engage and communicate with various stakeholders. We also established a dedicated section for stakeholders on its website, providing contact information like email addresses and phone numbers to customers, suppliers, employees, investors, and other stakeholders. Dedicated personnel are responsible for appropriately responding to stakeholders' inquiries and concerns. The Company has been regularly reporting its stakeholder communication status to the Board of Directors and has publicly disclosed the relevant information in the "2025 Stakeholder Communication Report." The following are the issues that each stakeholder is concerned about, the communication channel, communication frequency and performance in 2025.

+ Communication Frequency



Annually | Quarterly | Monthly | Weekly | As Required | Other

Stakeholders	Employees		
Core Values	Talent is the bedrock of Eclat, and it forms the core of our enterprise. It's through our talented individuals that we achieve continuous growth and business success. We strive to provide our employees with a comfortable working environment and to maintain their passion for Eclat and the industry.		
Issues of Concern	+ Labor Policy and Human Rights Protection + Occupational Safety and Health + Employee Remuneration and Welfare Policies	Corresponding Sections	2.1 Human Resource Management 2.2 Talent Cultivation and Development 2.3 Remuneration, Benefits, and Care 3.2 Labor Rights Protection
Communication channels, frequency, and performance.	1. One meeting per quarter for communication between heads and employees, the Occupational Safety and Health Committee, and quarterly meeting on environmental protection. 2. Occasional labor-management conversation. 3. Occasional education, training and promotion. 4. If there is a need, communication can be promptly initiated through various channels such as an employee opinion box, e-mail, phone calls, face-to-face meetings, internal instant messaging platforms. 5. Employee satisfaction surveys are conducted from time to time. 6. Production and sales meetings are held once a week. 7. Unscheduled internal product launches.		



Stakeholders	Customers/Brand Partners		
Core Values	Customers and brand partners are not just business partners; we share a profound bond. We aspire to mutually empower each other's growth and collaborate to achieve win-win success.		
Issues of Concern	+ Customer Communication and Complaint Management + Product Quality and Production Efficiency + Innovative Products and Technologies	Corresponding Sections	4.1 Product Innovation and R&D 4.2 Service Quality and Customer Management 4.3 Sustainable Value Supply Chain
Communication channels, frequency, and performance.	1. 365 When necessary, discuss immediately via e-mail, phone, physical meeting, or video conference. 2. 365 Plant inspections and visits from time to time. 3. 365 Participation in international exhibitions from time to time.		

Stakeholders	Shareholders/Investors		
Core Values	The responsibility of Eclat towards shareholders and investors is to create the highest profits through sound operations and stable growth.		
Issues of Concern	+ Business Performance + Corporate Governance + Legal Compliance	Corresponding Sections	1.2 Sustainability Strategy and Risk Management 1.3 Business Performance and Integrity Governance
Communication channels, frequency, and performance.	1. 365 The annual shareholders' meeting was held in June 2025. 2. In 2025, Eclat held a total of seven investor conferences and issued 26 material disclosures in Chinese and 26 in English.		

Stakeholders	Supplier/Third Party		
Core Values	Continuous innovation and growth is not only a goal of Eclat, it also fosters cooperation and communication with raw material suppliers and third-party suppliers, in order to drive the textile industry forward.		
Issues of Concern	+ Product Quality and Production Efficiency + Sustainable Supply Chain and Brand Marketing + Customer Communication and Complaint Management	Corresponding Sections	1.2 Sustainability Strategy and Risk Management 1.3 Business Performance and Integrity Governance 3.1 Labor Safety and Health 3.2 Labor Rights Protection 4.3 Sustainable Value Supply Chain
Communication channels, frequency, and performance.	1. Promptly communicate with customers by e-mail, telephone, written in paper, or face-to-face meeting when necessary. 2. Physical and video conferences are held from time to time. 3. Eclat holds an industrial safety meeting and hazard notification with the contractors before construction or entering the plant. 4. All major third-party suppliers have signed the Code of Conduct for Suppliers. 5. Collaborate with brand customers to conduct on-site visits to evaluate and provide guidance to the third-party suppliers that have undertaken the customer's orders. In 2024, 30 third-party suppliers were visited and coached on-site. 74 third-party suppliers have been visited and evaluated on-site since 2019.		

Stakeholders	Government/Competent Authorities		
Core Values	Eclat's business operations are conducted in compliance with regulatory requirements, and Eclat maintains a positive relationship with regulatory authorities. Eclat also assists the government in promoting innovation and technology in the textile industry.		
Issues of Concern	+ Corporate Governance + Energy and Greenhouse Gas Management + Occupational Safety and Health	Corresponding Sections	1.2 Sustainability Strategy and Risk Management 1.3 Business Performance and Integrity Governance 3.1 Labor Safety and Health 3.2 Labor Rights Protection 5.1 Introduction of Management Systems 5.2 Strengthening Climate Resilience 5.3 Energy Use and Management
Communication channels, frequency, and performance.	1. The annual audit plan execution status, education and training hours, and personnel, as well as the internal control statement disclosure, are reported once a year on the Market Observation Post System (MOPS). 2. Announcements are made in accordance with the regulations and reported on the website. 3. Promptly communicate by telephone, official document, e-mail, or on the government's official websites. 4. On-site inspections or audits are conducted from time to time.		

Stakeholders	Community Residents		
Core Values	Eclat upholds transparent and ethical business conduct, maintains harmonious relationships with community residents, and minimizes environmental impacts on the community.		
Issues of Concern	+ Energy and Greenhouse Gas Management + Waste Management + Water Resource Management	Corresponding Sections	3.3 Community and Social Co-Prosperity 5.1 Introduction of Management Systems 5.2 Strengthening Climate Resilience 5.3 Energy Use and Management 5.4 Environmental Impact Management
Communication channels, frequency, and performance.	1. Resident complaints are handled through e-mail, phone calls, or face-to-face discussions. 2. Participate in community activities through visits to the neighborhood occasionally.		



02

Cultivator of Industry Talent

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2.3 Remuneration, Benefits, and Care 64

2025 Goals	2025 Performance
▶ Turnover rate <20%	▶ 13.2% ····· Achieved + Continuously integrate employee benefits and improve the quality of the workplace environment. The target turnover rate for Eclat's plants in Taiwan has been successfully achieved for eight consecutive years since 2018. + Taiwan and overseas plants hire a significant number of local employees, fulfilling corporate social responsibility by providing employment opportunities to the local communities. This enables employees to have fulfilling livelihoods and contributes to creating substantial economic value.

2025 Goals	2025 Performance
▶ Added 10 new training courses	▶ 13 courses ····· Achieved + To provide a self-learning environment for colleagues, the "Eclat e-Academy" was launched in 2019, where digital courses produced in-house are launched every year, so that the learning location and time are no longer limited. + Employee education and training are reviewed and planned annually by supervisors at all levels based on the needs of their respective business units and employees. In 2025, the average training hours per colleague were 14.9 hours per year.

2025 Goals	2025 Performance
▶ Salary increase for all employees	▶ Overall salary increase of 5% ····· Achieved + All starting salaries are based on the principle of equal pay for equal work, with no discrimination based on gender. From 2018 to 2025 (excluding 2023), the Company implemented an overall annual salary increase of 3% to 5% to reward employees for their hard work. + In 2025, the Company achieved its overall operational performance targets, awarding each employee an additional performance bonus equivalent to 2 months and 20 days' salary. In 2025, the average salary for non-managerial employees reached NT$ 1.062 million.

2025 Goals	2025 Performance
▶ Enhancement of Health and Benefits	▶ Subsidy of NT$ 50,000 per club ····· In Progress + We are enthusiastic about providing employee benefits and encouraging a culture of exercise. Each plant can establish clubs and organize activities based on the needs of local employees. In 2025, the Company subsidized 11 clubs with funding totaling NT$ 432,700, averaging NT$ 39,300 per club.

2.1 Human Resource Management

Employees are the core of our enterprise and the cornerstone of our success. We adhere to the "International Bill of Human Rights," "International Labour Organization's Fundamental Conventions," social responsibility standards, and local legal regulations. We establish human rights policies and management mechanisms to safeguard employees' basic labor conditions and rights.

2.1.1 Talent Composition

Eclat operates production facilities in Taiwan, Vietnam, Cambodia, and Indonesia. As of the end of 2025, the total number of employees across these four locations amounted to 21,582. The Company's workforce consists of regular employees and interns. Interns are a special employment type in Taiwan established through partnerships with schools and are engaged under fixed-term internship contracts. Upon completion of the internship, those who perform well and are willing may be converted to regular employees. This year, there are 13 interns (including 7 females). Another specific category consists of 22 regular employees who are currently enrolled in school (including 14 females); the Company has agreed on part-time work schedules with these individuals to enable them to balance their studies and work.

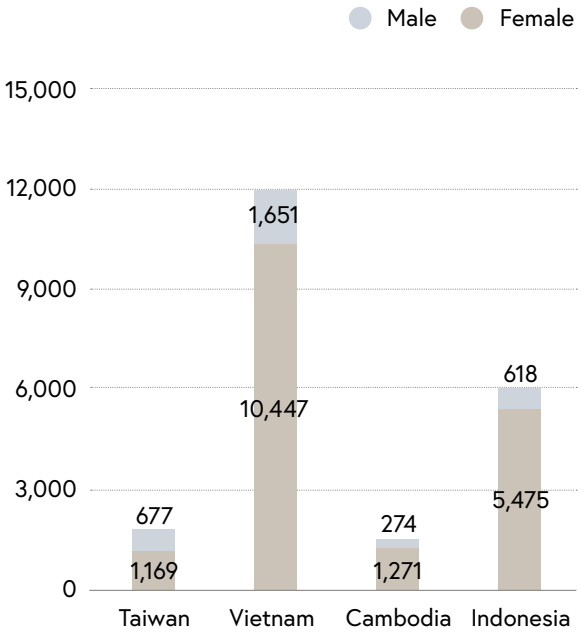
Non-employee workers, who are not directly employed by Eclat, total approximately 417 people. This category includes engineering contractors, outsourced cleaning staff, outsourced security personnel, property management companies, landscaping service providers, and catering service providers.

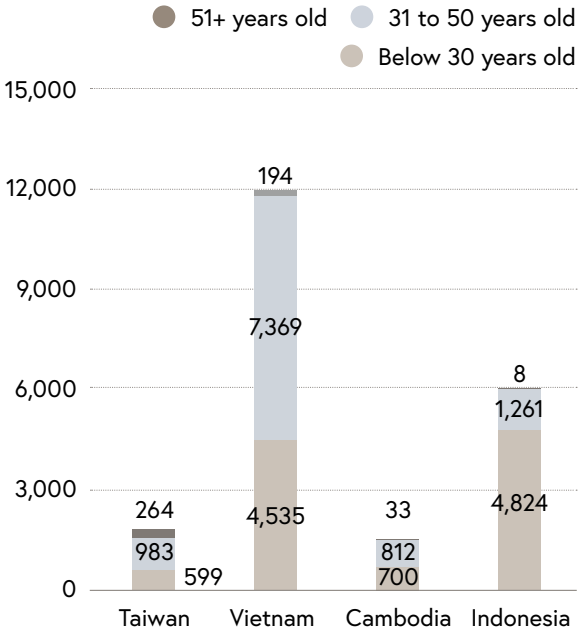
Worker category	2023	2024	2025
Employees	18,535	20,272	21,165
Non-employees	80	396	417
Total	18,615	20,668	21,582

Eclat's total headcount in 2025 fluctuated by approximately 4.4% compared to the previous year, primarily due to ongoing production line expansion and recruitment at the Indonesia plant.

Workforce Dominated by Young and Female Employees

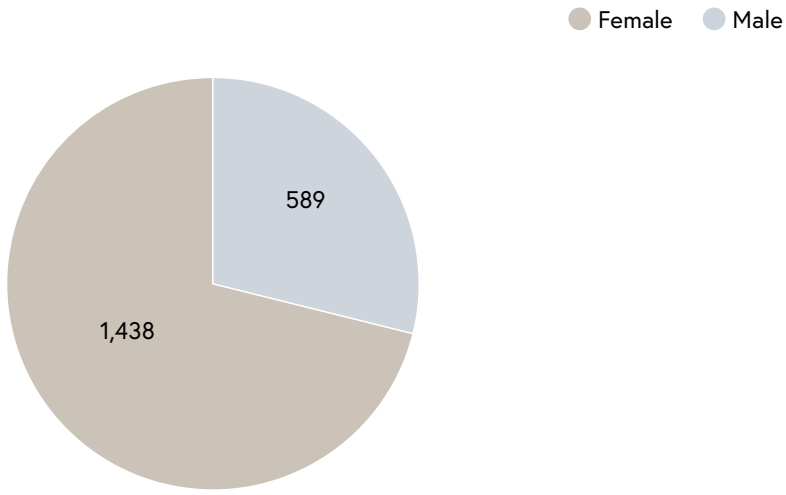
In all four locations, women make up the majority of our workforce, accounting for 63.3% of our employees in Taiwan, 86.4% in Vietnam, 82.3% in Cambodia, and 89.9% in Indonesia. We emphasize research and development, and in order to continue to maintain our innovative momentum, we are very accommodating to, and value the opinions of, our younger employees. Employees under the age of 30 accounted for 32.4%, 37.5%, 45.3%, and 79.2% of our total employees in Taiwan, Vietnam, Cambodia, and Indonesia, respectively.





Regarding workplace equality, the proportion of women in management positions at Eclat this year was 57.4% in Taiwan, 71.1% in Vietnam, 76.1% in Cambodia, and 75.0% in Indonesia. In addition, women accounted for 44.8% of senior management at the managerial level and above, and 20.0% of top management at the associate director level and above.

Gender Distribution of Managerial Positions

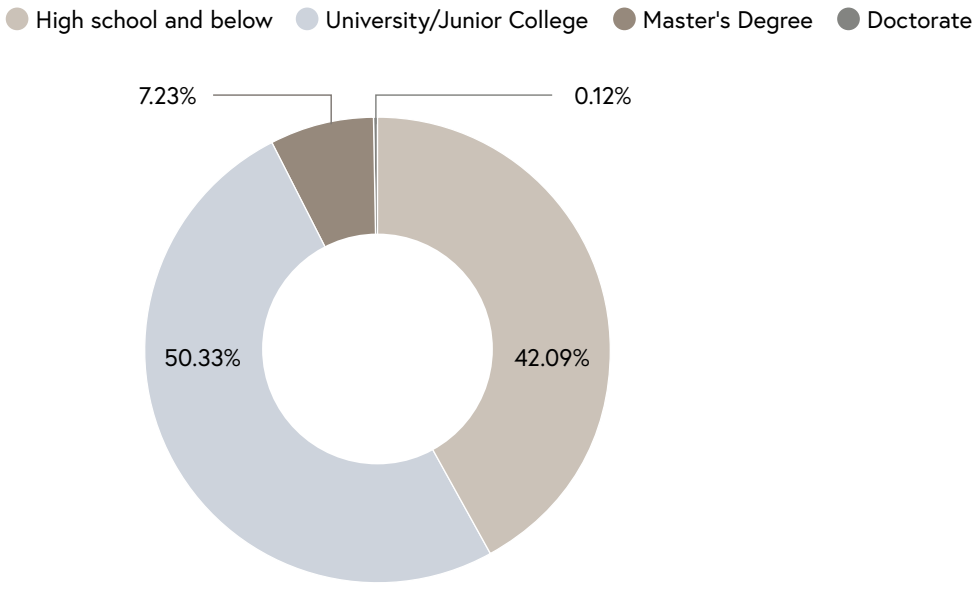


	Male	Female
Senior management level	15	3
Management level	574	1,435
Non-management level	2,631	16,924

The plants in Vietnam, Cambodia, and Indonesia are primarily garment plants, belonging to labor-intensive industries. In these regions, approximately 94% of workers have an education level of high school or below. In contrast, Taiwan mainly serves as an order processing and R&D center, where about 58% of employees hold a university degree or higher, and around 42% have a high school education or below.

Educational Backgrounds of Employees in Taiwan

Unit: Percentage



2.1.2 Diverse Backgrounds and Local Employment

Eclat treats all individuals equally regardless of race, gender, age, religion, nationality, place of birth, or political stance, and prohibits any form of discrimination and harassment. Through fair and transparent selection processes, Eclat recruits employees to promote diversity, professionalism, and creativity within its talent pool. The Company firmly believes that diverse backgrounds and perspectives are core drivers of corporate innovation and sustainable development. We are committed to building a workplace environment of diversity, equity, and inclusion, ensuring that all employees have fair and open opportunities across all HR development processes, including recruitment, employment, compensation, benefits, training, performance evaluation, and promotion. We are committed to eliminating potential structural barriers in the workplace so that every employee can realize their full potential in an environment characterized by dignity and respect.

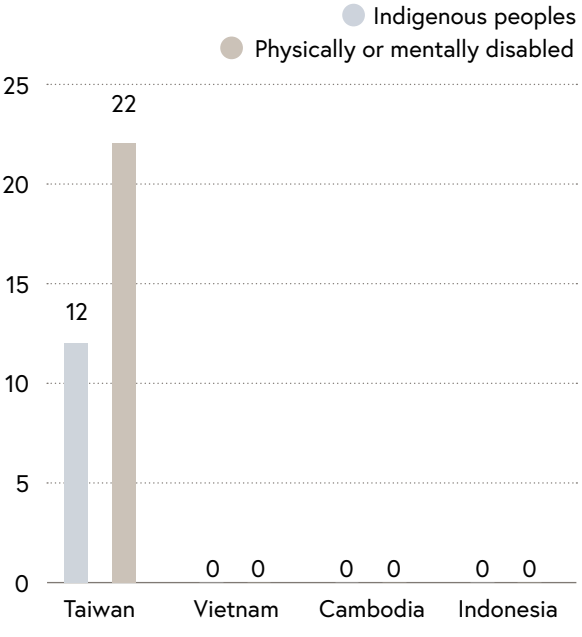
To implement human rights protection and gender equality, the Company strictly enforces the following requirements:

- Comprehensive prohibition of discrimination: The Company does not tolerate any form of differential treatment or discrimination based on factors unrelated to job capability, such as gender, gender identity, sexual orientation, age, marital status, pregnancy, race, skin color, nationality, religious beliefs, disability, or past union background.
- Prevention of workplace violence and harassment (zero-tolerance policy): The Company adopts a zero-tolerance stance toward any form of workplace sexual harassment, verbal bullying, physical violence, or psychological coercion. We have established the plan for prevention of unlawful infringement suffered in the course of duty and the sexual harassment prevention measures, complaint and disciplinary regulations to actively create a safe workplace.
- Confidentiality and non-retaliation principle: We have established independent, accessible, and diverse complaint channels (e.g., employee-exclusive complaint mailbox and dedicated email inbox). All grievance cases are investigated by a dedicated committee with the highest level of confidentiality. The Company strictly prohibits any form of retaliatory behavior against employees who file complaints or assist in investigations, and violators will be subject to severe disciplinary action.

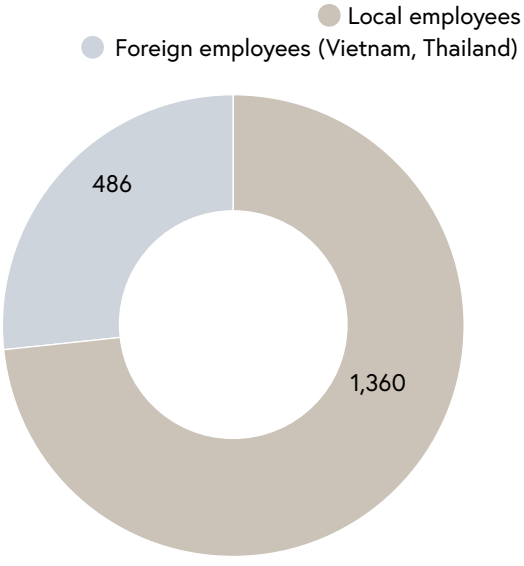
Eclat will continue to promote gender equality and a friendly workplace. In 2025, the Company received no grievance cases involving violations of workplace equality or discrimination.

At the same time, we aim to fulfill our corporate social responsibility by creating local employment opportunities; therefore, we actively hire local talent and recruit through local recruitment platforms and campus recruitment initiatives in each operating region. The local employment ratio in Taiwan is 73.7%, while in Vietnam, Cambodia, and Indonesia, operations are staffed almost entirely by local talent, with the local employment ratio reaching nearly 99.0%.

Number of employees by diverse backgrounds



Distribution of locally hired employees in Taiwan



Note 1 Vietnam, Cambodia, and Indonesia do not have an official definition of indigenous people, and are therefore omitted here.

2.1.3 New and Departed Employees

Starting from 2019, to better understand the adaptation status of new employees and reduce the turnover rate, each new employee receives a satisfaction survey within the first three months of employment. The surveys are directly collected by the Human Resources Department. The dimensions of the new employee satisfaction survey included environmental adaptation (89.5 points), team interaction (87.5 points), satisfaction with mentors (90.8 points), and overall satisfaction (89.8 points). The purpose is to understand the adaptation of new employees through the survey. If new employees have any questions on the survey, the Human Resources Department will assist in addressing them. Through comprehensive compensation, benefits, and promotion systems, the Company's employee turnover has stabilized.

This year, the turnover rate for employees in Taiwan was controlled at 13.2%, successfully meeting the target of under 20% (<20%). Reviewing data from the past two years, the turnover rate has continued to decline from 13.9% in 2024, reflecting increased employee alignment with the Company's culture and vision, which has fostered a more cohesive organizational atmosphere. The turnover rate at the Vietnam plants decreased from 40.0% last year to 38.3%. In addition to implementing a performance-based salary adjustment system, the Company provided communication skills training for supervisors and, more importantly, fostered a sense of belonging by treating the plant employees as a family, narrowing the distance between the Company, its employees, and their families through in-person Family Day events and sports competitions. The Indonesia plant showed significant improvement, with the turnover rate decreasing substantially from 68.7% last year to 61.8%, mainly due to the establishment of a comprehensive employee support system. By formally establishing an employee care team, the Company proactively listens to employee needs and provides timely assistance. This is complemented by rolling management based on regular satisfaction surveys and the organization of large-scale Family Day events. This series of initiatives effectively strengthened employee sense of belonging, integrated corporate culture with local family values, and improved the employee retention rate. The turnover rate at the Cambodia plant increased from 37% to 42.9% this year, primarily due to alignment with the headquarters' annual workforce optimization policy. To enhance operational efficiency, workforce structural adjustments were implemented to optimize the allocation ratio of direct personnel to indirect personnel.

2025 New Hires and Turnover Distribution

Category	Taiwan			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	50	91	97	193
31 to 50 years old	38	39	46	58
51+ years old	6	3	6	3
Total	94	133	149	254
Ratio (%)	39%	34%	61%	66%
Total	1,846			
Newly Recruitment Rate	21.0%			
Employee Turnover Rate	13.2%			

Category	Vietnam			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	453	517	2,066	1,939
31 to 50 years old	216	212	1,874	1,545
51+ years old	9	5	16	1
Total	678	734	3,956	3,485
Ratio (%)	15%	17%	85%	83%
Total	12,098			
Newly Recruitment Rate	34.9%			
Employee Turnover Rate	38.3%			

Category	Cambodia			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	73	85	293	319
31 to 50 years old	51	50	245	200
51+ years old	1	0	0	0
Total	125	135	538	519
Ratio (%)	19%	21%	81%	79%
Total	1,545			
Newly Recruitment Rate	42.3%			
Employee Turnover Rate	42.9%			

Category	Indonesia			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	119	108	3,062	4,096
31 to 50 years old	54	43	531	767
51+ years old	0	0	1	2
Total	173	151	3,594	4,865
Ratio (%)	5%	3%	95%	97%
Total	6,093			
Newly Recruitment Rate	82.3%			
Employee Turnover Rate	61.8%			

2024 New Hires and Turnover Distribution

Category	Taiwan			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	52	61	97	137
31 to 50 years old	25	33	46	57
51+ years old	11	1	6	2
Total	88	95	149	196
Ratio (%)	37%	33%	63%	67%
Total	1,702			
Newly Recruitment Rate	17.1%			
Employee Turnover Rate	13.9%			

Category	Vietnam			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	402	465	2,376	2,642
31 to 50 years old	226	229	1,948	2,011
51+ years old	2	2	18	4
Total	630	696	4,342	4,657
Ratio (%)	13%	13%	87%	87%
Total	12,421			
Newly Recruitment Rate	43.1%			
Employee Turnover Rate	40.0%			

Category	Cambodia			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	34	66	335	432
31 to 50 years old	24	26	233	214
51+ years old	0	0	5	1
Total	58	92	573	647
Ratio (%)	9%	12%	91%	88%
Total	1,706			
Newly Recruitment Rate	43.3%			
Employee Turnover Rate	37.0%			

Category	Indonesia			
	Male		Female	
Age Group	Departed	Newly Recruited	Departed	Newly Recruited
Below 30 years old	168	349	2,683	1,761
31 to 50 years old	49	102	426	303
51+ years old	0	0	0	0
Total	217	451	3,109	2,064
Ratio (%)	7%	18%	93%	82%
Total	4,839			
Newly Recruitment Rate	52.0%			
Employee Turnover Rate	68.7%			

2.2 Talent Cultivation and Development

2.2.1 Employee Training and Development

To ensure that employees receive training and knowledge that meet their professional needs, Eclat's employee education and training plan is designed at the end of each year. Heads at all levels propose respective units' work training plans for the next year based on the business units they belong to and the needs of colleagues, and report the results to the HR Department for approval. Handling resources are provided. The Human Resources Department is also responsible for establishing the Company's training policies, cultivating internal trainers, and tracking, assessing, and reviewing training programs. Employee participation in training is included in the annual performance evaluation and serves as a reference for future promotions and job adjustments.

I. Employee training and career development policy

The Company regards employees as its most valuable asset and is committed to fostering a culture of continuous learning. Based on the Company's operational strategy and employees' individual development needs, we provide a systematic training blueprint and rich learning resources, aiming to enhance employees' professional skills, unlock potential, and assist employees in achieving medium- and long-term career development goals to create a win-win outcome for both labor and management.

II. Content of training and development program (system and blueprint)

To meet the needs of different job levels and roles, the Company's training programs are divided into four main pillars:

New employee training

Assisting new employees in quickly integrating into the corporate culture, covering areas such as company policies, core values, information security, occupational health and safety, and labor rights protection.

Professional skills training

Addressing the professional needs of each department (e.g., R&D, sales, production) by organizing internal and external professional courses, hands-on training, and technical seminars to strengthen employees' core career competitiveness.

Management development program

For entry-level and mid-level managers, courses on topics such as leadership, strategic planning, and team management are offered to build a robust succession pipeline.

Self-development and general education

General education courses such as sexual harassment prevention, insider trading prevention, human rights and social responsibility policy, corporate ethical management, and information security are provided to broaden employees' comprehensive competencies.

Training plans extend across three dimensions: professional competence, general competence, and leadership competence. Through these dimensions, the Company identifies the talent and training courses required, ensuring that employees in each position can obtain the knowledge and tools needed for their respective career development.

Training aspect	Type of talent	Training courses	
Professional skills	Sales and technical staff	1. Basic fabric and garment courses 2. Advanced fabric and garment courses 3. One-on-one tutoring	4. Enhanced professional training 5. Plant internship 6. Training requested by individual customers
General knowledge	New employees	1. Orientation Training	2. General knowledge
	All employees	1. Sexual Harassment Prevention and Control 2. Prevention of insider trading 3. Human rights and social responsibility policy	4. Ethical corporate management 5. Information security 6. Annual Project Training
Leadership	Junior managers	1. Analytical skills 2. Judgment skills	3. Communication Skills
	Senior managers	Case analysis and overall strategy formulation	

III. Employee on-the-job training and career development subsidies:

To encourage employees to proactively enhance their career capabilities, the Company has established the following support mechanisms:

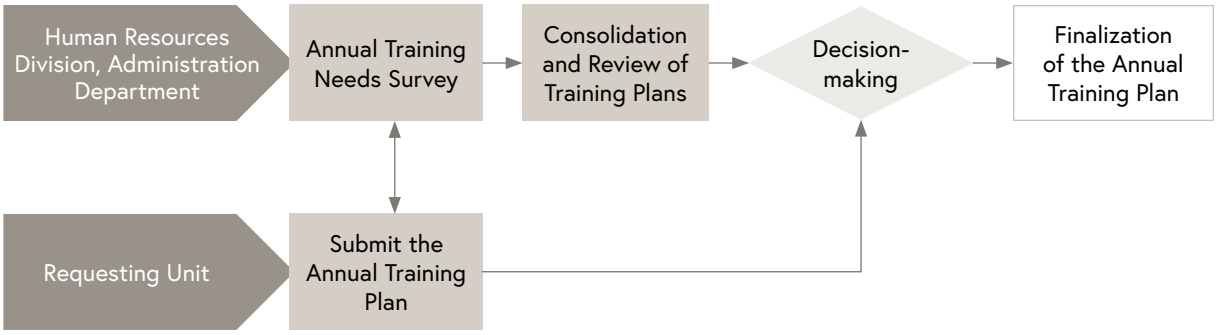
External training assignment

Employees may proactively apply to participate in forums and courses organized by external professional training institutions; upon supervisor approval, the Company fully covers the costs and grants official leave.

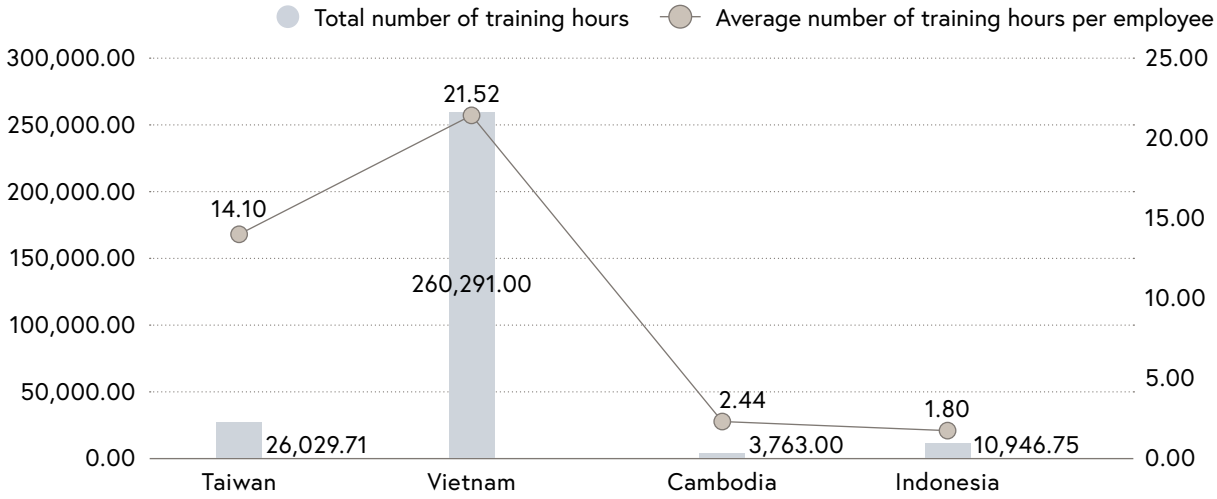
IV. Implementation status and quantitative performance in 2025

In 2025, the Company's training (including internal and external training) totaled 196,809 participant-times		
training hours totalling approximately 301,030	averaging 1.5 training hours per participant	annual training expenditure was NT$4,754 thousand

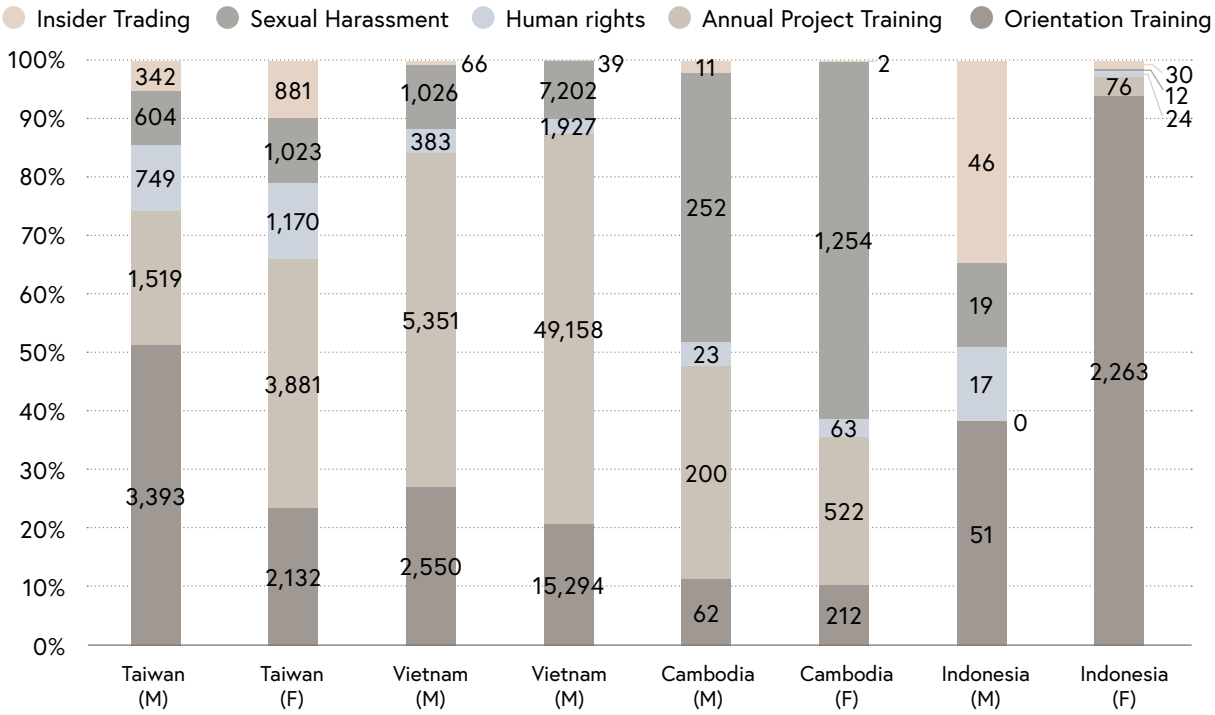
In the current year, Eclat Corporation added 13 courses to the "Eclat e-Learning Platform," which has been in use since 2019, so that employee can learning anywhere and anytime without any constraints. We utilize both online and offline teaching so that our employees can choose the learning mode that best tailors to their needs.



Number of training hours for employees of each region

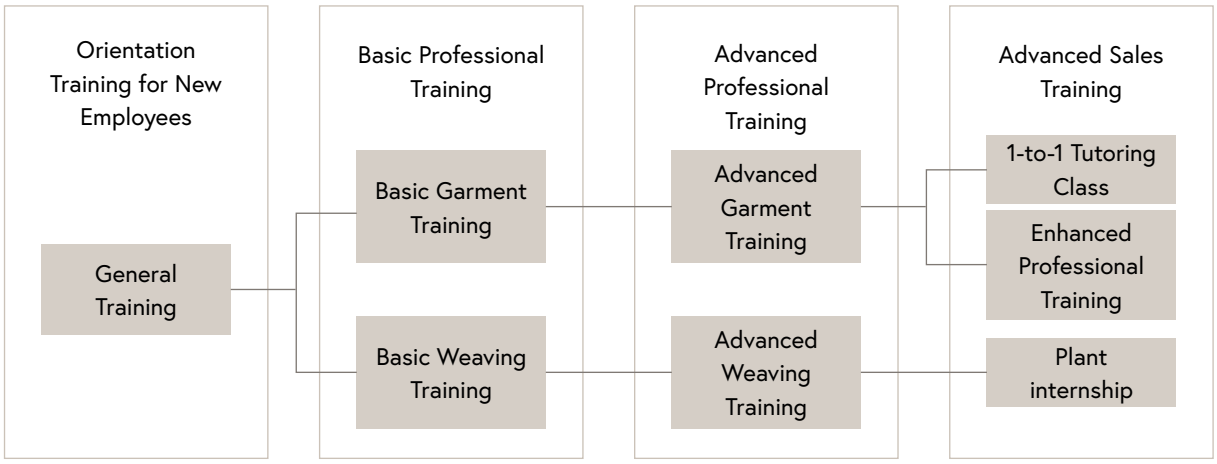


Attendance Distribution for General Training



We plan professional foundational training based on the complexity of business tasks encountered by our sales staff. For those newly introduced to the textile industry, training includes beginner courses such as basic apparel, fabric introduction, sewing practice, marker overview, and production processes. For a deeper understanding the industry, intermediate courses cover apparel, fabric concepts, and sewing practice. Additionally, advanced sales training is offered, with participants recommended by sales supervisors based on their potential.

Professional Training System For Sales Representative



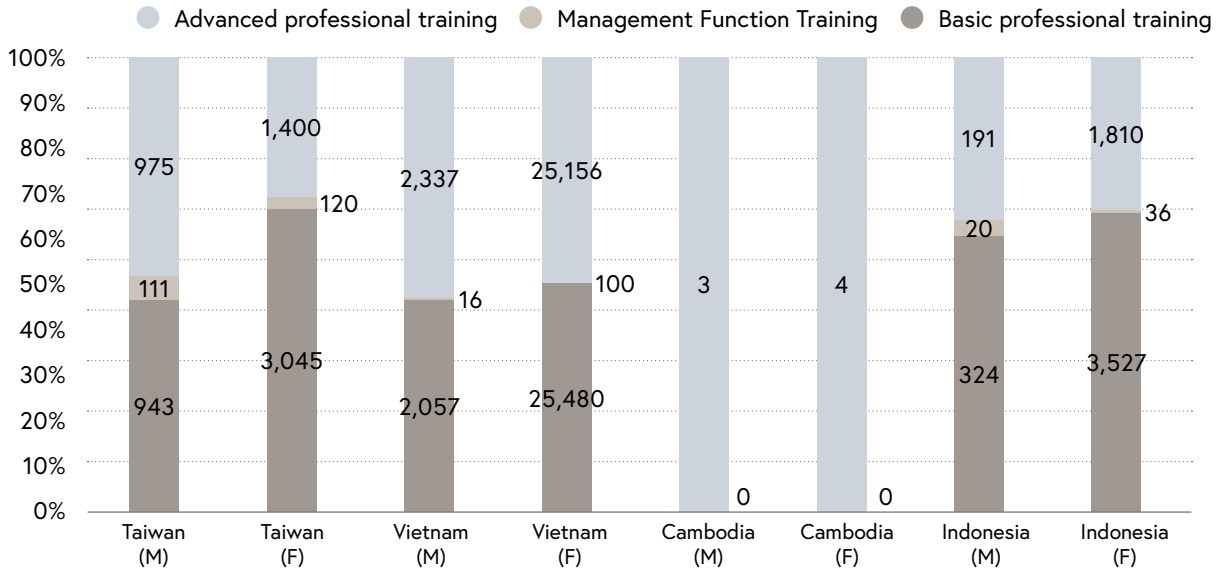
On-the-Job Training for Knitting Operations

Sales colleagues in the Fabric Division with 0.5 to 1.5 years of service will be arranged to attend a two-stage training program: Stage 1 — video-based courses Stage 2 — on-site factory visit





Distribution of participants in professional and functional training



Training Map

Eclat

Learning and Development Map

	Mid-level and senior managers	Junior managers	Senior employees	General employees
New hire training	Garment new hire training			
	Knitting new hire training			
Core knowledge	Garment reinforcement training			
	Knitting anomaly sharing			
	Professional technology transfer courses			
	Core courses on Management Department operations			
General education courses	Eclat sustainable workplace learning program			
Self-development	Eclat e-Learning Platform			
	Functional training			
	External training			
	Job rotation			
	Internal instructor training			
Language training	Introductory Vietnamese course			
	English speaking training (TBD)			
Management Function Training	Leadership			
	Coordination			
	Organization			
	Talent development			

In-person leadership courses were designed for junior and mid-level managers this year. The courses received positive feedback, achieving an overall satisfaction score of over 4.6 out of 5. In the coming year, in-person courses are planned to address various leadership competencies for supervisors.

Junior managers

Training objectives

Support junior managers in transitioning from "individual contributors" to "team drivers."

Number of participants	Total number of training hours
34 males, 75 females	1,725 hours

Course topics

Effective leadership communication	Coaching and talent retention
Communication for entry-level managers is no longer just about assigning tasks, but about acting as a coach and a bridge. Through practical tools and exercises, managers learn to communicate with equal emphasis on both interpersonal relationships and task execution.	Provide timely guidance and feedback to subordinates to build trust, promote capability development, facilitate behavioral adjustments, and support performance achievement, with the ultimate goal of reducing the talent turnover rate.

Mid-level managers

Training objectives

Strengthen the key capabilities of mid-level managers in their core role of bridging higher and lower management, and build a resilient and forward-looking leadership team through systematic learning.

Number of participants	Total number of training hours
29 males, 26 females	440 hours

Course topics

Leading and motivating cross-generational employees	Strategic thinking and growth strategies
Bridge communication gaps across generations to enhance employee engagement.	Empower managers to proactively identify new opportunities, optimize processes, and drive organizational growth. Cultivate logical thinking and analytical judgment to enhance managers' decision-making quality and adaptability when addressing complex issues.

2.2.2 Employee Performance Management and Evaluation

Eclat's performance management system aims to achieve optimal organizational performance and talent development. It focuses on four dimensions: adaptability, job enthusiasm, skills, and ethics, aiming to ensure that employees are placed in roles that best suit their abilities and personal traits. The performance evaluation system covers 100% of full-time employees, except for those who are part-time workers, and employees who have been on the job for less than one year or are on a leave of absence without pay. In 2025, the performance evaluation completion rate for full-time employees was 100%.

STEP 01	STEP 02	STEP 03	STEP 04
Supervisors and subordinates jointly establish challenging and objective work goals.	Supervisors and subordinates engage in ongoing two-way communication, with supervisors providing guidance, sharing expertise, and offering coaching (training) and mentoring for professional and career development.	Continuously tracking the progress of goal achievement.	Semi-annual performance interviews and feedback.

2.2.3 Industrial Talent Cultivation

Eclat is committed to promoting industry innovation, nurturing design talents, fostering industry-academia collaborations, and giving back to society. We regularly donate equipment to relevant domestic educational institutions, provide international expert instructors, and offer internship opportunities. In collaboration with the Eclat Education Foundation, we organize the "Eclat Eternity Design Competition," featuring different themes to provide a platform for local students to showcase their talents. Through these efforts, we aim to encourage and discover potential rising stars in Taiwan, and inject momentum and energy into the apparel design industry in the country.

Eclat internship program

Eclat is committed to cultivating new talent for the industry and collaborates annually with colleges and universities to run internship programs. Based on students' characteristics and interests, internships are offered during winter and summer breaks or for an entire semester in relevant business or technical units at Eclat, with full-time salaries provided to help interns gain hands-on industry experience.

Selection of interns is prioritized for outstanding students recommended by their schools. Candidates must meet certain requirements in academic performance, conduct, and English proficiency. After passing interviews with department heads and technical tests, they may apply for a full-semester internship at Eclat. The Company assigns dedicated mentors to guide interns, enabling them to gain in-depth understanding of the industry and operational processes. Interns who complete the program and pass the evaluation are eligible for immediate employment upon graduation, with their internship period counted toward their length of service. In 2025, the Company recruited 43 interns, representing an increase of 24 compared to the previous year. Among them, 10 became full-time employees upon completing their internships, with 6 joining technical departments and 4 joining sales departments.



2.3 Remuneration, Benefits, and Care

Eclat has established a comprehensive salary and benefits framework with the goal of providing the most caring support for our employees. Through salary and benefits packages that exceed local regulations and always remain competitive, we aim to motivate our employees' enthusiasm for their work. In 2025, the Company achieved its performance targets. In addition to the year-end bonus, an extra bonus equivalent to 2 months and 20 days of salary was granted. From 2018 to 2025, with the exception of 2023 when overall salary adjustments were suspended due to an uncertain industry outlook, the Company implemented an annual overall salary increase of 3% to 5%. If the Company records a profit in the current year (defined as profit before tax prior to the distribution of employee compensation), any remaining balance after deducting accumulated deficits shall first be appropriated for employee compensation at a rate of no less than 1%. This distribution must be resolved by the Board of Directors with at least two-thirds of directors present and approved by a majority of the attending directors, and subsequently reported to the shareholders' meeting. Employee compensation may be distributed in the form of shares or cash. Of the aforementioned employee compensation amount, no less than 50% shall be allocated to entry-level employees.

To actively retain talent, the Vietnam fabric plant increased language allowances and position allowances in 2025. The My Xuan Plant organizes various activities and competitions, such as video creation contests and safety-themed competitions, with the aim of creating a friendly working environment, promoting exchange, and strengthening employee cohesion. It also holds employee retention competitions to encourage mutual care and support between workers and team leaders, thereby stabilizing the workforce and boosting morale.

To ensure a work-life balance for our employees, we have implemented flexible working hours, allowing for early departure by 1 hour on one day each week. Our leave policy includes features such as flexible use of accrued paid time off, the provision of advanced leave, and no makeup work required on makeup days with regular compensation in this year.

In terms of welfare, we provide free dormitory preferentially for out-of-town colleagues, departmental dinner gatherings, rental housing for the family members of expatriate colleagues, and various subsidies for the education of children. We also encourage employees to participate in activities outside of working hours. In addition to subsidizing club funding, we provide company venues for employees to hold activities. In 2025, we subsidized 11 clubs of various types with funding of approximately NT$433,000, and established a multi-purpose venue to meet employee needs.





Providing a brand-new multi-purpose venue for employees

Encouraging sports participation to launch dynamic enterprise

Eclat joined the "Promoting the Employment of Corporate Sports Instructors" project by the Sports Administration of the Ministry of Education. We hired Chen Ting-Yu, the national basketball player who was elected as the Asian Youth Games and the William Jones Cup, as the corporate sports instructor. Chen is responsible for the Company's gym management, sports curriculum planning and guidance, and assisting with clerical work, etc.

We also encourage our colleagues to reduce physical discomfort through exercise. Through organizing muscle relaxation courses and instructing colleagues in the use of the gym, we promote the concept of sports corporate to more colleagues. Moreover, according to the gender composition of the Company's employees, we have purchased fitness equipment suitable for female colleagues, set up a women-friendly zone, and encouraged all employees to exercise.







Eclat's Overall Benefits Chart

Benefits				Non-fixed Salary		Environment	
Marriage, Bereavement and Maternity Benefits	Hospitalization Condolence	Meal Allowances	Free Drinks	Bonus/gifts for three festivals	Year-end Bonus	Gym	Yoga Studio
Birthday Bonus		Departmental Teambuilding Meals		Performance Bonus		Coffee Machine	Employee Canteen
Online Benefits System	Rental Housing for Dependents of Employees Stationed Abroad	Children's Education Subsidies	Dormitory for Out-of-Town employees	Stock Ownership Trust		New Company HQ	Infant Daycare Center
Subsidies for Employee Clubs				Fixed Salary	Work-Life Balance		
Employee Incentive Trip	Employee Parking	Child Care Subsidy	Free relaxing massage	Salary adjustment of 3%-5%	Annual leave can be taken with hours as the basic unit	Flexible Working Hours	Happiness Day

Image of Eclat gym





Image of the yoga studio





New and comfortable office environment





Club Activities



Yin Yoga Club



Art Club



Hiking Club



Street Dance Club

Reflections from Employees Participating in Clubs

Basketball Club
Rick

Basketball has been my favorite sport since my student days. After entering the workforce, I was fortunate to join the company's basketball club. With the club subsidy provided by the company, we are able to keep refining our skills and maintain a regular exercise routine at a quality indoor venue. The basketball club is not only a bridge for building friendships across departments, but also helps colleagues strike a healthy balance between work and life. I am grateful for the company's support of sports activities, which has solved the difficulties of finding a venue and enough players, allowing us to demonstrate a positive and uplifting corporate culture through games and community participation.

Yoga Club
Linda

The one-hour yoga class each week is the best recharging station the company has given us. Through stretching and deep breathing, we release the stress of work. Our necks and shoulders loosen up — and our passion and focus come back with them. Thank you to the company for building a healthy workplace. The yoga program doesn't just get our bodies moving; it teaches us how to stay calm and balanced amid a fast-paced work rhythm. It is a true embodiment of a happy workplace. Investing in employees' health is investing in the company's sustainable future.

Badminton Club
Rita

How wonderful it is to have a badminton court right inside the company building. It allows employees to work out as soon as they get off work, without the hassle of competing for court time during peak hours. For parents in dual-income families, it also makes it possible to exercise and relieve stress in the small pockets of time they have, staying fit while both boosting work efficiency and keeping up with family commitments. What's more, it gives colleagues who would never cross paths at work a chance to interact and get to know one another. In a relaxed and enjoyable sporting atmosphere, partners from different departments can share experiences and exchange ideas, further strengthening the company's cohesion and communication efficiency. A workplace environment that cares for body, mind, and spirit like this fully reflects the company's commitment to and thoughtfulness about employee well-being.

Benefits for Overseas Plant



Eclat Textile Vietnam Plant company trip, with a total of 1,512 employees participating



Eclat Textile Vietnam Plant soccer tournament



Colltex Garment Plant Family Day



Colltex Garment Plant singing competition



Cambodia Plant Family Day



Nutritional supplement distribution for female employees of the Cambodia plant

2.3.1 A compensation system that exceeds legal regulations.

Eclat applies the principle of equal pay for equal work across all job roles, ensuring no disparities based on gender. Starting salaries for entry-level employees consistently exceed the local statutory minimum wage and are adjusted in accordance with local regulations. Furthermore, the Company distributes competitive year-end bonuses annually based on operational performance and profitability to reward employees for their contributions. Taking this year as an example, employee compensation primarily consists of five key components:

Fixed Salary	Performance Bonus
Employees receive a fixed monthly salary.	The Company achieved its overall operational performance targets this year, awarding each employee an additional performance bonus equivalent to 2 months and 20 days' salary.

Benefits for Three Major Festivals	Year-end Bonus
Bonuses are given to employees on New Year's Day, Mid-Autumn Festival, Dragon Boat Festival, Labor Day, and their birthdays.	Year-end bonuses will be distributed to individual employees based on their evaluated performance.

Employee Stock Ownership Trust

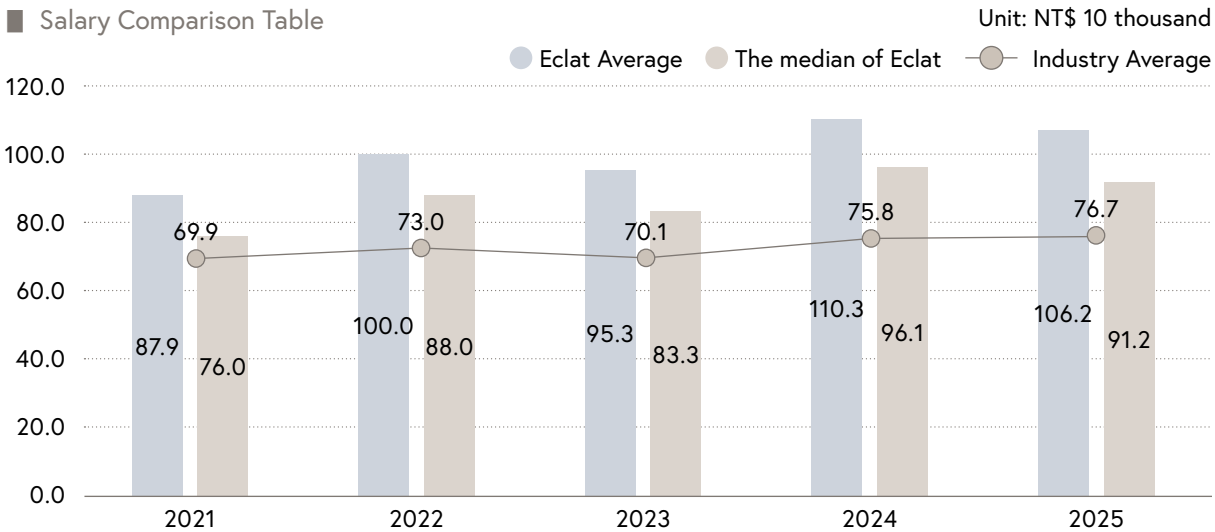
To enhance employee welfare and strengthen employee cohesion, the Company launched an employee stock ownership trust implementation plan in 2025. This initiative shares corporate success with employees and secures their financial stability after retirement. Currently, the program has 799 participants, with total contributions amounting to NT$2,250,000.

Salary and benefit costs that are superior to prevailing industry standards

In 2025, Eclat had a total of 1,705 full-time non-managerial employees in Taiwan, with an average annual salary of NT$ 1.062 million. The average salary of full-time non-managerial employees decreased by approximately NT$ 41,000, or 3.7%, compared to 2024.

In addition, to continuously strengthen compensation competitiveness, the Company began incorporating attendance bonuses into the base salary structure this year. The Company also continues to reward operational performance through annual salary adjustments, quarterly bonuses, and year-end bonuses. Other suggestions have been addressed through announcements or awareness campaigns, as appropriate, to ensure employees are informed of the Company's actions and to further strengthen communication effectiveness.

Salary Comparison Table



Note 1 On June 28, 2019, the Taiwan Stock Exchange announced on its Market Observation Post System (MOPS), information on the salaries of non-executive employees of listed companies in the previous year, which refers to the number of employees (including local and foreign nationals) employed in Taiwan after excluding managers, part-time employees, and those who have served for less than 6 months.

Note 2 Information on "peer companies" is categorized by market (TWSE and TPEx) according to the industry category in which each company is listed. "Salary average" refers to the average of companies in each industry (total salary cost ÷ total number of employees).

2.3.2. The Most Considerate Welfare Measures

Pension Contributions

Eclat follows legal regulations to establish a retirement pension system and allocates retirement benefits according to local laws and regulations. The goal is to ensure that all employees at various locations can benefit from the retirement system in place.

Taiwan	In accordance with the Labor Standards Act, Eclat is responsible for the payment of the pension based on the number of years of service and the average salary of the six months prior to retirement; Eclat contributes 6% of employees' monthly salary to the Labor Pension Fund and deposits it into the dedicated personal Labor Pension Fund account for each employee.	Pension contribution amount 52,762,4450
Vietnam	Eclat contributes 14% of base salary and 8% of base salary to the retirement and death fund.	Pension contribution amount 842,917,210
Cambodia	0.8% of each employee's monthly salary is contributed to labor insurance, 2.6% to medical insurance, and 4% to pension insurance (50-50 between the plants and the employee).	Pension contribution amount 13,778,475
Indonesia	7% of each employee's monthly salary is contributed to social insurance, covering sickness benefits, pensions, and unemployment relief.	Pension contribution amount 11,467,558

Maternity Care with Peace of Mind

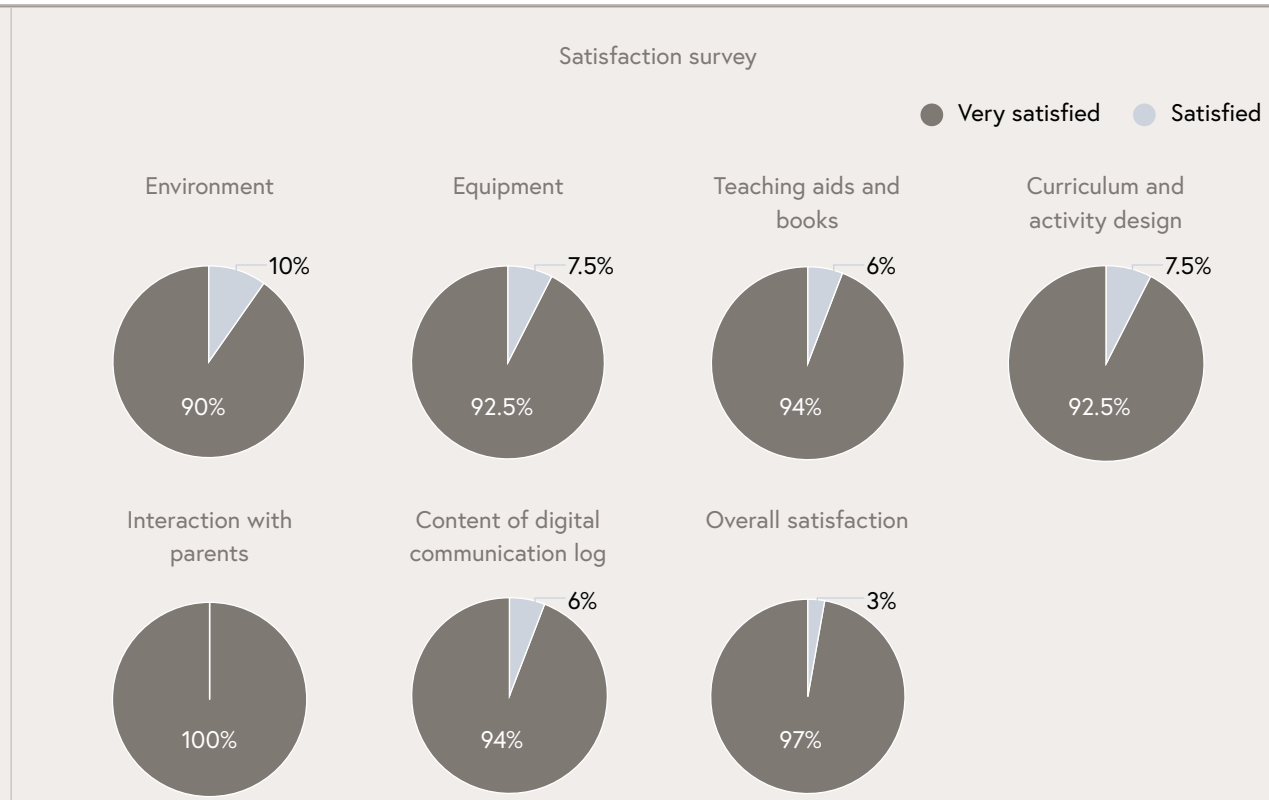
Female employees are provided with comprehensive maternity and childcare benefits, such as breastfeeding rooms, extra breaks for breastfeeding, and reassignment without a reduction in pay, to protect their right to work on an equal footing. In 2025, the reinstatement rate was 88% and the retention rate was 92%. This year's maternity leave application rate for female employees in Vietnam, Cambodia, and Indonesia was 100%.

In the headquarters building, a childcare center has been set up on the first floor. The Company will provide additional subsidies if employees have their children in the childcare center, so that they can go to work without worrying about taking care of their children or having to pick them up. Additionally, we have observed that families in the communities surrounding the Xinzhuang Sub-City Center, where the headquarters is located in New Taipei City, have a need for infant and toddler childcare. Therefore, we also open enrollment to the public, which not only makes effective use of resources but also serves the local community families. Currently, 31 infants and young children have enrolled internally. 4 infants and young children have enrolled externally.

2025 Satisfaction Survey of Eclat Childcare Center

We also conducted a satisfaction survey on the childcare center, hoping to make the colleagues and community families use the benefits without worries. In 2025, an enrollment status survey was conducted across six major aspects. Based on participants' active responses, all measures implemented at the Eclat Daycare Center received positive feedback. We also continue to optimize our daycare services based on feedback obtained through routine interactions, aiming to provide employees with peace of mind while benefiting the local community.

Total number of survey responses in the first and second halves of 2025: 65



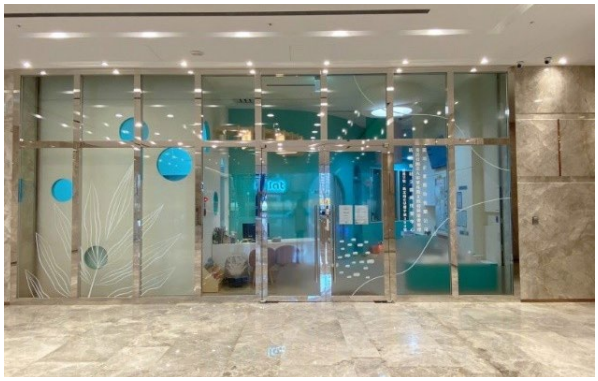
Parental leave statistics -Taiwan

Unit: Persons

Item	2025		
	Male	Female	Total
Number of eligible employees for parental leave in the year (A)	6	25	31
Actual number of applicants for parental leave in the year (B)	3	13	16
Application rate (B/A)	50%	52%	52%
Number of employees taking parental leave due for reinstatement in the year (C)	2	14	16
Actual number of employees who applied for reinstatement during the year (D)	2	12	14
Reinstatement rate (D/C)	100%	86%	88%
Number of persons reinstated in the previous year (E)	2	10	12
Number of employees who have worked for one year since reinstatement in the previous year (F)	2	9	11
Retention rate (F/E)	100%	90%	92%

Note 1 This table only discloses the status of parental leave applications in Taiwan. Vietnam, Cambodia, and Indonesia do not have parental leave regulations, but Vietnam provides half-year maternity leave for female workers and 5 days of paternity leave for male workers, while Indonesia provides 3 months of maternity leave for female workers.

Photos of the childcare center






2.3.3 Employee Feedback and Communication

Eclat is committed to establishing transparent and open employee communication channels to promote harmonious labor-management relations and enable employees to raise issues and provide suggestions. Upholding a management approach of self-management and full participation, department managers regularly engage in two-way communication with subordinates through business meetings and production and sales meetings. This year, 91.8% of new employees reported a satisfaction level of "satisfied" or above, indicating that our communication and integration mechanisms have achieved positive results.

To gain a deeper understanding of employee needs and enhance management effectiveness, the Human Resources Department conducts an annual satisfaction survey via an anonymous online questionnaire covering eight dimensions — employee experience, leadership, compensation competitiveness, collaboration, work capability, development capability, promotion capability, and sustainability capability — comprising 28 sub-items, The survey was distributed to 882 employees, achieving a coverage rate of 74% based on headquarters Taiwanese staff and overseas Taiwanese managers. The 2025 survey results show that through structural salary adjustments and performance bonus optimization, indicators related to compensation competitiveness rose steadily, demonstrating that the Company possesses strong market competitiveness in offering tangible incentives to attract talent.

However, alongside the real growth in compensation, we also observed slight declines in several other key indicators, including employee experience, leadership, collaboration, work capability, development capability, promotion capability, and sustainability capability. This reflects a gap between employees' expectations and the current reality regarding internal management effectiveness, team collaboration, communication, and long-term career growth amidst rapid organizational expansion or changes in the external environment. Addressing this gap will be a primary focus for the Company in the coming year.

In response to the challenges outlined above, Eclat will adopt an "inside-out" transformation plan, committed to converting its compensation advantage into overall organizational energy

Strengthening Leadership and Collaboration

Roll out a series of leadership development programs to strengthen the two-way communication mechanism between managers and their team members, and rebuild team cohesion.

Eclat is advancing two key training areas for its middle and senior management: "Cross-generational Communication" and "Key Strategic Thinking." The aim is to equip managers to identify the needs of employees across different age groups and to turn cross-generational communication into a driving force for organizational innovation, while also strengthening management's big-picture perspective through these programs, ensuring that decisions align with the company's long-term sustainability goals

Eclat places great importance on frontline management effectiveness. As the first line of communication between the company and its employees, first-level managers directly influence the organizational atmosphere and talent retention through the quality of their leadership. This year, two core competency programs have been tailored specifically for first-level managers: "Successful Leadership Communication" and "Coaching and Talent Retention." Managers will learn to identify employees' potential and the bottlenecks they face at work, and to provide differentiated guidance tailored to team members with different traits, with the goal of shaping a workplace culture built on transparency and mutual trust.

Deepening Development and Workforce Capability

In response to the trend of digital transformation, we are committed to enhancing employees' work capability through the adoption of AI technologies — optimizing workflows, easing employees' workload, and delivering tangible gains in work effectiveness. To establish a long-term talent retention mechanism, Eclat has announced its "Career Pathways" framework. Through a dual-track development path, the company has established a promotion system in which the "management leadership" track and the "technical expert" track advance in parallel, ensuring that talent with different strengths and traits all have a clearly defined room for advancement.

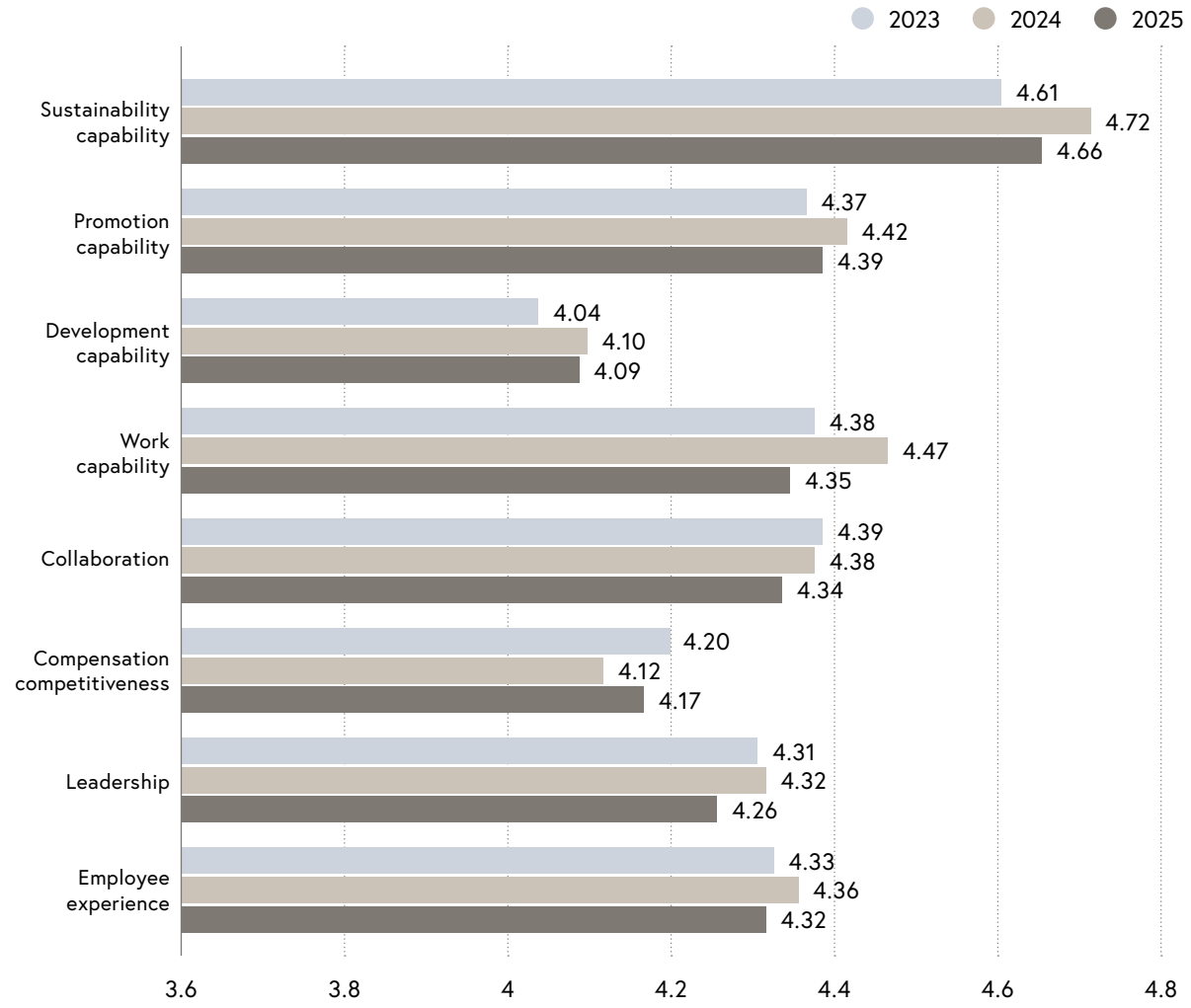
Enhancing Employee Experience and Sustainability Commitment

Eclat has officially rolled out its paid volunteer leave program, encouraging colleagues to step out of the office and devote their expertise and enthusiasm to community service. Through hands-on participation in activities such as environmental conservation and social welfare outreach, employees are not only able to relieve work-related stress and enjoy a better workplace experience, but also develop a stronger sense of involvement in — and identification with — the company's sustainability vision, putting the corporate culture of "shared prosperity" into practice. In 2025, a total of 136 colleagues took advantage of the volunteer leave program.

In terms of other aspects of the physical work environment, we have also actively incorporated employee feedback: single-seat tables have been added in the headquarters cafeteria to improve seating utilization; and the number of people assigned to each floor has been reassessed, with office areas redivided accordingly, in the hope of providing employees with a more comfortable working environment.

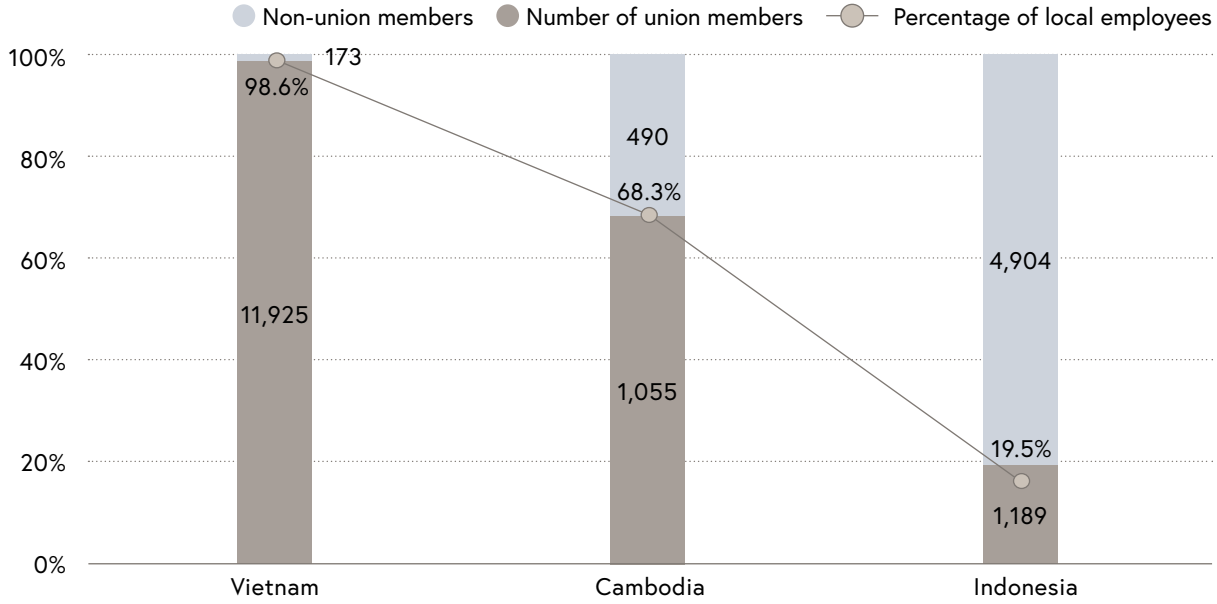


2025 Emplyee Satisfaction Survey



In Vietnam, a local labor union was officially established in 2009. Due to the union's significant influence, local employees are highly active in joining compared to those in Cambodia and Indonesia. As of the end of this year, union membership reached 11,925, representing approximately 98.6% of local employees, thereby establishing a robust two-way communication channel in the region. There were no labor disputes, violations of freedom of association and collective bargaining violations at Eclat this year.

Proportion of unionized employees in each plant



Note 1 The Indonesia plant only recently commenced operations and the number of union members is steadily increasing.

Notice of Material Operational Changes

Taiwan

In accordance with the Labor Standards Act, a minimum notice period is set according to the seniority of employees.

Vietnam

In accordance with the Vietnamese labor laws, a 45-day notice period is given to workers on permanent contracts and a 30-day notice period is given to workers on one-year contracts.

Cambodia

In accordance with the Cambodian labor laws, a 30-day notice period is given to workers on permanent contracts and a 15-day notice period is given to workers on fixed-term contracts

Indonesia

In accordance with the Indonesian labor laws, a 30-day notice period is given to workers on permanent and fixed-term contracts.

Employee Communication Mechanism

Communication channel for opinions

Type	Communication content	Communication frequency	Communication channel	Responsible unit
Employee feedback mailbox	Various operational issues of the Company	From time to time, feedback is handled immediately upon reception.	1. Physical employee feedback mailbox 2. General affairs team 3. HR team 4. Company Website	Administrative Division
Feedback mailboxes for each plant	Various operational issues in the plant		1. Mailboxes for designated personnel in each plant area 2. Feedback platform	Administrative unit of each plant
Sexual harassment issues	Sexual harassment issues		Complaint-specific mailbox: help@eclat.com.tw Complaint hotline: 22996000 ext. 6616	Sexual Harassment Complaint Handling Committee
Various types of grievances	Violation of laws, unfair treatment, discrimination, etc.		Complaint-specific mailbox: help@eclat.com.tw Complaint hotline: 22996000 ext. 6456	Appeal and Review Committee
Opinion survey for new employees	Company satisfaction and suggestions	Trial period	Satisfaction survey distributed by HR Department	HR Department

General complaint acceptance process



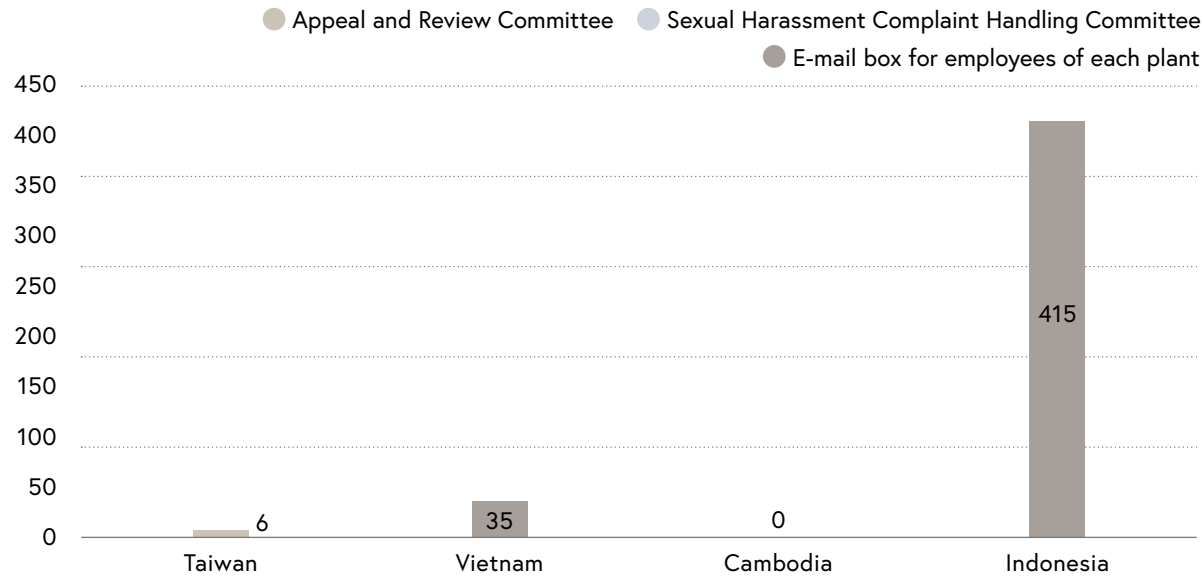
To ensure that the opinions of all parties are heard and receive appropriate responses, employees and external stakeholders can file opinions or grievances on various issues, such as labor-management relations, salary and benefits, occupational safety and health, and sexual harassment, through various opinion communication channels. For signed or anonymous feedback, the Administrative Division will assign dedicated personnel to assist in processing.

This year, the Taiwan plants received six grievance cases, all of which concerned workplace bullying and supervisors' ethical conduct. Following formal acceptance under the grievance handling procedures as well as subsequent investigation and deliberation by the grievance review committee, all cases were determined to be unsubstantiated. We identify risks and strengthen communication with stakeholders, while updating internal investigation procedures and reporting systems in response to regulatory changes to prevent recurrence.

The Vietnam plants received 35 cases regarding shuttle buses, the cafeteria, team leader management, and overtime, all of which have been resolved, with training provided to the relevant supervisors. The Cambodia plant had zero grievances. The Indonesia plant received 415 cases concerning facility equipment, supervisor management, and working hour arrangements; in response, the Indonesia plant has reviewed work scheduling to ensure compliance with regulatory requirements and has provided additional training for supervisors.

At some plants, the introduction of feedback platforms such as QR codes has enabled employees to convey their concerns to the Company more quickly, resulting in an increase in the number of formal feedback submissions and improved communication efficiency. We have addressed or resolved all feedback received.

Number of reports through the employee feedback channel



03

Practitioner of Corporate Social Responsibility

3.1 Labor Safety and Health 79

3.2 Labor Rights Protection 92

3.3 Community and Social Co-Prosperity 102



2025 Goals	2025 Performance
▶ Sponsorship> NT$ 8 million	▶ Approximately NT$ 8,670,000 ····· Achieved + Eclat sponsors community organizations that support elderly individuals living alone, orphanages, charitable institutions, temples, and similar organizations. This initiative serves as a disaster prevention fund and provides assistance to financially disadvantaged students, underprivileged children, and the elderly.



2025 Goals	2025 Performance
▶ The incidence rate (IR) of occupational hazards in plants in all regions decreased by 20% compared to last year.	▶ Increased by 30.6 % ····· Not achieved + Revised emergency response procedures by adding procedures for work stoppage and evacuation as well as return-to-work criteria to prevent injuries from entering hazardous environments prematurely. + We discuss the root causes of recurring minor injuries to prevent them from happening again. We also investigate incidents resulting in lost work hours and share improvement measures with facilities facing similar risks. + For the plants with more accidents this year, the occupational disaster prevention project has been planned and established, and the progress is reviewed quarterly. The SOP for labeling, auditing, and abnormality elimination are established with reference to excellent machine management cases.



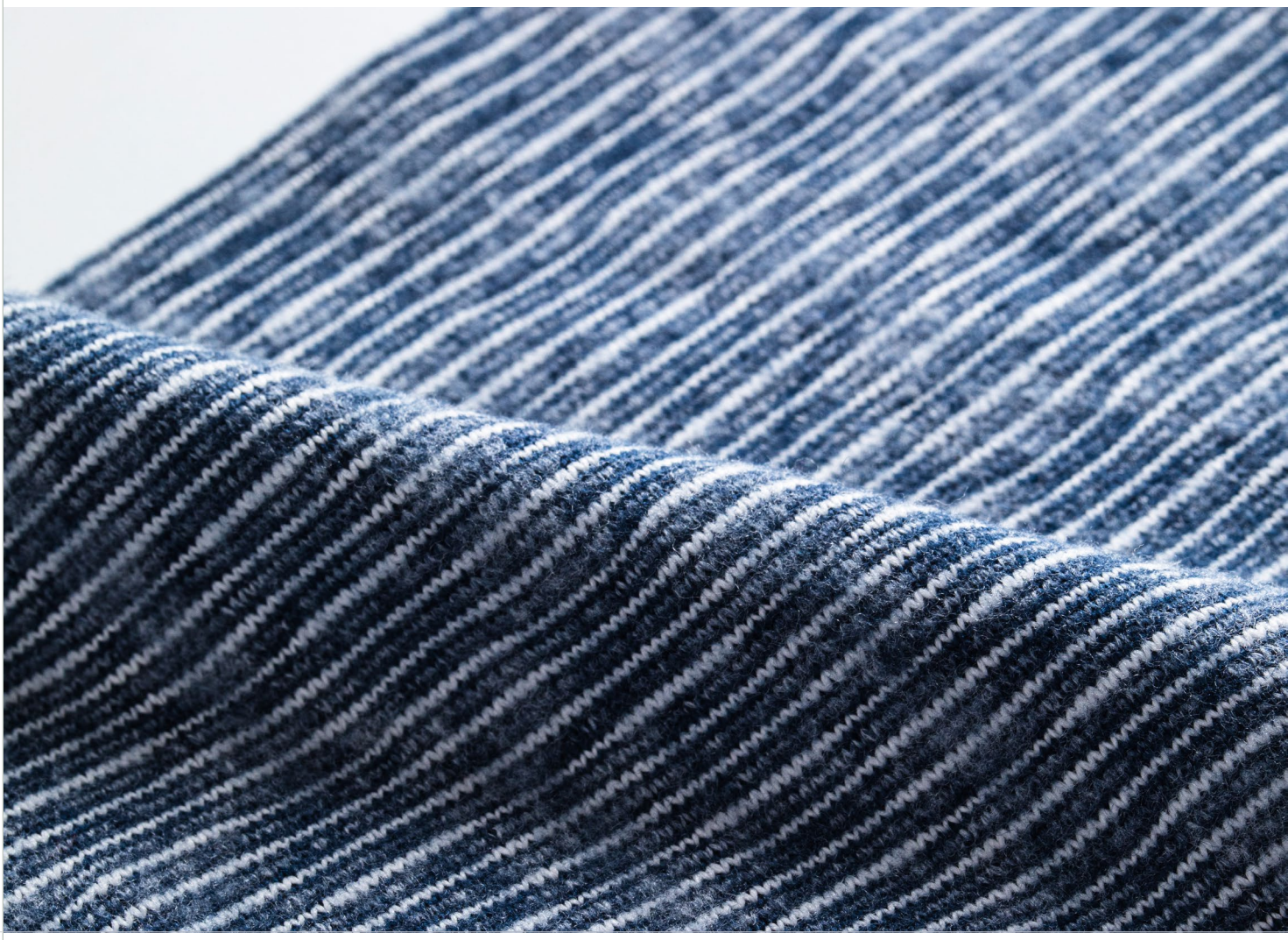
2025 Goals	2025 Performance
▶ Health checkup rate among employees exceeds 90%.	▶ 92.7% ····· Achieved + Encourage employees to undergo health checkups, follow-up abnormality tracking, and health counseling to maintain the health of employees. + Promote employee health promotion and invite dietitians into the daily lives of employees to establish good eating habits and the concept of nutritional awareness. + Free screening for the four major cancers, consultation with the in-plant doctor for female colleagues during pregnancy, and health lectures based on the needs of the colleagues are provided.



2025 Goals	2025 Performance
▶ Average training participation rate >90%.	▶ 100% ····· Achieved + We continue to promote occupational safety and health education and training across all plants. This year, Eclat organized a total of 1,081 occupational safety and health training sessions, investing approximately NT$1.23 million in education and training expenses. Additionally, each plant invested approximately NT$31.44 million in environmental improvement expenses.

2025 Goals	2025 Performance
▶ Pass rate for sexual harassment prevention education and training (Headquarters) > 90%	▶ 94.55% ····· Achieved + In order to maintain gender equality in work and personal dignity, according to Eclat's "Measures and Disciplinary Procedures for Sexual Harassment Prevention and Control", female members should account for more than half of the members of the committees. + Regularly organize educational lectures on sexual harassment prevention and control to raise employee awareness and strive to build a healthy, non-discriminatory work environment.

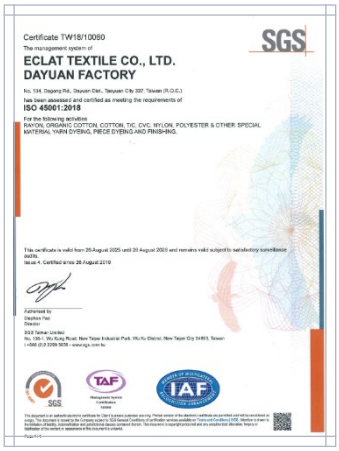
2025 Goals	2025 Performance
▶ Weeding riverbanks 1 time/month, environmental inspection 2 times/ month.	▶ 100% Completion rate ····· Achieved + Adopt the upstream section of Laojie River in Taoyuan City, conduct regular inspections and cleanups, and assist in the maintenance of the section of the river that reports abnormal water quality.



3.1 Occupational Safety and Health

In accordance with national laws and regulations governing workplaces, Eclat has established the "Eclat Corporation Environmental, Safety, Health and Energy Policy." Additionally, the Company has formulated an "Occupational Safety and Health Management System" in compliance with ISO 45001:2018, CNS 45001:2018, and TOSHMS requirements, and has successfully obtained ISO 45001 certification. Through a comprehensive PDCA occupational safety and health management system, we regularly convene the Environmental, Occupational Safety and Health Committee to continuously improve the working environment and proactively prevent the occurrence of occupational injuries and diseases. Workers covered under Eclat's management who perform work-related activities include employees (accounting for 98.1%) and non-employees (accounting for 1.9%). Our Vietnam operations have also established "Labor Safety and Health Regulations" following the same system in place in Taiwan to ensure consistency in working environment conditions.

Occupational safety and health management system certificate ISO 45001:2018/Site	Effective Date	Expiry Date	Certification Body
Taiwan Dayuan Plant	2025.08.26	2028.08.26	SGS
Taiwan Hsichou Plant	2025.05.02	2028.05.02	SGS
Eclat Textile Vietnam Plant	2024.12.04	2027.12.03	BSI
E-TOP Plant	2026.02.12	2029.03.08	BV
COLLTEX Plant	2024.12.24	2027.12.23	Intercert
PT. Eclat Textile Plant	2024.11.02	2027.11.01	URS


Certificate TW18/10060
SGS
ECLAT TEXTILE CO., LTD.
DAYUAN FACTORY
ISO 45001:2018

Health Promotion Administration Certification for Workplace Health Work Environment Improvement

Employee health is a company's greatest asset, and Eclat actively invests in employee health and safety management and work environment improvements. Taking the Headquarters and Dayuan plant as an example, the following measures are implemented to improve the health and relevant awareness of employees:

Location	Workplace health improvement items	Improvement goal	Implementation measures	Implementation results
Headquarter	Health checkup/ consultation	Health tracking of all colleagues	1. We encourage all employees to undergo annual health check-ups, with the health screening facilities located at the headquarters. 2. Contracted physicians have been hired to offer employees consultations on their health check-up reports and provide subsequent follow-up.	1. This year's employee health check-up rate reached 98.1%. 2. During the year, the headquarters recorded 42 consultations for employees, and report interpretations were provided for 254 new hires. 3. The medical clinic provided healthcare services for 821 visits.
	Four major types of cancer screening tests	Prevention of cancer for employees	We provide and encourage employees to participate in free mammography, pap smear, and colorectal stool screening.	This year, a total of 727 people were participated in the tests of the four major cancers.
	Health education for colleagues during pregnancy	Improvement of the health for female colleagues	Arranging for the pregnant colleagues to meet with the in-plant doctor for consultation and health education.	This year, 22 pregnant colleagues inquired about health education.
	Health speeches	Promote daily hygiene, healthcare concepts, and interpersonal communication	Organized lectures on nutrition, muscle gain and fat loss, spinal relief through stretching, workplace hazard prevention, and interpersonal communication skills, closely addressing employees" daily health needs.	A total of 3 health lectures were held this year, with 39 participants

Location	Workplace health improvement items	Improvement goal	Implementation measures	Implementation results
Headquarter	Disease prevention	Vaccination	Collaborated with the Wugu District Public Health Center and Herhsing Clinic to provide disease prevention and vaccination services	A total of 239 people received influenza and COVID-19 vaccines (XBB.1.5 and JN.1).
	Working environment improvement	Enhance environmental comfort	In the B1 mailroom, the driveway warning alarm was intermittently loud when vehicles entered and exited. Following adjustments by the General Affairs Department, the sound of the warning alarm closest to the mailroom was deactivated while retaining the flashing visual alert, and one audible warning alarm was maintained at the driveway entrance. This improved the mailroom environment without compromising safety warning requirements.	Prior to the improvement, noise levels near the warning alarm peaked at approximately 80 dB (not exceeding 85 dB), while indoor levels ranged between approximately 60 and 70 dB. Following the improvement, indoor noise levels were successfully reduced to below 60 dB.
Da-Yuan Plant	Working environment improvement	Enhancing overall work safety and efficiency	1. Increased environmental comfort: Optimize ventilation and cooling facilities to improve high-temperature and noisy work areas. 2. Equipment safety upgrade: Update anti-falling devices and transportation equipment to improve operational safety and efficiency. 3. Strengthening of facilities and management: Update the building's facilities and monitoring systems to improve on-site management quality.	1. There were no injuries or hazards from overlapping traffic flows during the year. 2. No injuries or hazard incidents caused by elevators this year.
	Risk Assessment	Workplace hazard identification	1. Hold regular environmental, safety, and health meetings to raise employees' safety awareness. 2. Respond to external audit deficiency reports, promote improvement measures, and post pictures or slogans in work areas to remind employees. 3. Implement Job Safety Analysis (JSA) to enable contractors and employees to identify hazards before performing specialized tasks, and to isolate and eliminate hazards during operations. 4. Extreme climate issues – promotion of heat hazard prevention measures.	Identified and implemented eight workplace environment improvement projects, including sheet metal roofing replacements, elevator upgrades, and stair handrail improvements, to provide employees with a safe working environment and prevent accidents.

Location	Workplace health improvement items	Improvement goal	Implementation measures	Implementation results
Da-Yuan Plant	Health promotion	Health management to promote well-being	1. Awards: (New Version) Health Promotion Administration Excellent Workplace - Group Health Guardian Award, Gold Award. 2. Certifications: Passed the Health Promotion Administration's healthy workplace certification and obtained the 2025 health promotion self-assessment qualification certificate. 3. Invited by the National Taipei University of Nursing and Health Sciences to deliver a workplace health lecture, and by the Taoyuan Labor Inspection Office to deliver two workplace health lectures on "Maternal Health x Gender Equality x Occupational Safety and Sustainability," which received enthusiastic feedback from attendees. These efforts promote health initiatives and management, enhance employees' health awareness, and integrate wellness into daily life and work.	For Taiwanese employees, physical examinations and health management (including follow-ups on issues) were implemented. The variance analysis between 2024 and 2025 (after follow-up) is as follows: Level 1 management increased from 13% to 34%, Level 2 management increased from 19% to 55%, Level 3 management decreased from 28% to 11%, and Level 4 management decreased from 10% to 0%.
	Update of protective gears	Covering the safety and comfort of protective gear wearing	1. New and lightweight waterproof safety shoes and helmets were purchased to meet the wearing needs of employees with different operational attributes. 2. Purchased waist support to reduce employee strain from lifting and carrying.	In 2025, a total of 7 bamboo charcoal lumbar support belts with steel plate reinforcements and 25 adjustable wrap-around wrist supports were procured for employees to reduce musculoskeletal strain on the waist and wrists during manual handling.
	Ergonomic improvements	To reduce the possible musculoskeletal effects of employees' long-term repetitive work.	1. Labor-saving cloth clamping equipment has been added to the Sorting Division to reduce the manual handling load for employees. 2. An automatic material supply system has been installed to reduce the number of personnel picking chemicals and moving refill containers. 3. The elevator in Building A was upgraded to provide safe lifting equipment, reducing manual handling. 4. Ergonomic improvement — providing lumbar support belts for employees.	The automatic feeding system for post-dyeing was replaced, and both technicians and supervisors expressed satisfaction. Additionally, measurable performance improvements were clearly observed as follows: 1. Satisfaction: Subjectively, the rating improved from "unsatisfactory" before the upgrade to "very satisfied" afterward, showing a clear increase. Discomfort in specific body parts significantly decreased. 2. Ergonomic Risk Assessment Tool - KIM LHC Key Indicator Checklist: The risk value before improvement was 42 (medium-high load), and the risk value after improvement was 2 (low load).
	Implementation of safety education and training	Enhancing the effectiveness of education and training to raise the safety awareness of employees.	1. Implementing education and training, and reviewing the training results with post-course tests. 2. Chemical leakage drills are held once every six months to enhance employees' understanding and operation of the leakage handling process.	No chemical leakage incidents this year.

Eclat Spares No Effort in Promoting Workplace Health, Earning Government Recognition

Eclat Taipei Headquarters' efforts and investments in workplace health, including diverse, comprehensive employee health promotion activities and improvements to the work environment, have been recognized by the Occupational Safety and Health Administration (OSHA). The headquarters was recognized as an outstanding enterprise in the 2025 voluntary evaluation of occupational health and safety performance disclosures in sustainability reports, and received the Health Promotion Administration's (HPA) 2025 health promotion self-assessment qualification certificate under the healthy workplace certification initiative.





Eclat's Dedication to Promoting Workplace Health Recognized by the Taoyuan City Government

The Eclat Dayuan Plant's dedication and investments in workplace health, demonstrated through comprehensive employee health promotion activities and excellent medical performance, have been recognized by the Taoyuan City Government. The plant received the Gold Award in the Excellent Workplace - Group Health Guardian Award from the Health Promotion Administration (HPA), as well as the HPA's 2025 health promotion self-assessment qualification certificate under the healthy workplace certification initiative.





Eclat Occupational Health and Safety Management System

Environment, Occupational Safety and Health Committee Structure for Taiwan Plants

Eclat has established an Environmental, Occupational Health and Safety Committee (EOSH Committee) in accordance with the Occupational Safety and Health Act. The EOSH Committee holds regular quarterly meetings and is responsible for reviewing, coordinating, and recommending occupational safety and health-related matters. This includes participating in hazard identification, risk assessment, the application of graded control measures, accident investigations, audits, and making recommendations regarding decisions involving subcontractors and outsourcing contractors. Labor representatives and directly affected workers make up more than half of the Occupational Safety and Health Committee. The committee is responsible for reviewing safety and health initiatives and providing recommendations on occupational safety and health policies, convening on a quarterly basis. Key initiatives implemented this year following the evaluation and recommendations of the Occupational Safety and Health Committee include: the introduction of equipment to improve ergonomics, ventilation enhancements in work areas, discussions on the utilization and demand for personal protective equipment, and various workplace environment improvement initiatives.

Conducting machine safety risk assessment to reduce the risk of injury

Eclat has established a robust machinery safety risk assessment system. In accordance with our machinery safety management procedures, we conduct equipment risk assessments, maintain operation safety manuals, and perform routine safety inspections and preventive maintenance to ensure all protective devices function properly. Additionally, we minimize machinery operation risks and protect employee safety and health through training and standardized operating procedures. Machinery safety across all plants is comprehensively enhanced through equipment improvements, the establishment of training and inspection systems, and incentive mechanisms:

CE safety machinery certification

1. Established a Machinery Safety Committee, introduced ISO 12100 risk assessments, conducted a comprehensive inventory of high-risk machinery, and collaborated with third parties to implement improvements and obtain safety certifications.
2. Developed a safety management system for new machines, requiring compliance with international safety standards and complete operational safeguards.
3. Trained safety seed instructors (accounting for over 1% of all employees) to promote diverse safety campaigns and enhance safety awareness across the workforce.
4. Established a regular safety inspection system for management to strengthen leadership in safety.
5. Implemented an employee safety improvement reward program to encourage proactive participation in risk prevention.
6. In 2025, the PT. Eclat Textile International plant and the Colltex Garment plant also began introducing the machinery safety management system to promote machinery safety.
7. Obtained third-party Certified Machinery Safety Expert (CMSE) certification.

Implement the 6S management system to enhance operational efficiency and improve the work environment

Factory 6S System

1. The 6S program comprises Sort, Set, Shine, Standardize, Sustain, and Safety. Through standardized operations, weekly audits, and employee participation mechanisms, we continuously improve the factory operating environment, mitigate safety risks, and enhance operational efficiency.
2. To reward business units with outstanding 6S implementation, a competition bonus system has been established to encourage employees to actively practice 6S and integrate it into their daily work habits and corporate culture.
3. In 2025, the factory 6S program was implemented 573 times.



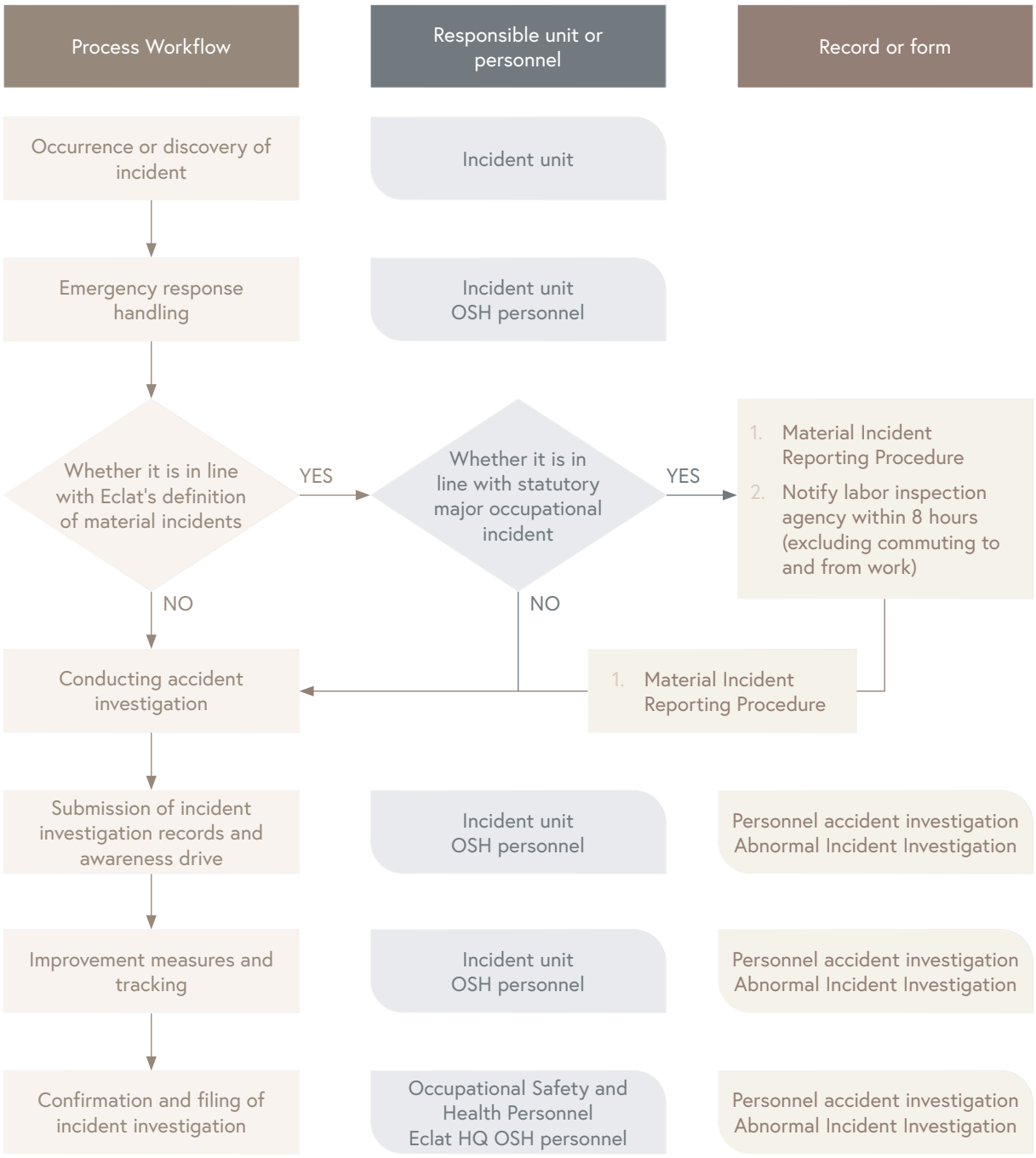
3.1.1 Identification of Work Hazard Risks and Accident Investigation

In accordance with ISO 45001 occupational health and safety management system requirements, we regularly perform hazard identification and risk assessment. For high-risk items, we implement management in accordance with operating procedures and formulate hazard prevention and improvement measures — including source engineering controls, tiered management measures, administrative management methods, and personal protective measures — to reduce occupational safety and health risks, continuously optimize the working environment, and prevent occupational injuries and health hazards.

In the event of an occupational health and safety incident, relevant personnel shall follow the "Incident Reporting and Management Regulations" to determine the severity level of the incident. They shall immediately initiate the corresponding emergency response measure and notification procedures to minimize the extent of harm. Through post-incident investigation and review of the root causes, preventive measures are formulated and the occupational health and safety management system is updated to prevent the recurrence of similar incidents.

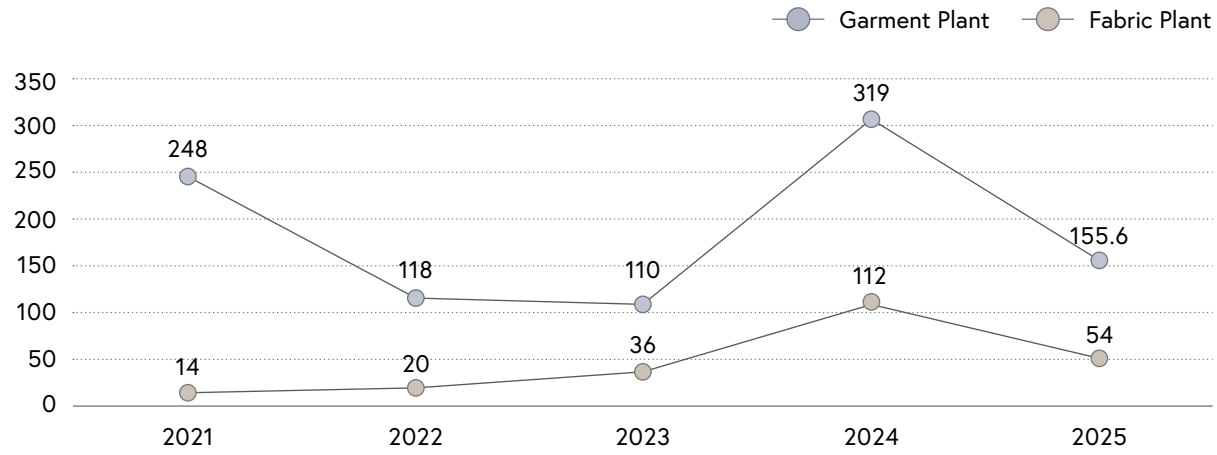
Accident notification management program flowchart

The total number of workplace injury incidents this year was 44, with a cumulative total of 209.6 lost workdays. Eclat conducts accident investigations based on the specific characteristics of each plant's processes:



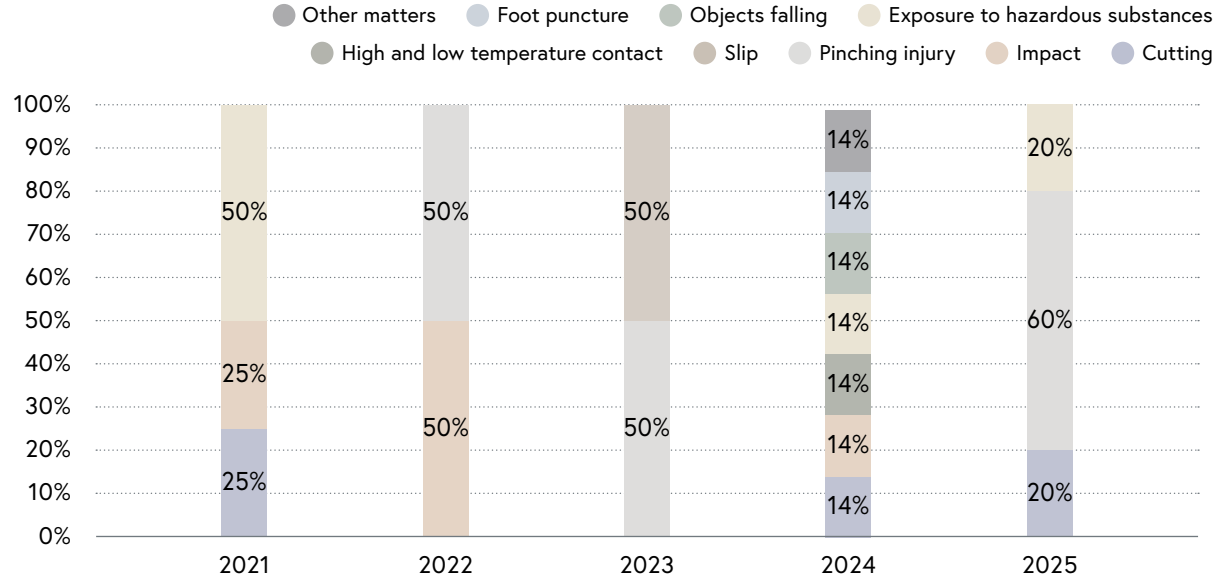
Analysis and statistics of lost workdays due to occupational injuries

Unit: days

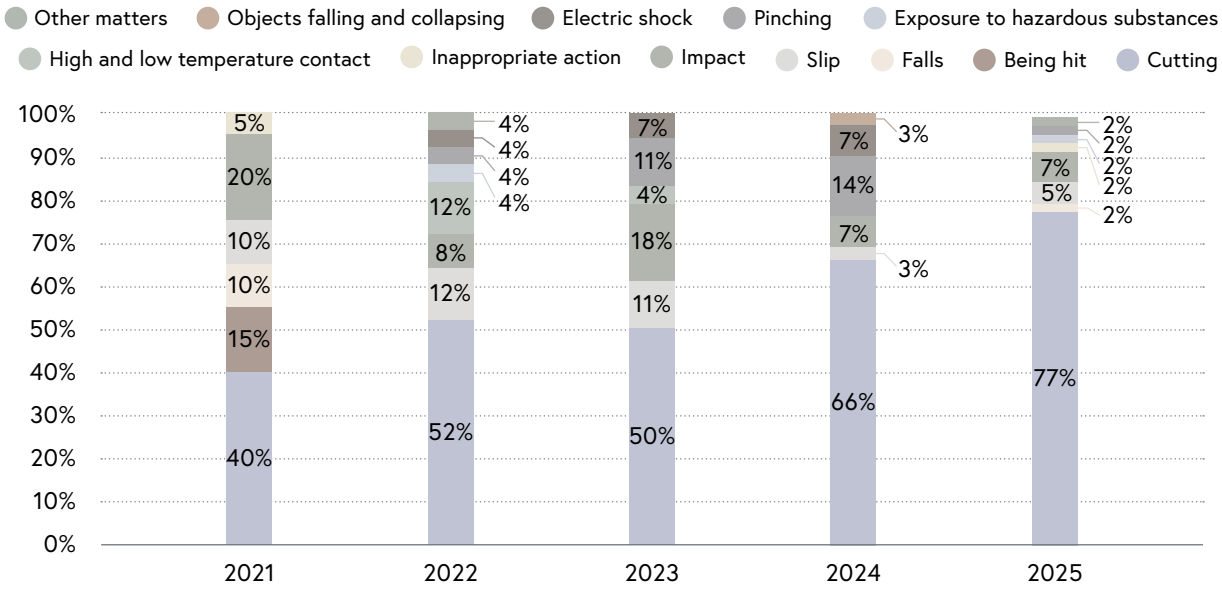


Analysis of occupational injury types

Fabric Plant



Garment Plant



Knitting mill accident investigation

Incident	The operator slipped and fell while operating the sizing machine, contacting the doctor blade and sustaining an injury.	The operator was caught and injured by the roller while operating the sizing machine.
Analysis	A small amount of sizing agent leaked onto the floor, creating a wet surface. An employee slipped while moving and, in an attempt to regain balance, made contact with the sizing scraper with their left hand, resulting in a laceration to the left wrist.	An employee noticed wrinkles in the fabric on the upper side of the sizing machine and attempted to smooth them out by hand. Due to unfamiliarity with standard operating procedures, the employee's right hand was drawn into the roller while pulling the fabric.
improvement measures	1. Install angle iron at the scraper's home position to prevent employee contact with the doctor blade. 2. Install anti-slip mats in the area where the slip occurred. 3. Revise the operating procedures to require that the scraper be manually adjusted to a safe angle (previously 90 degrees→approximately10 degrees) after returning to its home position, preventing accidental contact.	1. Install a protective mesh guard below the incident location to prevent direct hand contact. 2. Remove the original work platform to prevent employees from stepping up and making contact.

Garment Plant Accident Investigation

Incident	Unusual odor in the working environment caused personnel discomfort	Injury resulting from collision with a heat press machine
Analysis	Degraded air compressor oil produced a pungent odor that dispersed into the production area through the air supply pipeline, causing discomfort to personnel upon inhalation. As this was an open space, personnel on-site temporarily evacuated the work area.	An operator stood up and collided with the fixture of a heat press machine in idle status.
improvement measures	1. Immediately arranged for oil replacement and inspection of the equipment. 2. Revised the daily self-inspection items for air compressors. 3. Installed an exhaust gas duct to vent exhaust outdoors to prevent the equipment from operating at continuously high temperatures, which can cause premature oil deterioration; added the cleaning of heat dissipation fins to equipment maintenance to maintain heat dissipation efficiency.	1. Installed soft padding at locations where personnel may collide with the heat press machine. 2. Enhanced reminders for workers to remain mindful of safety when moving within the work area to avoid collisions. 3. Department managers shall conduct regular inspections and continue to remind workers to comply with safety regulations.

Horizontal investigation

Eclat has established standards for initiating horizontal deployment investigations for personnel incidents. Any incident at any site resulting in five or more lost workdays requires a horizontal investigation. The site where the incident occurred must provide a complete incident report and, after discussing the prevention and improvement plan with headquarters, share it with other sites to identify potential hazards. Each site then conducts assessments and improvements. Factories compile occupational accident statistics monthly and report them to headquarters. Headquarters utilizes quarterly or annual occupational safety and health audits to verify and confirm the improvements to protective measures implemented by each site following horizontal deployment, aiming to effectively prevent the impact of occupational injuries and avoid recurrence.

In July 2025, during an on-site inspection by the Central Occupational Safety and Health Center of the Occupational Safety and Health Administration at the Miaoli plant, it was found that the safety interlock function — designed to stop operation when the cover is opened — was malfunctioning on one centrifuge next to a sample dyeing machine, and the seatbelt of one forklift was damaged and ineffective. A fine of NT$120,000 was imposed in accordance with the Occupational Safety and Health Act, which has been paid on schedule, and corrective actions have been reported to the labor inspection authority. To prevent recurrence, these items have been included as key points in routine on-site inspections and horizontally deployed to other sites to ensure workplace safety.

Injury-related Absenteeism Statistics

In 2025 Eclat experienced no fatalities or severe occupational injuries, resulting in an occupational injury fatality rate and a severe occupational injury rate of 0. Furthermore, there were no cases of occupational disease, representing an occupational disease rate (ODR) of 0.

Injury-related absenteeism statistics

Region		Taiwan			Vietnam			Cambodia			Indonesia		
Category	Year	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Injury Rate (IR)	Male	0.17	0.16	0.24	0.46	0.32	0.46	1.27	0.95	0	0	0.19	1.27
	Female	0	0.2	0	0.06	0.1	0.09	0.51	0.31	0.26	0.058	0.11	0.37
	Total	0.06	0.18	0.12	0.11	0.13	0.14	0.64	0.42	0.21	0.05	0.11	0.44
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
Absenteeism Rate (AR)	Male	0.005	0.003	0.003	0.008	0.006	0.008	0.01	0.012	0.013	0.008	0.003	0.006
	Female	0.007	0.004	0.006	0.007	0.007	0.008	0.009	0.01	0.012	0.007	0.003	0.006
	Total	0.006	0.004	0.005	0.007	0.007	0.008	0.009	0.011	0.012	0.007	0.003	0.006
Lost Day Rate (LDR)	Male	5.61	0.322	4.09	3.42	6.697	2.69	1.591	1.58	0	0	1.348	6.05
	Female	0	8.934	0	0.195	1.448	0.41	1.14	0.498	1.83	0.176	0.169	0.83
	Total	2.162	5.65	1.51	0.593	2.108	0.72	1.218	0.676	1.5	0.163	0.286	1.24

Note 1 Injury Rate (IR) = Total number of injuries / Total number of hours worked × 200,000*
Note 2 Occupational Disease Rate (ODR) = Total Occupational Disease Incidents / Total Hours Worked × 200,000*
Note 3 Absenteeism Rate (AR) = Number of days absent from work / Total number of working days × 100%
Note 4 Lost Day Rate (LDR) = Number of days lost at work / Total number of working hours × 200,000*.
*The 200,000-hour factor represents 100 employees working 40 hours per week for 50 weeks per year.
Note 5 Minor injuries and traffic accidents are excluded from these statistics.

3.1.2 Occupational Safety and Health Education and Training

We continue to promote occupational safety and health education and training throughout the entireplant area, raising awareness about the prevention of occupational accidents. Our aim is to achieve the goal of involving all employees in these efforts. This year, Eclat conducted a total of 1,044 online and in-person occupational safety and health training sessions. The training courses covered topics such as the use of personal protective equipment, chemical hazard and management, operational safety, machinery safety, fire prevention, emergency response, health education and promotion, health management, ergonomics, building safety, and women's health. Regularly organize quarterly cross-plant occupational safety and health meetings to share experiences and promote horizontal communication. 8 cross-plant meetings were held in this year. Factories regularly arrange for current employees to receive occupational safety and health training, and share case studies of incidents occurring within our plants as well as recent domestic and international incidents through the Safety and Health Committee.

Management of On-site Contractors

Classification of Contractors

- Classified into general operation control (such as freight transport, waste disposal) and high-risk operation control (such as hot work, lifting/hoisting work, roof work).
- High-risk operations are subject to a higher degree of control, and require a separate control form and approval by the plant.

Obtain a Qualification Certificate

- Submit safety pledge, hazard notification form, list of employees, insurance information, emergency contact person and other information.
- Receive education and training from Eclat contractors and pass the test, with a score of 80 or above; the test questions are updated annually.

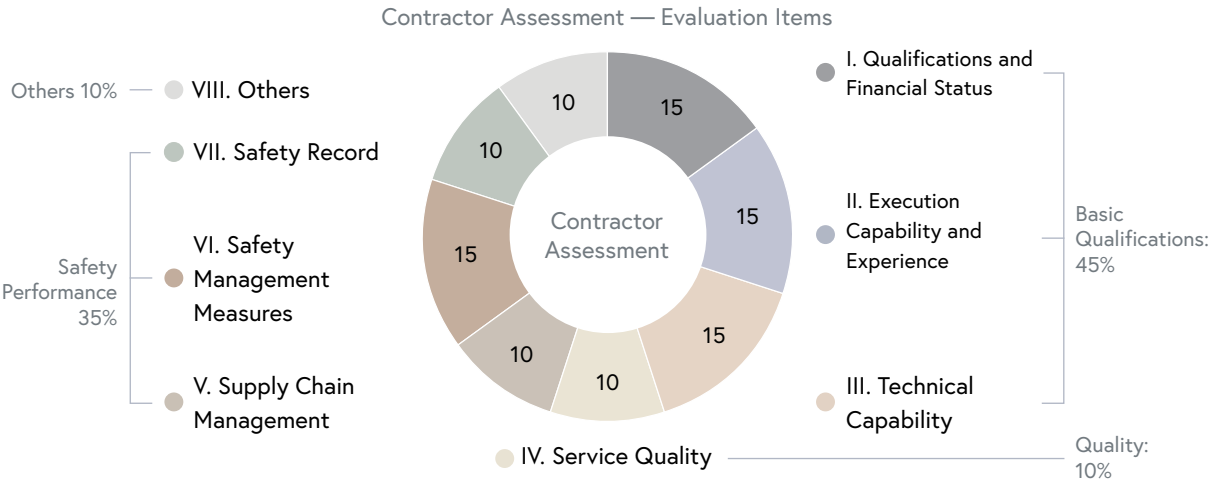
Entry and On-Site Operations

- Follow the occupational safety regulations and Eclat's factory occupational safety rules to carry out operations.
- Supervision and management by Eclat OSH personnel

Evaluation grading

- Conduct contractor tiered management based on objective evaluations of basic qualifications, safety compliance, and service quality.
- Provide guidance to contractors scoring below standard.
- Assess the substitutability of contractors, and replace with a higher-scoring contractor.

Contractor evaluation items



In 2023, Eclat established and implemented a contractor assessment mechanism, managing contractor data through an electronic information system to enhance management efficiency and strengthen on-site operational safety audit and control. The mechanism utilizes eight assessment criteria to review contractors' basic qualifications (45%), quality (10%), safety performance (35%), and other factors. A total of 104 contractors were assessed this year, resulting in 103 graded as Grade A and 1 as Grade B. For contractors with lower scores, Eclat provides communication and guidance to help them meet the required standards. Through entrance training and evaluation requirements, contractors who are non-employees entering the plant have had no serious or disabling occupational injuries this year.

3.1.3 Occupational Disaster Protection

This year, environmental assessments were conducted across all plant sites to drive various improvement measures, with investments of approximately NT$9.63 million in Taiwan, NT$8.08 million in Vietnam, NT$2.36 million in Cambodia, and NT$510,000 in Indonesia.

Environmental improvement promotion measures

Taiwan

Medical clinic supplies and maintenance expenses

1. Procurement of personal protective equipment
2. Replacement of plant roofing sheets
3. Pest control and environmental sanitation in the plan
4. Purchase of ergonomic protective gear and lumbar support
5. Rental of forklifts to reduce manual handling
6. Upgrades and maintenance of safe lifting equipment and elevators
7. Upgrades and maintenance of fire protection systems

Vietnam

1. Implement machinery safety projects and improve equipment safety
2. Implementation of the third-party LABS building safety, fire protection, and electrical improvement plans at the plants
3. Update plant fire protection systems
4. Expenses for promoting COSMA safety culture initiatives and activities at the plants
5. Procure personal protective equipment
6. Improve workshop ventilation fans
7. Perform regular disinfection within the plant
8. Expenses for painting and repairing plant walls and perimeter fencing

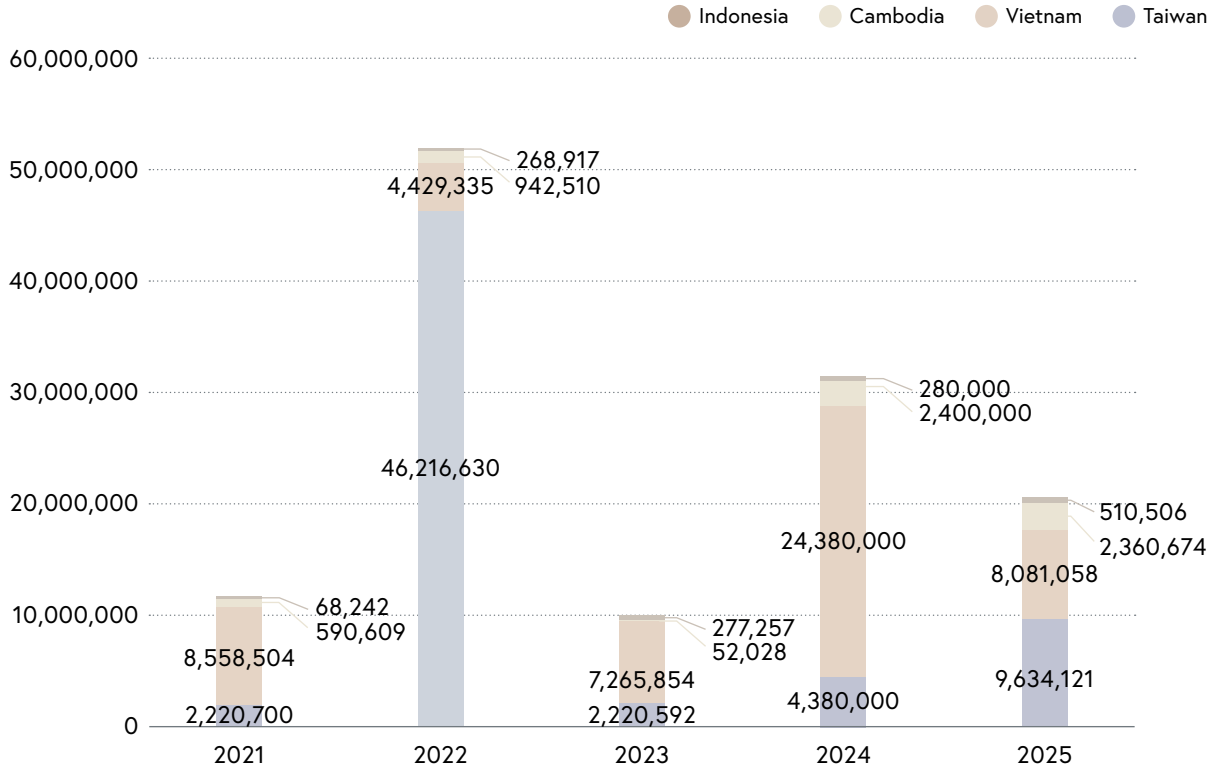
Cambodia

1. Implementation of the third-party LABS building safety, fire protection, and electrical improvement plans at the plants
2. Procurement of personal protective equipment
3. Air conditioning improvement project for indoor work areas
4. Dormitory environment renovation project

Indonesia

1. Conduct environmental testing every six months
2. Conduct wastewater testing monthly
3. Procurement of wastewater testing equipment
4. Monitor purified and drinking water
5. Replace fire extinguishers 5
6. Implementation of machine safety projects

Amount of investment in environmental improvement



Note 1 After implementing the automatic feeding equipment in the post-dyeing process in 2022, the amount for Taiwan significantly increased that year.

Fire Prevention and Building Safety

This year, a total of 52 disaster preparedness drills were held, and each production site also completed the annual building fire safety inspection and maintenance of firefighting systems. These measures ensure that the systems can operate effectively during emergency situations. All employees participate in online occupational safety and health as well as fire safety management foundation courses to learn about identifying, analyzing, addressing strategies for, and assessing the risks of fire and explosions in the plant area. This aim is to achieve plant-wide involvement in fire prevention and enhance fire safety awareness.

On-site inspections and professional reviews by a third-party Life and Building Safety (LABS) verification body provided a professional third-party perspective on three key areas — building structural safety, fire protection systems, and electrical safety. This helps the Company's plants establish a sustainable and verifiable life and building safety management system, reduce operational risk, enhance customer trust and supply chain transparency, and strengthen alignment with ESG sustainability goals.

The Taiwan plant conducts quarterly inspections of electrical panels using IR infrared thermography. This institutionalized regular inspection helps identify equipment anomalies early. Abnormal panel temperatures are investigated and addressed promptly. Starting this year, we have extended this practice to all overseas plants. Through regular thermographic inspections, abnormal temperature points are detected early, causes are analyzed, and investigations are conducted to implement preventive measures before actual hazards occur, effectively reducing operational risks in the plants.

Summary of 2025 Infrared (IR) Thermographic Inspection Results

Factory premises	Panels to Be Inspected	Number Inspected	Panels Passed	Anomalies Found	Remarks
Dayuan Plant	192	192	192	0	-
Hsichou Plant	236	236	236	0	-

3.1.4 Chemicals Management

Procurement and supplier management	Chemical MRSL and product RSL management.	Storage and labeling management

1. Personnel training and emergency management: We regularly conduct hazard awareness and personal protective equipment training for chemical handling personnel. Additionally, chemical spill response drills and reviews are carried out every six months to continuously strengthen on-site staff's emergency response capabilities.
2. Plant audit and guidance management: Led by the Headquarters Sustainability and Occupational Safety & Health Management Division, quarterly audits and guidance are conducted at each plant focusing on chemical use, storage, and labeling to ensure compliance with regulations and customer standards.

Procurement and supplier management

To strengthen chemical source management, Eclat prioritizes the procurement of chemicals that comply with ZDHC MRSL standards and encourages suppliers to proactively complete product certifications. For those not yet certified, suppliers are required to provide product compliance certificates to ensure the safety and regulatory compliance of chemical sources. Eclat regularly organizes chemical supplier conferences to clearly explain chemical management procedures, procurement policies, and risk cases to partners. These events provide a two-way communication platform that helps the supply chain — from raw yarn suppliers to processing chemical manufacturers — fully understand Eclat's regulations and expectations regarding chemical safety.

As of 2025, over 90% of the chemicals used at the Da-Yuan plant and the Vietnam fabric plant have passed ZDHC MRSL certification (Levels 1–3), demonstrating significant supply chain collaboration results. This year, a total of 21 suppliers and 14 contractors participated in supplier conferences, with 52 attendees in total, deepening partners' understanding of and commitment to Eclat's chemical management policies.

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Chemical MRSL and product RSL management

Eclat continuously strengthens its chemical management system by establishing a group-wide chemical database that integrates hazard classifications, regulatory controls, and certification information to enhance procurement and usage efficiency. At the same time, proprietary MRSL/RSL standards and acceptance procedures have been developed, with regular compliance reviews. For high-risk chemicals, the system proactively flags the use of specific restricted substances and provides alternative recommendations to reduce future risks of prohibition.

In addition, high-usage chemicals and key products are regularly tested annually, with spot checks and wastewater testing conducted according to regulations to ensure end-to-end compliance.

In 2025, all knitting mills and garment plants achieved Higg FEM Level 1 verification, with continuous, progressive improvements being made to environmental management target-setting and requirements under Level 2 and Level 3 to meet increasingly stringent future environmental and chemical standards in the textile industry. Additionally, the Dayuan Plant and the fabric plant in Vietnam completed their bluesign® recertification.

Storage and labeling management

Based on occupational safety regulations and GHS standards, Eclat implements strict chemical segregation storage and clear labeling management. Liquid chemicals are stored according to their properties in bunded areas with spill containment, and personnel access is restricted. All containers carry Chinese hazard labels, and each facility maintains an up-to-date chemical inventory and Safety Data Sheets (SDS) for instant reference. In 2025, no incidents occurred due to improper storage or labeling, and no chemical leakage–related hazards were reported.

All audit findings at each plant have been rectified, achieving a 100% remediation rate.

3.2 Labor Rights Protection

We highly value diversity, inclusion, and safety in the workplace. Through a comprehensive occupational safety and health management system, we safeguard the safety and well-being of our employees. Eclat is committed to providing excellent working conditions and environment, enabling our employees to maintain a passionate, innovative, and responsible work attitude, and to grow together with the Company.

In 2017, Eclat formally established the "Eclat Human Rights Policy", to refine our corporate human rights management standards. We also provide our plant employees with high-quality skills training and welfare benefits to ensure their well-being and peace of mind. Through fair performance evaluation and promotion systems, we guarantee that every employee receives compensation and development opportunities aligned with their individual capabilities, ensuring all members of our workforce are treated with respect and fairness.

Using the International Bill of Human Rights, the ILO Core Labour Standards, and the Eclat Human Rights Policy, and with reference to common human rights risks in the textile industry, Eclat has identified 14 human rights issues, set human rights goals for these issues, established assessment indicators to conduct risk assessments, and promoted preventive mitigation measures and remedial measures for incidents. The human rights due diligence process and implementation status are as follows:

STEP 01 Establishing Human Rights Policy and Commitment

1. Safeguarding Human Rights
2. Establishing Management Mechanisms
3. Documenting Procedures

STEP 02 Identify common human rights infringement risks in the industry

1. Supplier code of conduct
2. Employee code of ethics and professional conduct
3. Workplace sexual harassment prevention, complaint, and disciplinary regulations
4. Common human rights risks in the industry

STEP 03 Risk assessment and results analysis

1. Risk assessment indicators
2. Draw a human rights risk matrix based on likelihood and severity

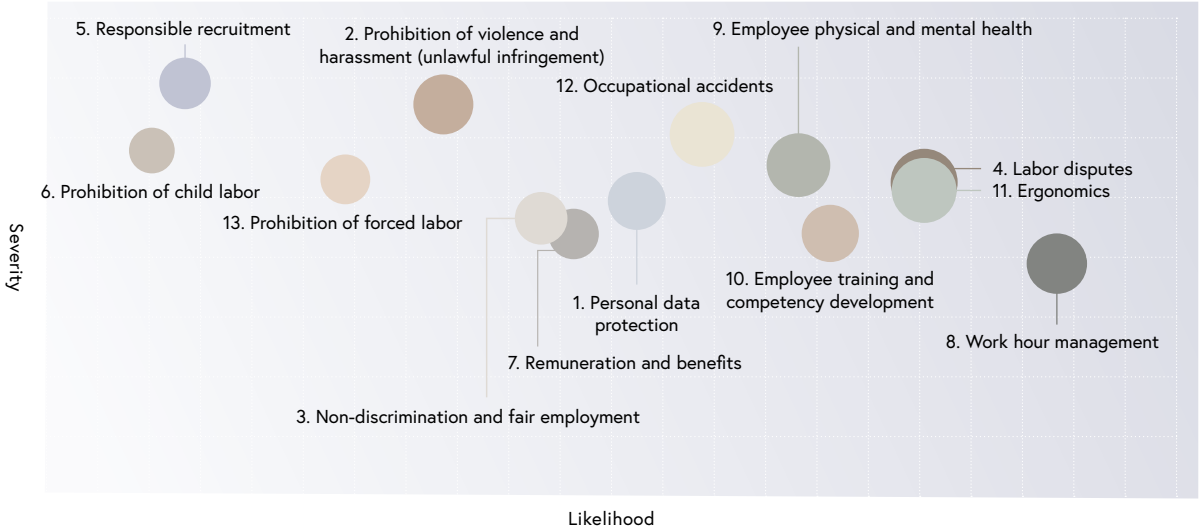
STEP 04 Formulate relevant management measures.

1. Mitigation measures
2. Information Disclosure

STEP 05 Periodically track and improve.

1. Remedial measures
2. Continuous Improvemen

This year, based on the aforementioned human rights issues and Eclat's internal operations, we identified 13 human rights issues requiring close attention. Accordingly, we initiated the Eclat Corporate Human Rights Issue Survey, inviting members of the ESG Committee, contributors to the ESG report, and internal human rights specialists to complete the questionnaire, retrieving 18 valid responses. Based on the likelihood of occurrence (including likelihood and frequency) and the severity of non-compliance (including the scope of impact, remediability, and quantifiable financial impact), we mapped out a human rights issue risk matrix. By ranking materiality based on the insights of employees handling relevant human rights operations, we will prioritize the management and mitigation of high-materiality issues.



Eclat's material human rights issues and mitigation and remediation measures

Labor disputes

Materiality	Goals	Risk assessment indicators
✓	Comply with the laws and regulations of various countries and strive to coordinate labor rights and management rights.	Complaint cases, labor mediation cases

Mitigation measures

1. Formulate corresponding policies and procedures in accordance with local labor, health and safety regulations, as well as relevant international labor regulations and standards.
2. Conduct two-way communication through business meetings and production and marketing meetings, and conduct an employee satisfaction survey every year.
3. Establish "Complaint Handling Regulations" to receive complaints and feedback via a complaint hotline or email, with designated personnel responsible for handling them.
4. Regarding labor disputes, Eclat has established a complaint handling mechanism in accordance with local labor laws and international standards. Communication with employees is conducted through meetings and investigations. For detailed measures and implementation status, please refer to 2.3.3 Employee Feedback and Communication in this report.

Remedial measures

1. Conduct labor-management negotiations in accordance with legal procedures.
2. Provide statutory severance pay.

Work environment safety (ergonomics/occupational hazards)

Materiality	Goals	Risk assessment indicators
✓	1. Reduce the risk of occupational accidents and occupational diseases. 2. Minimize accident injuries as much as possible when an accident occurs.	1. Occupational hazard risk assessment 2. Health checkup report

Mitigation measures

1. Invest in upgrading equipment, introduce automated equipment, improve the working environment, and reduce the incidence of occupational accidents and diseases.
2. Ensure the maintenance of a good and comfortable working environment through regular environmental monitoring.
3. Conduct occupational health and safety training on the use of personal protective equipment, chemical hazard management, machinery safety, fire prevention, and emergency response.
4. Train and evaluate contractors entering the plants to ensure the safety of contractor personnel working within the plants.
5. Implement the ISO 45001 Occupational Health and Safety Management System, optimizing working conditions through equipment upgrades, automation, and environmental monitoring. In addition, regularly conduct occupational safety and health education and training as well as chemical management for employees and contractors. For details, please refer to Section 3.1 "Occupational Safety and Health," Section 3.1.2 "Occupational Safety and Health Education and Training," and Section 3.1.4 "Chemicals Management."

Remedial measures

Conduct accident investigations and establish corrective measures in accordance with the accident reporting and handling procedures.

Employee physical and mental health

Materiality	Goals	Risk assessment indicators
✓	Improve the physical and mental health of employees and reduce employee turnover.	Employee satisfaction survey

Mitigation measures

1. Provide statutory health-related leaves such as menstrual leave, prenatal checkup leave, and family care leave, along with comprehensive maternity and childcare benefits.
2. Implement annual health plans and organize health-related lectures and activities.
3. Set up yoga studios, badminton courts, and gyms, offering employees diverse fitness equipment.
4. Allow employees to leave work one hour early on "Happiness Day."
5. Non-compulsory observance of certain makeup workdays
6. We offer diverse types of health leave and maternity benefits, provide nursing and breastfeeding facilities, and implement annual health programs. Additionally, exercise facilities and flexible welfare measures are available to enhance employee well-being. For more details, please see 2.3 Remuneration, Benefits, and Care as well as the materiality matrix and boundaries.

Remedial measures

Examine employee health checkup results, provide consultation on health checkup reports, and follow up on any anomalies.

Working hour management

Materiality	Goals	Risk assessment indicators
✓	Working hours comply with local regulatory requirements.	Attendance system

Mitigation measures

1. Comply with local overtime regulations and do not force employees to work overtime against their will.
2. Track attendance statistics from the clock-in system and immediately notify supervisors to follow up on employee overtime if any irregularities are detected.
3. Using computer program controls, employees who have not applied for overtime will receive reminders, followed by automatic forced shutdown of their computers.

Remedial measures

Develop reasonable production plans, appropriately adjust work tasks, and increase manpower.

Prohibition of violence and harassment (Illegal infringement)

Materiality	Goals	Risk assessment indicators
✓	Avoidance of workplace abuse.	Complaint case

Mitigation measures

1. Establish the "Sexual Harassment Prevention Measures and Disciplinary Procedures."
2. Prohibit all forms of violence, harassment, and abuse, whether verbal, psychological, physical, or workplace bullying.
3. Violence and harassment in all forms are prohibited. Regulations for the prevention and reporting of sexual harassment are in place, and regular education and training are provided to all employees and supervisors to enhance their ability to identify and address such issues. Please see 2.3.3 Employee Feedback and Communication, 3.2.1 Advocacy and Management of Human Rights Issues and 3.3 Community and Social Co-Prosperity for further details.

Remedial measures

Immediately correct the offender's behavior, implement corrective and remedial actions, and impose disciplinary measures according to the Company's work regulations and internal policies.

Employee training and functional development

Materiality	Goals	Risk assessment indicators
✓	Enhance employees' career development	1. Annual education and training plan 2. Post-training satisfaction survey 3. Performance evaluation

Mitigation measures

1. Provide employees with various job-related training programs.
2. Implement an online learning platform that adds new courses annually, allowing employees to attend classes anytime and anywhere without location restrictions.

Remedial measures

1. Employees who failed the post-training test must retake the examination.
2. Adjust the training program based on the satisfaction survey.
3. Implement performance evaluation improvement plans.

Personal data protection

Materiality	Goals	Risk assessment indicators
✓	Establish storage and monitoring mechanisms to prevent the leakage of employee personal information.	Complaint case

Mitigation measures

1. All employees participate in annual information security training and assessments, with periodic awareness campaigns on information security knowledge.
2. An information security policy has been formulated, and dedicated personnel have been appointed to manage personal data protection and information security. Annual education, training, and awareness campaigns are conducted to enhance the information security awareness of all employees. Related measures are detailed in Section 1.2.2, "Sustainability Risks and Opportunities."

Remedial measures

1. Notify the affected persons.
2. Initiate an investigation process to prevent further leakage or recurrence.

Prohibition of discrimination and fair employment

Materiality	Goals	Risk assessment indicators
✓	Ensure that the entire hiring process is fair and just	1. Complaint case 2. Performance evaluation

Mitigation measures

1. In compliance with the Gender Equality in Employment Act and the ethical codes of conduct for each brand, relevant ethical standards are published at all plants. We ensure that employees are not discriminated against or treated unfairly in hiring, compensation, benefits, promotion, rewards and penalties, resignation, or retirement based on gender, gender identity, race, religion, age, disability, illness, marital status, pregnancy, sexual orientation, nationality, political views, social or ethnic background, or any other factors.
2. Formulate the Sexual Harassment Prevention and Control Regulations and establish a complaint channel.

Remedial measures

Immediately correct the offender's behavior, implement corrective and remedial actions, and impose disciplinary measures according to the Company's work regulations and internal policies.

Remuneration and benefitsts

Materiality	Goals	Risk assessment indicators
✓	We motivate employees with salaries and benefits to improve their quality of life and reduce turnover.	1. Retention rate 2. Salary survey 3. Employee satisfaction survey

Mitigation measures

We have established a competitive remuneration and benefits system, with remuneration determined based on operational and employee performance. We also offer a childcare center and related subsidies to help employees achieve work-life balance. Please refer to section 2.3 Remuneration, Benefits, and Care for further details.

Remedial measures

Employee welfare programs are adjusted based on employee satisfaction surveys

Responsible employment

Materiality	Goals	Risk assessment indicators
	Ensure that migrant workers are not exploited as a result of working abroad	1. Recruitment procedures 2. Due diligence of the agency

Mitigation measures

We have implemented a "zero-fee" hiring policy to protect foreign migrant workers from economic burdens during the recruitment process, ensure their personal freedom and information transparency, and conduct due diligence on cooperating agents. Please see section 3.2.1 Advocacy and Management of Human Rights Issues for detail.

Remedial measures

Immediately reimburse the mistakenly collected fees.

Prohibition of forced labor

Materiality	Goals	Risk assessment indicators
	No forced labor.	Complaint case

Mitigation measures

We comply with government labor laws and international regulations, and do not force or coerce any unwilling personnel to perform labor. We also prohibit restricting the freedom of movement of any personnel, including the withholding of any personal documents.

Remedial measures

Immediately correct the offender's behavior, implement corrective and remedial actions, and impose disciplinary measures according to the Company's work regulations and internal policies.

Prohibition of child labor

Materiality	Goals	Risk assessment indicators
	Ensure that no child labor is employed.	Recruitment procedures

Mitigation measures

1. The Company prohibits the employment of child labor below the minimum local employment age at any operational site and within the supply chain, and ensures that children do not enter the workplace.
2. Establish recruitment and interview processes to verify the age of applicants using identification documents and interviews.

Remedial measures

1. Immediately stop work and lay off employees according to law.
2. Notify their guardian.

Freedom of association

Materiality	Goals	Risk assessment indicators
	Employees are free to join clubs	1. Complaint case 2. Employee satisfaction survey

Mitigation measures

We respect employees' freedom of association, protect their right to participate in trade unions as stipulated by law, and encourage the formation of clubs and provide subsidies to facilitate employee interaction. Please refer to 2.3 Remuneration, Benefits, and Care and 2.3.3 Employee Feedback and Communications.

Remedial measures

Immediately correct the offender's behavior, implement corrective and remedial actions, and impose disciplinary measures according to the Company's work regulations and internal policies.

Supplier human rights engagement

Materiality	Goals	Risk assessment indicators
	To be in compliance with local regulations and Eclat's code of conduct.	1. Code of conduct signing status 2. Penalty records of local governments 3. Internal audit report 4. External third-party audit report

Mitigation measures

By implementing code of conduct agreements, training, audits, and evaluation mechanisms, we strengthen suppliers' requirements for human rights, health and safety, and environmental management, ensuring their compliance with relevant laws and sustainability responsibilities. For details, please refer to Sections 1.3.2 Philosophy of Ethical Management and 3.2 Labor Rights Protection.

Remedial measures

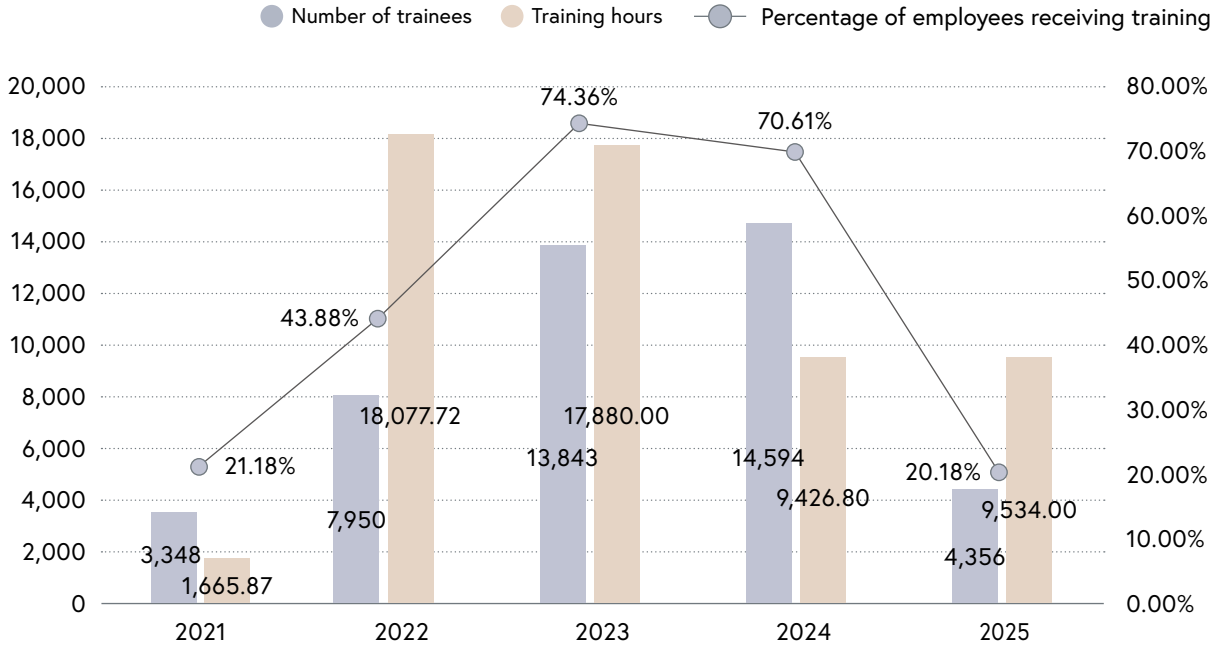
1. Track and improve deficiencies based on internal and external audit reports.
2. Penalties are imposed on suppliers violating human rights, or they may be subject to termination and exclusion.

3.2.1 Advocacy and Management of Human Rights Issues

With the increasing global emphasis on human rights issues, Eclat strives to enhance employees' understanding of their own rights, aiming to establish a work environment characterized by equality and equity. We regularly conduct human rights-related training and encourage all employees to participate. The training covers topics such as freedom of employment, working hours, wages, and child labor.

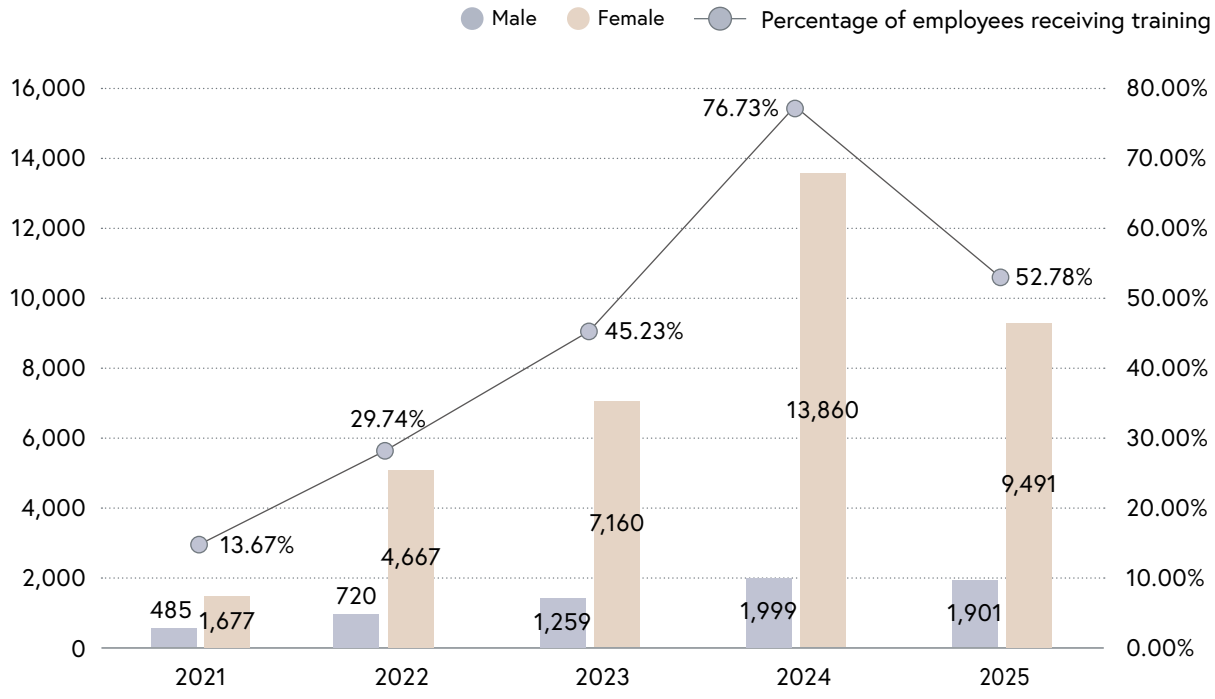
This year, 91.5% of headquarters employees participated in and passed the "Human Rights and Social Policy" training.

Training on human rights issues



Sexual Harassment Prevention and Control Workshop

The percentage of employees participating in and passing the "sexual harassment prevention" training at headquarters this year reached 91.6%. In Vietnam, Cambodia, and Indonesia, the training participation rate has been steadily increasing as the Company encourages all employees to attend training.



Migrant Workers "Zero Fee"

To improve the working conditions of foreign employees in Taiwan and prevent unequal relationships between migrant workers and agencies, Eclat has actively supported the "No Fees" initiative championed by brand clients Patagonia and lululemon since 2017. Through comprehensive work plans and robust document management systems, Eclat continues to collaborate with brands to eliminate human trafficking, forced labor, and all forms of exploitation within the supply chain.

The Zero Fee program was officially implemented on January 1, 2020, and applies to all newly recruited migrant workers at Eclat's facilities in Taiwan. Under this program, no migrant workers in Taiwan are required to bear any costs associated with recruitment, visas, residence permits, or medical examinations. At the same time, Eclat ensures that migrant workers retain possession of their personal identification documents and enjoy freedom of movement, and provides comprehensive information on employment terms in their native language before departure to safeguard their rights.

Social Labor Integration Program

As global supply chains expand, managing labor conditions has become increasingly challenging. Consequently, various stakeholders have collaborated to promote the Social and Labor Convergence Program (SLCP), aiming to use this integrated tool to enhance oversight of labor conditions within the supply chain. The SLCP assessment covers nine major categories: facility profile, working hours, recruitment and employment, wages and benefits, employee treatment, employee engagement, health and safety, termination of employment, and management systems. By utilizing a converged assessment framework, it reduces redundant audits, allowing more resources to be directed toward improving working conditions.

In 2019, Eclat introduced the SLCP and both completed and validated the Facility Social & Labor Module (FSLM) on the Higg platform which was established by the Sustainable Apparel Coalition (SAC). As a result, Eclat can transparently share its factories' social and labor conditions with brand customers, thereby reducing social audit fatigue at the factory level and eliminating redundant assessment procedures for clients.



Migrant Workers' Opinions Matter - Migrant Workers' Opinion Collection Project

Eclat has collaborated with various brand partners to conduct multiple projects for collecting feedback from migrant workers. We actively engage in efforts to reduce the risks of forced labor, aligning with the eleven indicators of forced labor provided by the International Labour Organization (ILO). Through this collaboration with our brand partners, we aim to identify and address the risks of forced labor within the supply chain and fulfill responsible recruitment goals. During the course of the project, Eclat actively collected feedback from migrant workers through diverse and open channels of communication. We continuously work on improvements based on this feedback, aiming to create a safe and fair working environment and living conditions that are free from harm for all workers.

3.3 Community and Social Co-Prosperity

Since establishment, Eclat has upheld the principle of "giving back to society" and has continuously grown and thrived with the support of societal resources and the trust of stakeholders. We combine our industry expertise, focus on four key pillars, and invest resources and personnel to give back to society. For "Generational Education," we prioritize providing scholarships to outstanding students from low-income families and organizing or sponsoring fashion design competitions to provide a platform for students in related fields to showcase their talents, thereby focusing on the goals of Quality Education (SDG 4) and No Poverty (SDG 1). For "Care for the Disadvantaged," we initiate employee donations of goods or funds, aiming to contribute to the goals of Zero Hunger (SDG 2) and Reduced Inequalities (SDG 10). For "Athlete Support," in addition to sponsoring training expenses, we leverage our industry expertise to provide functional fabrics and design competition apparel, thereby promoting sports and supporting the goal of Good Health and Well-being (SDG 3). For "Environmental Protection and Carbon Reduction," we mobilize employees to participate in marine and forest conservation initiatives and energy-saving activities, contributing to the goal of Life Below Water (SDG 14).

This year, a total of approximately NT$8.78 million was invested across these key aspects, involving approximately 204 volunteer person-times, with an estimated 221 beneficiaries.

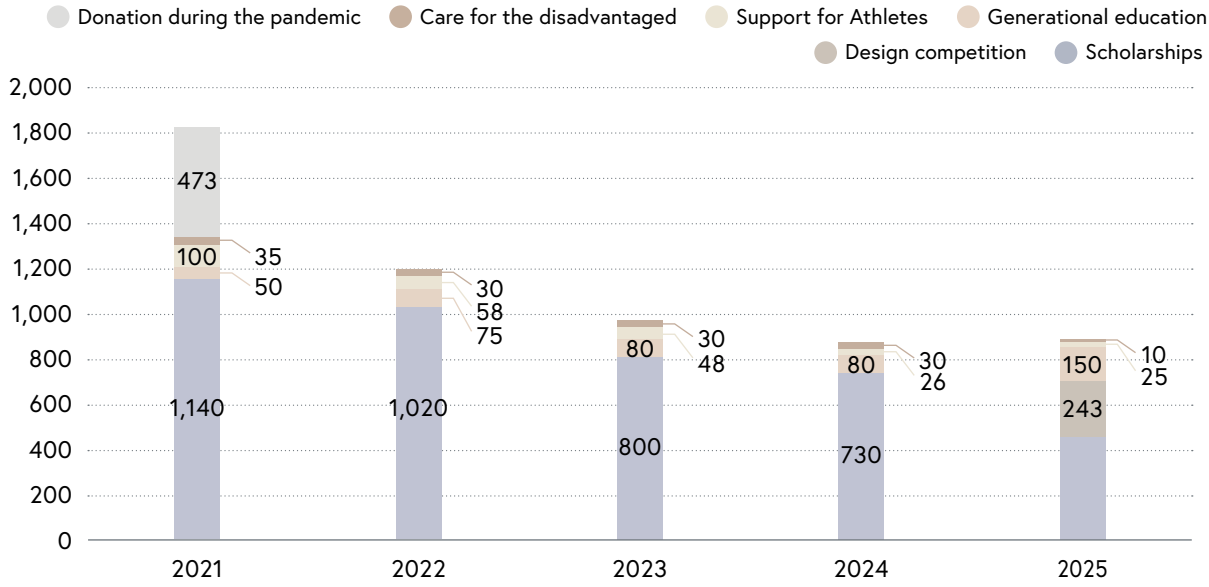
Generational education	+ Promote generational education + Enhance equality in education and growth environments + Cultivate talents for the industry	Priority is given to providing scholarships for outstanding students from underprivileged families, along with organizing and sponsoring fashion design competitions that offer a stage for students in related fields to showcase their talents.	
Caring for the Disadvantaged	+ Deepen social welfare participation + Strengthen community bonds and break down barriers	Launch employee-driven donation drives for goods or financial contributions.	
Support for Athletes	+ Enhance sports competitiveness + Promote participation in sports activities, physical and mental health, and work-life balance.	In addition to sponsoring athletes training expenses, we leverage our industry expertise by providing functional fabrics and designing competition apparel, thereby promoting sports participation.	
Carbon Reduction	+ Strive for energy conservation, carbon reduction, environmental + Practice care for the environment and ecology	Rally colleagues to take part in marine and forest environmental conservation activities, as well as energy-saving initiatives.	

A total of approximately NT$8.78 million was invested across these focus areas this year.

Approximate number of volunteer participations	Estimated number of beneficiaries reached
204	221

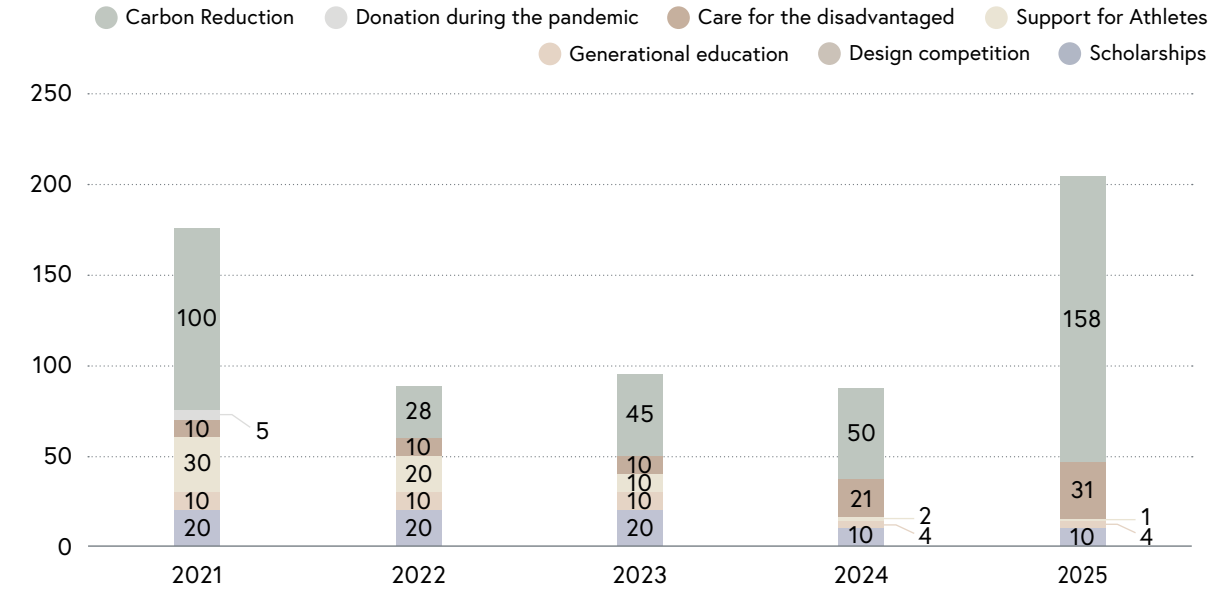
Expenditure for social welfare activities

Unit: $10 thousand



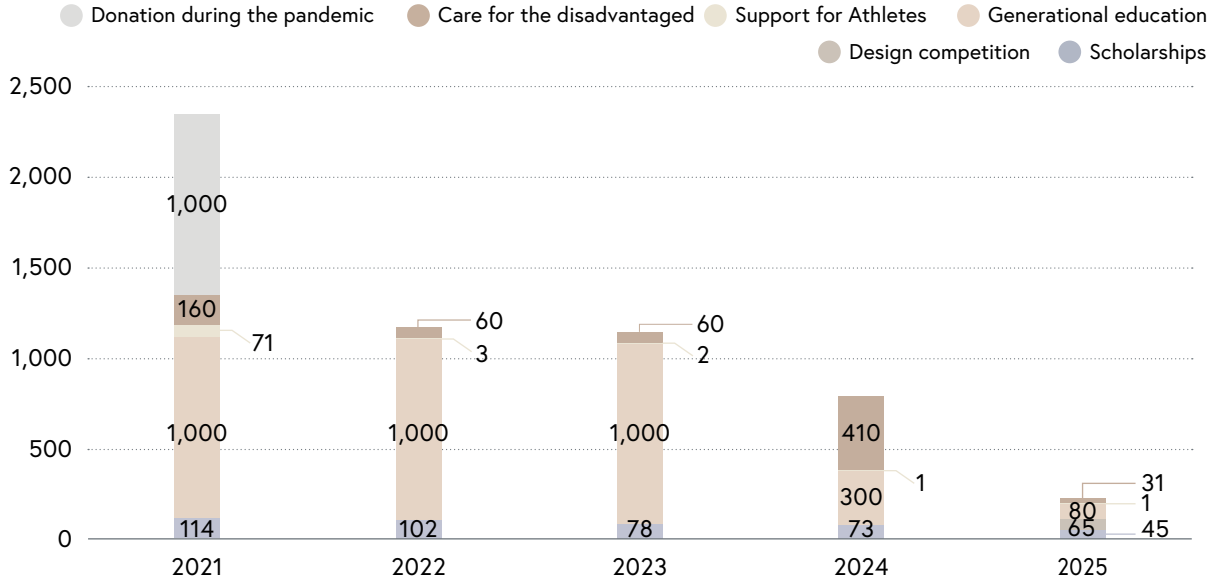
Number of Participants in Social Welfare Activities

unit: persons



Estimated number of beneficiaries

unit: persons



SERI Training Program

SERI Supporting Equality by Reimagining Industry



The Eclat Textile Vietnam Plant collaborated with customers on the Supporting Equality by Reimagining Industry (SERI) project. This initiative aims to provide tailored personal capability enhancement and career development courses for female employees, enabling them to achieve greater fulfillment both in the workplace and at home, while offering valuable opportunities for learning, professional development, and self-improvement.

Participating employees

580 people, divided into 19 groups.

Basic training courses provided

1. Self-management and change
2. Gender and communication
3. Problem solving and decision-making
4. Time and stress management
5. Management excellence
6. Fundamental principles and rights to fair working conditions

Number of sessions / time

16 sessions

Total hours provided in 2025

456 hours

Linkou Jia bao beach cleanup



Eclat actively guided employees to adopt environmental sustainability mindsets and mobilized employees from all departments to clean up marine waste at Dingliao Beach in Linkou, advancing marine ecological conservation efforts. More than 150 employees and their family members participated in this event, which not only strengthened internal cohesion but also integrated sustainability concepts — such as plastic reduction, carbon reduction, and proper waste management — into daily life to pass them on to the next generation, with the aim of jointly protecting clean oceans and beach environments.

Charity cookie sale



In April and August 2025, Eclat partnered with the Green Sprout Hope Workshop and the Good Deeds Cultivation Social Welfare Foundation to hold charity cookie sales at the Eclat employee cafeteria, providing trainees with opportunities to showcase their handmade skills and helping to enhance their confidence and workplace capabilities. Across the two events, Eclat employees purchased a total of 500 sets of charity cookies, raising approximately NT$60,000. All proceeds were used to support the operations and trainee training of the Green Sprout Hope Workshop and the Good Deeds Cultivation Social Welfare Foundation, helping more disadvantaged groups. This activity not only fostered social care but also promoted social inclusion, allowing everyone to feel the warmth and support from the community.

Caring for Animal Shelters



Eclat partnered with a local animal shelter to organize a caring event, rallying colleagues to take part. Through activities such as spending time with the sheltered animals, helping with facility cleanup, and donating supplies, participants provided the animals with greater care and companionship. The event not only improved the animals' quality of life, but also gave colleagues a firsthand appreciation of the importance of respecting life through their interactions with the animals.

Donations to Kindergartens in Vietnam

The Hiep Phuoc – Eclat Kindergarten in Nhon Trach District, Dong Nai Province, Vietnam, was established by Eclat Fabrics Vietnam Co., Ltd. out of a recognition of the importance of early childhood education. Guided by the corporate philosophy of "taking from society and giving back to society," the company worked in partnership with the Nhon Trach District government: the government donated the land, Eclat provided the funding, and construction was entrusted to Tuan Bao Private Enterprise. The facility was completed in June 2013 and donated to the Nhon Trach District government, opening for use in July of the same year.

1. Construction cost: US$222,000
2. The kindergarten currently has eight classes, with an enrollment of just over 200 students.

Eclat Education Foundation

In addition to donating supplies and funds and providing employment opportunities, Eclat officially established the "Eclat Education Foundation" (corporate registration number: 2017-Zheng-Ta-Zi No. 304), with the mission of giving back to society, cultivating talent, encouraging innovation, promoting industry-academia collaboration, enhancing social and cultural literacy, and caring for disadvantaged groups, while promoting the following charitable education initiatives:

3. The foundation has established a scholarship program that annually supports dozens of outstanding young students. In cases of special circumstances or major hardships, priority funding is granted to alleviate their financial burdens. The foundation also conducts regular follow-ups to monitor the students' post-graduation lives and continues to provide ongoing care. By leveraging expertise from the textile industry, the foundation is committed to promoting collaboration between the textile sector and academia, strengthening the talent base for Taiwan's textile industry.
4. The foundation sponsors various amateur athletes to strive for top rankings in domestic and international competitions, embodying the philosophy that "sports are life."
5. The foundation sponsors events and competitions organized by domestic textile-related departments to enhance the competitiveness of the local textile industry, inspiring the next generation through education.
6. Sponsorships for other activities aligned with the foundation's mission.

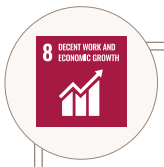
04

Creator of Value Chains

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4.2 Service Quality and Customer Management 111

4.3 Sustainable Value Supply Chain 116



2025 Goals

- R&D expenses reached NT$148 million

2025 Performance

- NT$175 million — Achieved

+ Grasp the development trends and advantages of the industry to promote economic growth.
+ Stabilize costs and accelerate production through global deployment.
+ Continuously improve production efficiency, output and R&D capability to create industrial value.



2025 Goals

- Ratio of locally sourced raw materials (Taiwan) >80%.

2025 Performance

- 92.23% — Achieved

+ Promote sustainable products through innovative technologies and the use of renewable and recycled materials in response to international supply chain initiatives:

✓ Provide customers with sustainable textile products certified by bluesign® Chemical and Hazardous Substances Management and compliant with ZDHC MRSL.

✓ Utilizing the Sustainable Apparel Coalition's (SAC) Higg Index to evaluate the environmental and social impacts of our business.

✓ Provide recycled yarn products or services that comply with the Global Recycled Standard (GRS) and are certified by the IDFL.



2025 Goals

- Number of partner factories visited on-site and assisted with improvements ≥5

2025 Performance

- 30 Companies — Achieved

+ Collaboration with upstream and downstream partners to drive sustainable industry transformation
+ We provide the government and industry associations with industry trends and suggestions to promote social sustainability and growth.

4.1 Product Innovation and R&D

Eclat continues to introduce new raw materials and equipment, develop process technologies, and innovate products. With the advantages of vertical integration, we provide customers with one-stop shopping for everything from fabric to finished clothing. We have also established strategic partnerships with customers and suppliers to jointly develop products that are competitive in the market and create industrial value.

Eclat adheres to the business strategy of "Rooted in Taiwan, Manufactured Globally". We establish design and research centers as well as advanced production technology centers in Taiwan. Simultaneously, we establish production bases globally and form strategic alliances with excellent local plants. This approach effectively enhances our production capacity, reduces costs, and shortens lead times. Through our keen grasp of new technologies and a robust quality control system, we have established a differentiation capability that spans from OEM to high-value ODM. This approach positions Eclat with a crucial competitive edge against neighboring countries' contract manufacturing markets, leveraging our ability to compete against the advantage of their lower labor costs.

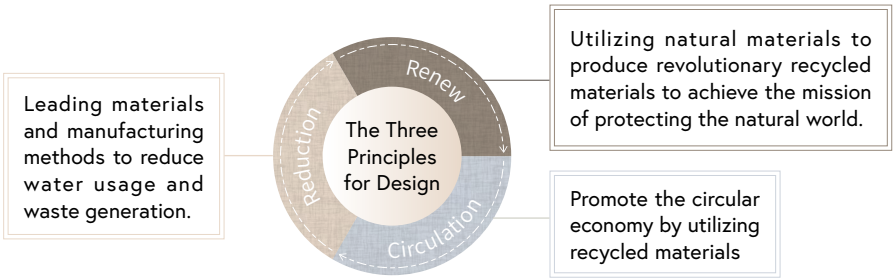
4.1.1 Innovative R&D Advantage

Eclat established its "Research and Development Center" in 1993, comprising the Technology R&D Division and the Marketing Design Team under the Taipei headquarters. The team keeps abreast of market fashion trends, focusing on intelligence, sustainability, and functionality as its core R&D principles.

The Technology R&D Division is dedicated to developing new types of fabrics, weaving techniques, dyeing, finishing, and post-processing technologies. The Marketing and Design Team is responsible for designing garment styles and garment-stage processes, such as design drawings, sample making, laser cutting, printing, embroidery, patterns, trademarks, labels, and hangtags. In addition, we have established an industrial engineering section, a technical design section, a pattern making section, and a sample section. These departments are dedicated to improving production efficiency and quality control, while developing methods to accurately calculate purchase volumes, reduce waste, and optimize process technology. Our Research and Development Center operates on the principle of close collaboration among all departments — from fabric development, raw material procurement, and garment design to large-scale production — dedicated to comprehensively enhancing innovation and research efficiency.

Research and development of fabric design for diverse needs

Through the development of new yarn materials, adjustments in weaving techniques, and modifications in finishing processes, we enhance the value and performance of existing market products in terms of functionality, appearance, and texture. We provide fresh ideas to the business units and develop customized product lines tailored to different customers. The direction of technical development is determined by factors such as the environment, the intended purpose of the final product, the market, and the diversity of the company's product range.

Consideration of technology development.	Description of technology development
Environmental Considerations	In response to environmental changes and limited natural resources, we have initiated Three Principles for Development and Design, focusing on altering the nature of raw materials and streamlining processing procedures: 
Consideration of the final products' purpose	Select suitable yarn raw materials and organizational structures according to different functional and design style requirements.
Market consideration	For existing fabrics in the market, we analyze common issues raised by users, engage in discussions, and propose possible solutions.
The Company's product diversity considerations	We expand the existing product categories of the Company by integrating different weaving and finishing processes to create various types of product lines, thereby increasing the breadth of the Company's offerings.

Environmentally friendly processing methods

Building on the foundation of technology development and product design, Eclat further focuses on craftsmanship by introducing environmentally friendly processing methods. Through process innovation, it practices the concepts of reduction, regeneration, and recycling, thereby achieving energy-saving and carbon reduction benefits. At the same time, by collaborating with upstream yarn suppliers to introduce recycled yarns, Eclat not only meets the environmental requirements of downstream customers but also strengthens a positive cycle of green products and environmental friendliness.

Environmentally friendly processing methods	Description
Material characteristics adjustment	Innovations in yarn processing techniques give the yarn itself greater elasticity and improve the fabric's water-wicking efficiency.
Structural function design	1. Adopts a flexible weaving structure to provide the fabric with excellent mechanical elasticity and a soft hand feel, while constructing a moisture-wicking layer to effectively reduce discomfort from skin contact. 2. Introduces a porous structure to enhance breathability and body temperature regulation, thereby accelerating the drying process. 3. Utilizes multi-layered fabric construction to strengthen the microclimate effect between the fabric and the skin, improving thermal insulation performance.
Process optimization through technical integration	Integrates traditional yarn-drawing techniques with new false-twist technology to optimize processes, reducing manufacturing steps while simultaneously enhancing colorfastness, and lowering carbon emissions and water consumption.
Subtractive design	Uses a single material to simplify the fabric composition, making the processes of garment recycling and waste material recovery more efficient.*

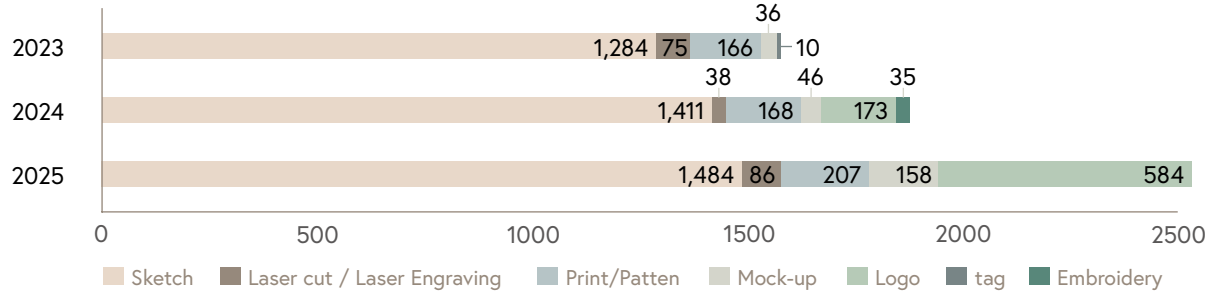
Note 1 Garments containing elastic fibers must undergo additional processing to remove the elastic fibers before they can be recycled and remanufactured into recycled yarn.

Innovative garment design and development

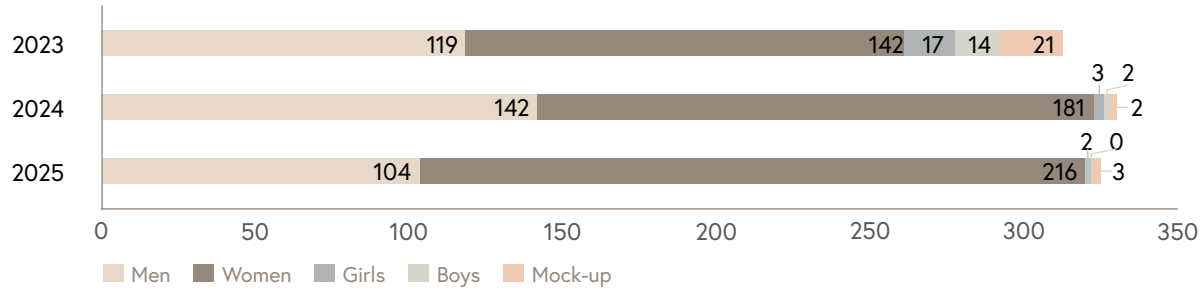
We possess capabilities in garment style design and sample development, and with decades of refined expertise, we offer comprehensive customized services. By combining functional materials with fashionable clothing styles and process designs, we create stylish, casual, and sports apparel that inspire and motivate consumers worldwide.

Our dedicated product range covers professional sportswear, functional fashion apparel, athleisure wear, business attire, and seamless knitwear, among other diverse offerings. Backed by strong design capabilities, Eclat not only designs according to customer needs but also engages in co-creation with customers or provides in-house designs based on market trends and innovation. In 2025, we delivered 2,519 co-creation styles and 325 in-house design styles, demonstrating our exceptional capabilities in design development and market-leading innovation.

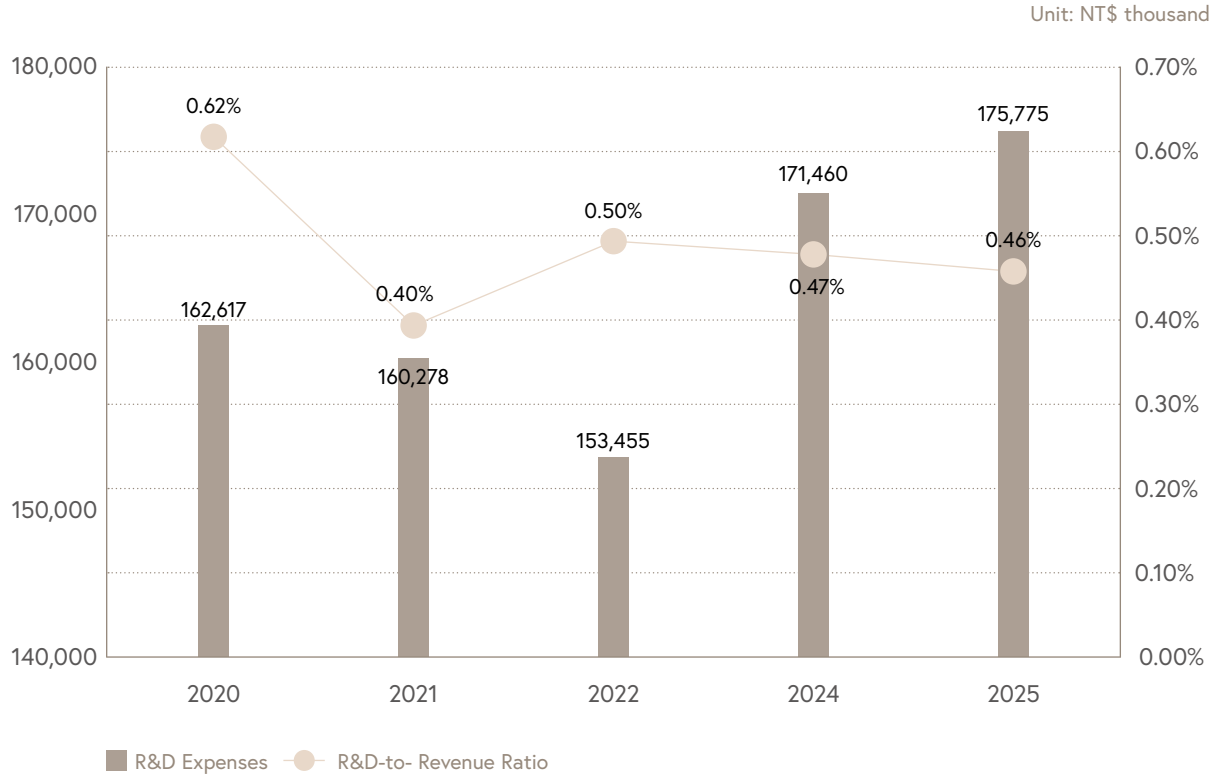
Co-creation



In-house Design



Investment in innovative research and development



Sustainability - R&D Strategic Alliance and Partnerships

Eclat has long been committed to the development of advanced dyeing and finishing technologies and low-carbon transformation. Since 2019, we have successively received multiple international R&D awards for innovative solutions such as CO_2SD, MatabColor, and BioDA. We have also collaborated with external organizations, including the Industrial Technology Research Institute (ITRI) and Jintex Corporation Ltd., to promote technology commercialization and application expansion, laying the foundation for low-carbon textile solutions.

Eclat actively promotes the commercial application and practical testing of related technologies, including collaborating with brand clients to introduce natural dyes in product development and implementing low-carbon dyeing and finishing processes in specific product lines, thereby translating innovative R&D momentum into tangible business benefits.

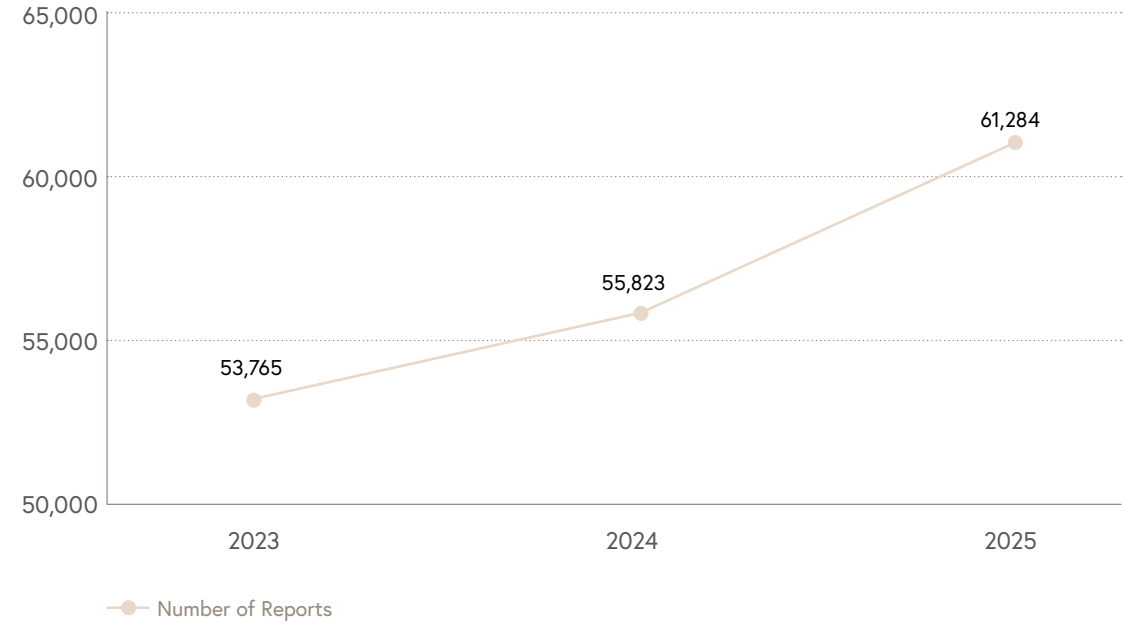


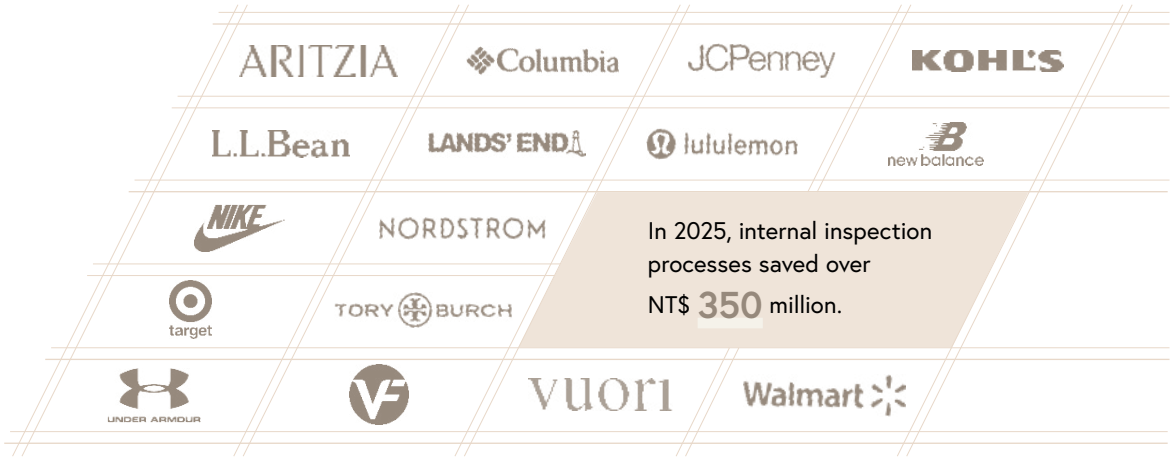
4.2 Service Quality and Customer Management

4.2.1 Product Quality and Marketing Labeling

Prior to shipment, Eclat requires that third-party inspection units verify the quality, safety, and sustainability of its textiles and fabrics. This stringent process ensures compliance with brand and customer specifications, as well as the legal regulations of the sales region. The design of the product sales label is also specified by the customer, and the labeling is completed according to the test results, so as to protect the consumer's right to obtain product information.

At the same time, Eclat has established its own testing center, certified by certain brand clients, which enables in-house product testing for specific textile and fabric items. By providing data directly to customers for review, the center reduces testing lead times and enhances delivery efficiency.

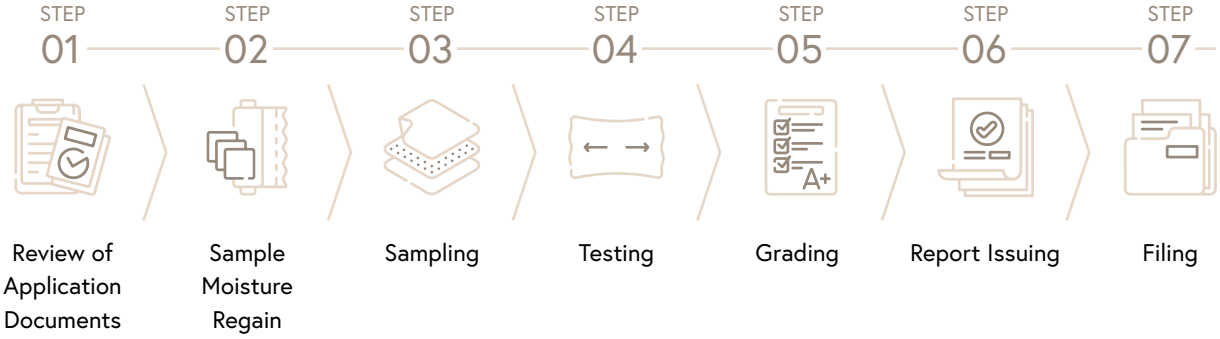




Brand certification licenses (in alphabetical order)

Aritzia, Nike, Columbia, Nordstrom, JCPenney, Target, Kohl's, Tory Burch, Lands' End, Under Armour, L.L.Bean, VF Asia (The North Face), Lululemon, Vuori, New Balance, Walmart

Internal inspection process



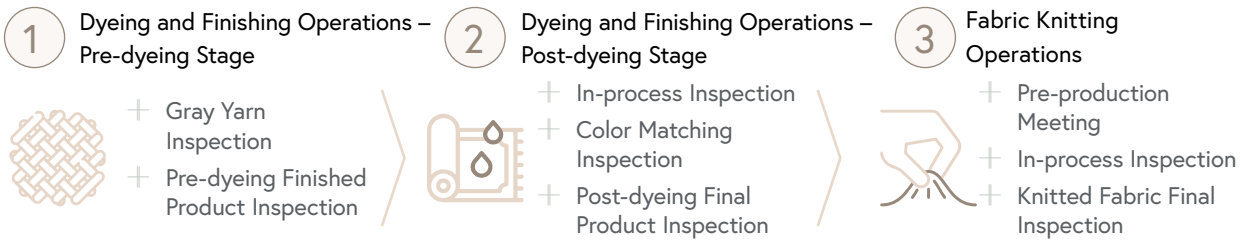
Eclat's in-house testing center has obtained multiple certifications. Its four major categories of testing equipment cover all standard test items, and with the support of professional inspectors, a complete set of tests can typically be completed within about one week.

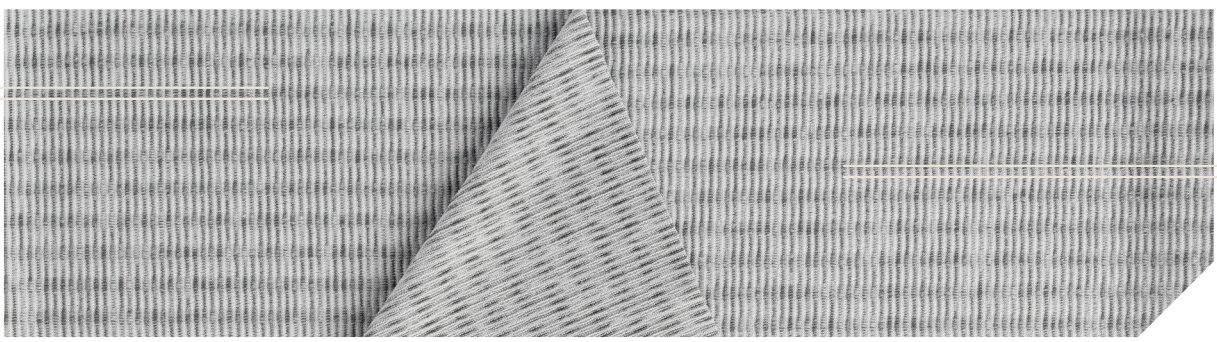
Eclat in-house testing categories and items

Durability/dimensional Stability Durability Dimensional Stability	Shrinkage, skewness, post-wash appearance
Colorfastness	Washing fastness, water fastness, sweat fastness, seawater fastness, rubbing fastness, heat press/sublimation fastness, storage staining, phenol yellowing, chlorine bleach and non-chlorine bleach fastness, light fastness, sweat and light fastness.
Physical	Fabric width, fabric weight, bursting strength, elasticity testing, abrasion resistance, pilling, snagging.
Performance	Moisture absorption, climbing height, water management, ventilation.

Eclat is the first company in Asia Pacific region to be awarded the "Q Mark" quality certification by DuPont, including a positive affirmation of quality by major brand customers. Our products have also obtained a number of international product safety and environmental certificates, which are regularly updated to ensure continuous compliance. Thorough management of processes and product quality, Eclat had no incidents this year involving violations of product health and safety or marketing labeling regulations.

Eclat Fabric Mill Quality Control Process





Maintaining close communication with customers to ensure consumer rights

Eclat's brand customers span across the globe. With the goal of being the best partner for our customers, we assign dedicated service teams to each customer. Through regular or ad hoc correspondence, business visits, supplier meetings, and quarterly or monthly performance reviews and audits, we established smooth communication channels and comprehensive service processes. We are committed to providing timely, necessary, and sufficient information to meet the requirements of upstream and downstream partners, end customers, and public sector authorities. Furthermore, in alignment with our customers' sustainable development plans, we conduct the necessary activities, surveys, verifications, audits, and data collection. We value every piece of customer feedback and respond promptly to their needs, conducting follow-ups and continuous improvements to maintain strong and positive partnerships while enhancing customer satisfaction and trust.

To ensure that customer feedback is effectively communicated, promptly addressed, and resolved, Eclat explicitly mandates the provision of transparent and effective complaint procedures for our products and services within our "Code of Sustainable Development Practices." We view brand client feedback as an opportunity for continuous improvement, ensuring all issues are handled appropriately to safeguard customer rights.

Eclat product complaint process (the Company operates a business-to-business model)



If consumers have doubts about the product, they will directly report to the brand.



When brand customers determine that the issue is

unrelated to manufacturing, the brand customers will handle it themselves.

related to manufacturing, they submit a handling request to the relevant department at Eclat. ▶ Eclat's product complaint handling process: Investigation ▸ improvement ▸ mutual confirmation of responsibility



Properly resolve consumer concerns.

In 2025, no products were recalled by brand customers due to safety concerns.

Additionally, if needed, contact can be made through the Company website's dedicated contact section, by phone, or via the complaint mailbox.



Website contact area



Phone: 02-2299-6000



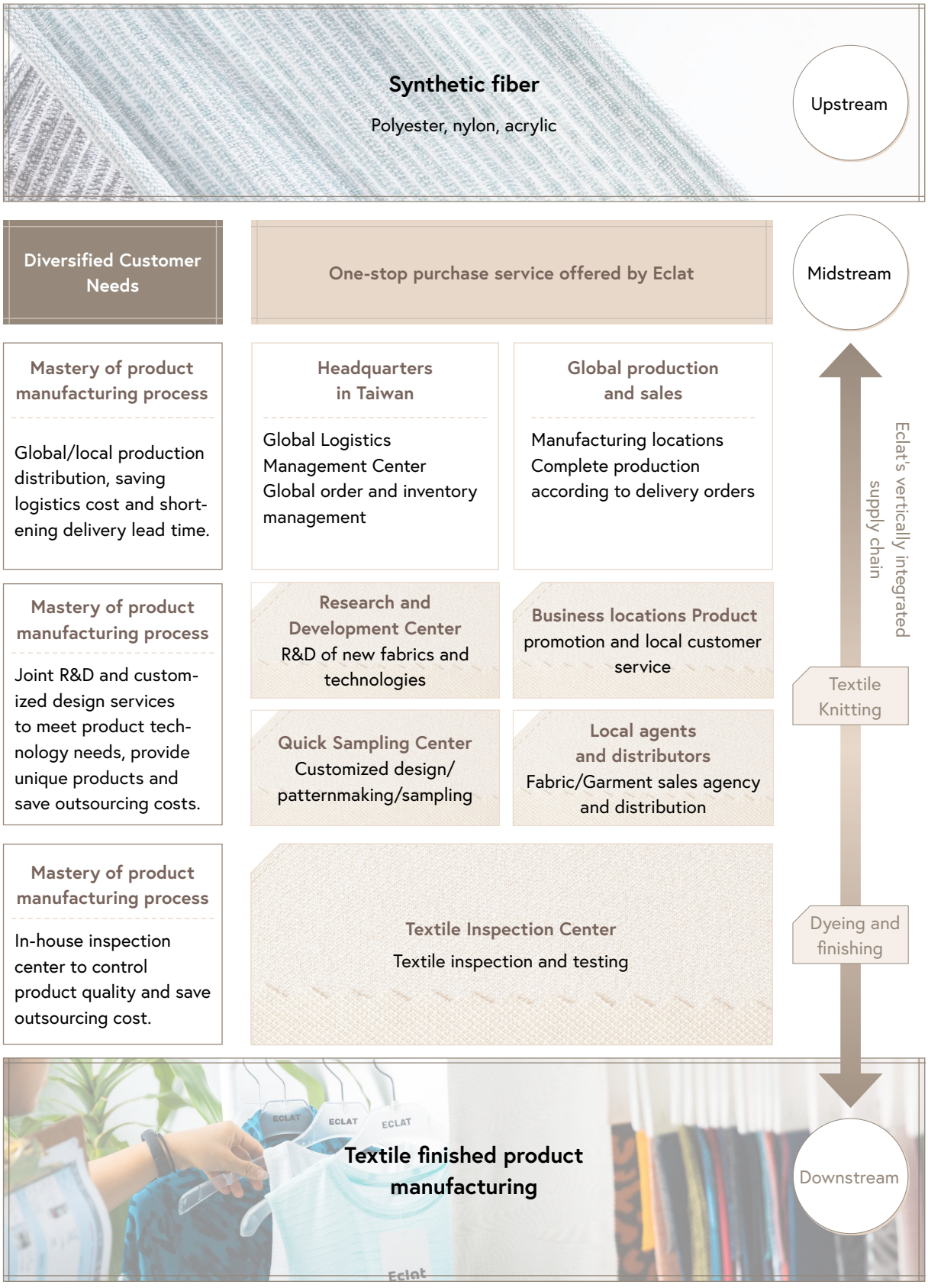
Complaint handling procedure



Complaint mailbox: help@eclat.com.tw

Eclat's Vertically Integrated Supply Chain Management

Through a vertically integrated production model and a parallel collaborative system across various operational units, Eclat has created the flexibility for process improvements and the capacity for large-scale production. This allows Eclat to effectively respond to the demands of the international textile market, characterized by the need for small batch diversity and shortened lead times. The one-stop service model helps both Eclat and its customers significantly reduce the time and costs associated with rework, product imports and exports, outsourced design, and inspection, creating maximum value for suppliers and brand customers.



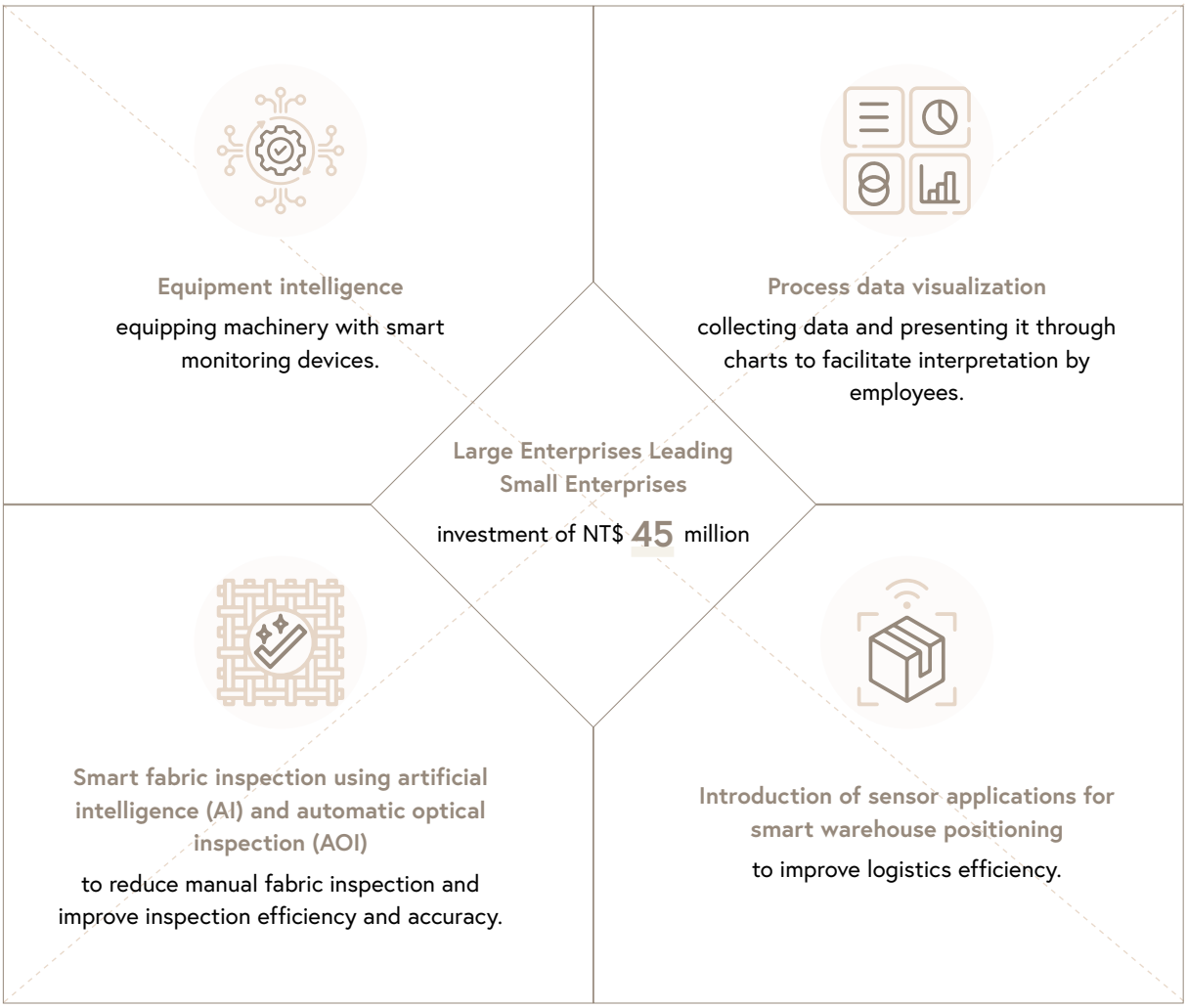
Internal ERP system and digital transformation

To handle the highly intensive and detail-rich data of the textile and garment industry, Eclat independently developed an ERP system that quickly and accurately responds to customers' real-time needs while also improving employee efficiency and accuracy. Eclat's ERP system integrates functions such as development, sample making, orders, procurement, shipping, quality control, and general affairs. It incorporates tools like Tableau, Python, ABBYY, and VBA to programmatically consolidate customer order-related data and daily reports from production sites. This integration helps avoid common manual errors from the past, significantly reduces processing costs, and delivers substantial external benefits.

In 2024, Eclat participated in the "Large Enterprises Leading Small Enterprises in Low-Carbon and Smart Manufacturing Upgrades" project, integrating contractors' production progress and shipping speed into Eclat's ERP system to ensure real-time visibility of production and operational efficiency data. By replacing repetitive visual inspections and manual supervision with smart equipment, the Company aims to achieve optimized operational management. The project was completed in 2025, successfully reducing costs, increasing production efficiency, and lowering energy consumption.

Highlight: Large Enterprises Leading Small Enterprises in Low-Carbon and Smart Manufacturing Upgrades" project

In 2024, Eclat partnered with four key suppliers to participate in the "Large Enterprises Leading Small Enterprises" project organized by the Industrial Development Administration, Ministry of Economic Affairs, providing guidance to suppliers in implementing energy-saving, carbon-reduction, and upgrading transformation initiatives, with a total investment of NT$ 45 million. The four major smart manufacturing projects will be introduced:



4.3 Sustainable Value Supply Chain

Eclat views suppliers as vital partners in co-creating value. Together with brand customers, we aim to strongly influence the supply chain in fulfilling business ethics and social responsibilities, reducing the consumption and impact on environmental resources, and generating positive value for the economy, society, and environment as a whole — driving robust industry growth and sustainable development.

4.3.1 Procurement of Raw Materials

Eclat's preferred raw materials are categorized into conventional yarn and eco-friendly yarn, both of which must comply with product safety and management standards. Through our preferred raw material supplier management policy, we reduce the environmental and social impacts of these suppliers and mitigate associated risk impacts. In 2025, the total weight of preferred raw material procurement was 46,737 tonnes.

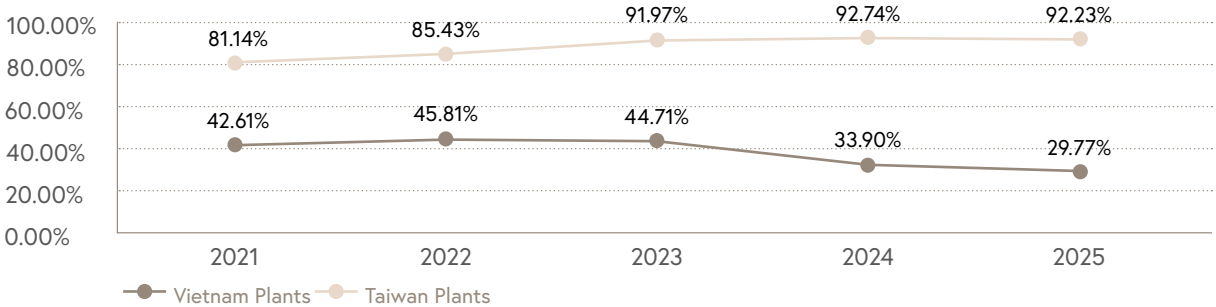
Raw material category	Procurement weight (tonnes)	Environmental or social risks	Management strategy
Conventional yarn	33,440	1. The use of petrochemical raw materials results in higher carbon emissions, lower cost, and stable supply 2. Supplier labor human rights risks	1. Require suppliers to promote energy conservation, carbon reduction, and reduce the proportion of virgin polyester used. 2. Require suppliers to conduct ESG assessments as well as labor and human rights due diligence.
Eco-friendly yarn	13,297	1. Reduce carbon footprint and reliance on petrochemical raw materials to meet brand sustainability requirements. 2. Supplier labor human rights risks	1. Procure materials with GRS or RCS certification. 2. Establish a supply chain traceability mechanism. 3. Encourage suppliers to improve recycled material quality and supply stability. 4. Require suppliers to comply with environmental and labor regulations.

Local Procurement

Eclat has production bases all over the world. In order to effectively promote the development of regional industries and to do our part for the sustainability of the local community; we are committed to promoting the localization of purchasing and production (Local to Local), and to reducing the carbon footprint of product transportation and packaging. Eclat achieves 100% local sourcing for freight, outsourced services, waste management, and other general administrative procurements across all regions, thereby providing robust employment opportunities for local communities.

Percentage of locally procured raw materials

Eclat's calculation of the local raw material procurement ratio covers the Hsichou Plant, the Dayuan Plant, and the Miaoli Plant in Taiwan, as well as the fabric plants in Vietnam. However, for certain garment factories (Eclat Textile Vietnam, E-Top (Vietnam), Colltex Garment, and Tai-Yuan Garment in Vietnam, and Eclat Textile (Cambodia) in Cambodia), raw material procurement is subject to supplier requirements specified by customers or brand owners. Because the Company cannot independently determine procurement sources for these facilities, their local sourcing ratios cannot be calculated



Note 1 The raw material procurement categories for the Taiwan plants and the Vietnam plants consist of yarn and dyeing auxiliaries.

Responsible Cotton Procurement

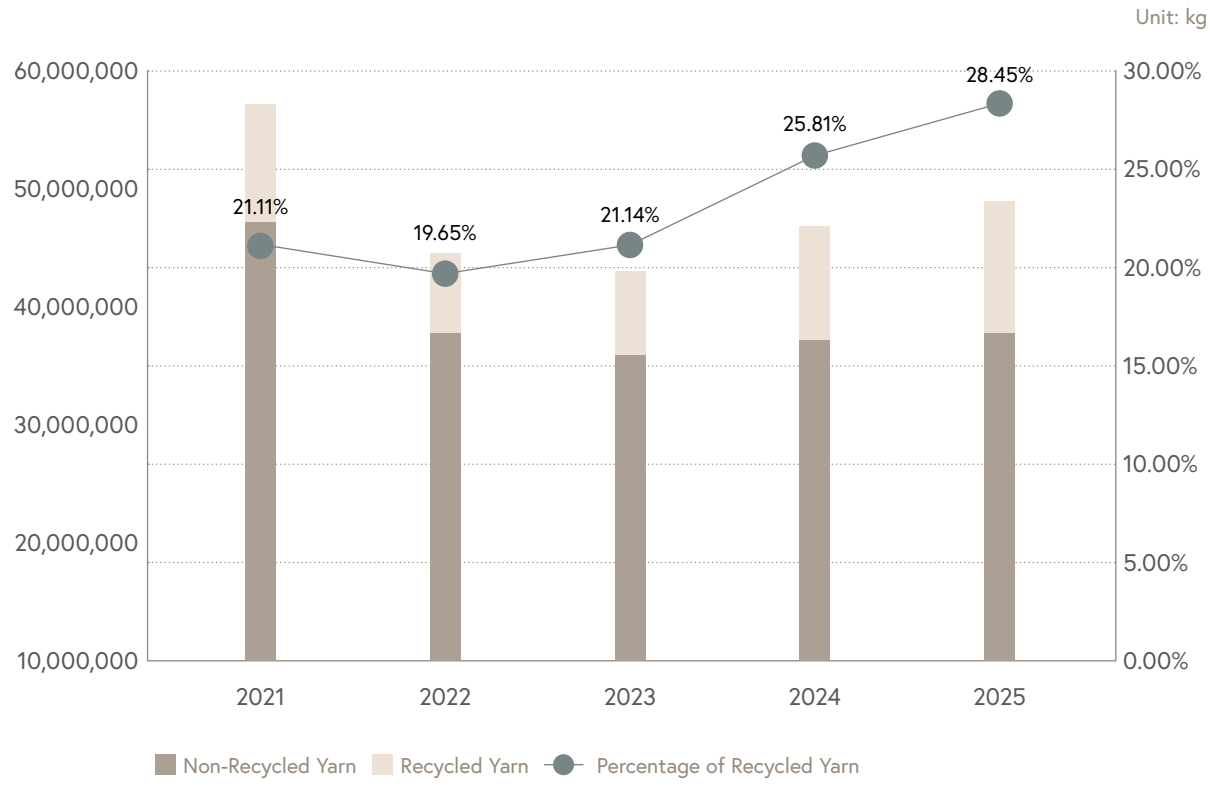
Due to our product characteristics, Eclat's cotton usage ratio is exceptionally low, with cotton only utilized in a small number of yarns blended with chemical fibers. Where cotton is required, we procure only BCI-certified cotton sources with no concerns of human rights infringement. We also strictly require suppliers to comply with international regulations and refrain from transacting with enterprises or individuals subject to international sanctions due to forced labor or other incidents, partnering with brand clients to build a supply chain aligned with international human rights values.

Purchase of Renewable Raw Materials and Recycling of Materials

Eclat is committed to the protection of environmental resources, with the vision of "continuous innovation and development of functional and fashionable, sustainable fabrics and garments to enhance the quality of life", and promotes the use of renewable raw materials through 3-party cooperation with customers and suppliers.

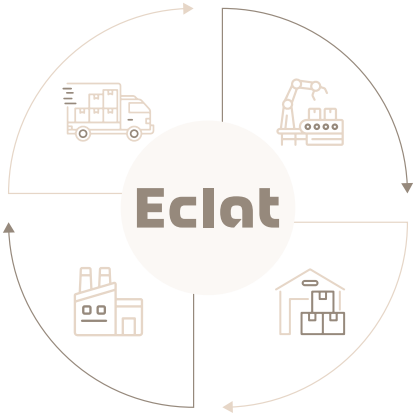
The main raw material of our textile products is yarn. We actively encourage customers to adopt eco-friendly recycled yarn, extending the lifecycle of existing materials and reducing final waste output. The recycled yarns we procure comply with the Global Recycled Standard (GRS) and have obtained certification from IDFL. In 2025, the proportion of recycled yarn purchased was 28.45%:

Procurement of Recycled Yarns



4.3.2 Product and Packaging Material Recycling

In addition to promoting the use of recycled materials at the source, Eclat also values the circular benefits of the transportation process and end products. We recycle the cartons used for transporting raw materials and reuse them for product packaging. In addition, we circulate packaging materials between plants, recycling cartons, paper tubes, and plastic tubes for repeated use. By leveraging the advantages of vertical integration, we promote the recycling and reuse of packaging materials, reducing resource consumption while minimizing corporate waste generation.



4.3.3 Sustainable Supply Chain

ESG Management and Evaluation of Contractors

As a responsible enterprise, Eclat requires suppliers to comply with the Supplier Code of Conduct regarding regulatory compliance, environmental regulations, labor and human rights, and safety and health, and incorporates these requirements into contracts. If a supplier violates relevant policies or regulations, or causes significant environmental or social impacts in their sourcing regions, Eclat may terminate or rescind the partnership at any time.

Eclat strives to ensure a sound partnership with our contractors and maintains the integrity of the sustainable supply chain through the following practices:



Code Compliance

- Requirement of contractors to comply with local laws and regulations on environmental conservation, labor conditions and human rights,
- Contractors shall agree to the "Supplier Code of Conduct" attached to the contracts, sign the "Declaration of Non-Use of Toxic Substances in Processing" and provide the business registration, and the wastewater and air pollution discharge related permits.



Risk Assessment

- Contractors shall provide required self-assessment reports
- Evaluate the business credit, quality, and equipment capacity of contractors.



On-site Audits



Counseling for improvement

- Conducting on-site audits, reviewing data, and conducting on-site evaluations through direct visits, communicating directly with contractors, and conducting follow-ups and counseling for improvement. For details, please refer to the following "ESG On-Site Field Visit to Contractors Process" and "Evaluation Results and Counseling for Improvement". For details, please refer to the following "ESG On-Site Field Visit to 3rd Party Suppliers Process" and "Evaluation Results and Counseling for Improvement".

Eclat Supplier Code of Conduct

Supplier signing ratio in 2025 **100%**



Environment



Human Rights



Overtime Work



Anti-Discrimination



Prohibition of Child Labor



Anti-Harassment



Workplace and Occupational Health and Safety



Compliance with Environmental Regulations



Environmental Pollution Prevention and Control



Hazardous Substance Management

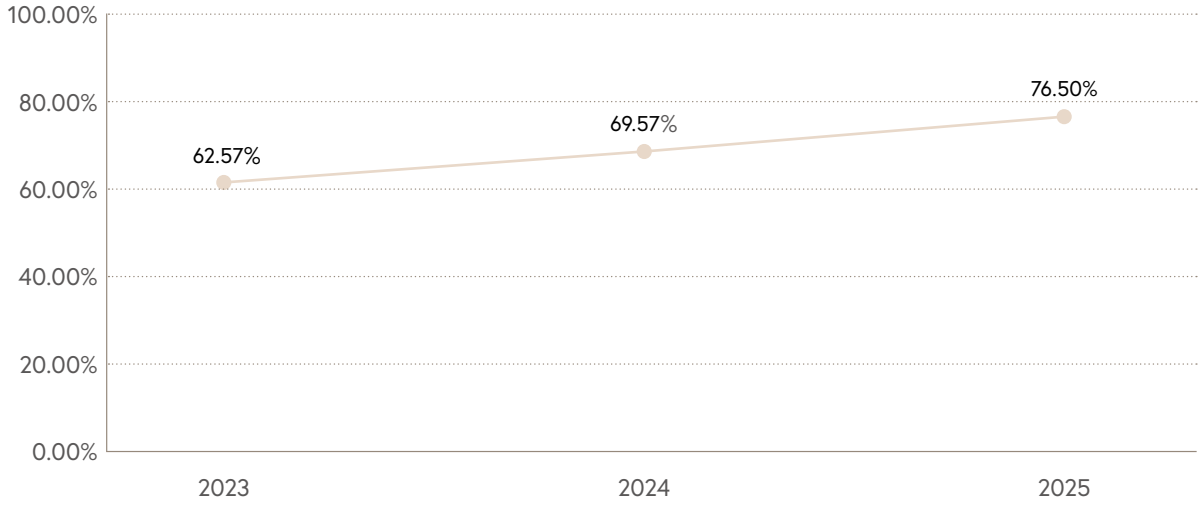


Wastewater and Waste Disposal Management

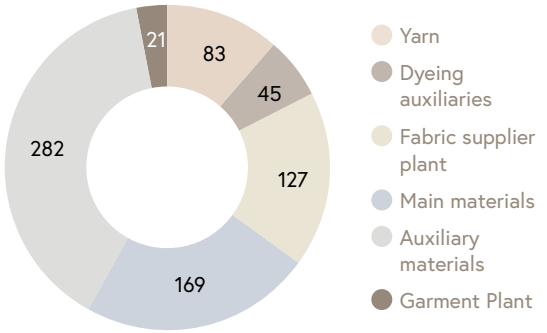


Air Pollution Management

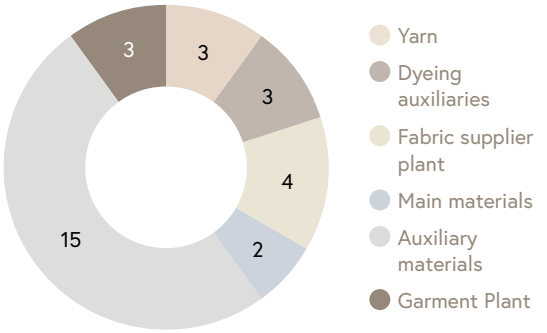
We disclose information based on the materiality principle; tier 1 suppliers are defined as those with transaction amounts in the current year, and beyond tier 1 suppliers are defined as those whose cumulative transaction amounts account for the top 50%. We currently focus our disclosure efforts on the key first-tier suppliers. Among them, the proportion of suppliers complying with wastewater discharge permits is 100%. Additionally, 76.5% of these suppliers have completed the Sustainable Apparel Coalition (SAC) Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment.



Number of Tier 1 suppliers



Number of beyond tier 1 suppliers



Note 1 Tier 1 suppliers of dyeing auxiliaries are all traders or research institutions, and manufacturing standards are not applicable; therefore, they are specifically excluded from the benchmark.



ESG On-Site Field Visit to Contractors

Since 2019, with the assistance of specific customers, Eclat has initiated on-site visits and assessments of environmental practices, occupational health and safety, and human rights at the subcontracting plants responsible for the customer's orders. Through site visits, discussions, and document reviews, we aim to understand the ESG practices of these contractors and extend the spirit of sustainability to them. If any deficiencies are found, guidance will be provided to help the contractors pass the evaluation, ensuring that products sold to customers come from well-qualified suppliers in all aspects, thereby enhancing and creating influence within the value chain. From 2019 through the reporting year, Eclat conducted on-site visits to a cumulative total of 74 contractors.

Supplier audit grading and subsequent management actions

Audit level	Definition and summary	Common deficiencies (summary)	Management action
No Issue Noted	No deficiencies were found.	Not applicable	Passed
Needs Improvement	There are general violations, but they do not yet constitute a major risk.	Inconsistencies in contract, salary, working hours, fire safety, chemical management, etc.	Acceptance of the improvement plan will result in conditional pass, but improvements must be made within 90 days at the latest.
Critical	Discovery of major deficiencies, potential operational/ESG risks.	Non-compliance with factory registration, failure to have legal attendance records, non-compliance with operating regulations, and major environmental, safety, and health issues.	Failsubmit an improvement plan, and improvement is required within 30 days at the latest.
Zero Tolerance	Severe illegal or moral risks affect the Company's reputation and responsibilities.	Child labor, forced labor, bribery, document falsification, and withholding of wages.	Failsubmit an improvement plan, and improvement is required within 30 days at the latest.

Supplier audit status in the last three years

Year	2023		2024		2025	
	Quantity	%	Quantity	%	Quantity	%
Supplier Audit Status						
Number of critical Tier 1 suppliers audited	24		23		17	
Suppliers that have passed the Labor Code of Conduct Audit.	12	50.0%	20	86.9%	14	82.4%
Suppliers that have undergone third party audits to certify the Labor Code of Conduct	12	50.0%	19	82.6%	11	64.7%
Total number of audited suppliers	24	100%	23	100%	17	100%
Audit and continuous improvement						
Priority non-compliance cases	6	25%	6	26%	10	59%
Completion of remediation of priority non-compliance cases	6	100%	4	66%	10	100%

Note 1 The number of Tier 1 suppliers audited in this table has been adjusted to include garment plants that account for the top 80% of cumulative transaction volume.

Note 2 The main and secondary material suppliers for the Garment Division are designated directly by brand customers, and Eclat cannot negotiate changes. Therefore, these suppliers are excluded from the assessment.

Evaluation Results and Counseling for Improvement

This year, assessments were conducted for 30 contractors, all of which are located in Taiwan. The assessment results were categorized as "Needs Improvement." The deficiencies identified at each factory were mostly "non-material level" issues related to environmental health and safety and labor matters. Following guidance from Eclat, all issues were corrected within the specified timeframe. For items that could be addressed immediately, we required the contractors to take prompt action, while for those requiring more time, we will regularly track improvement progress. We have also identified key areas of concern regarding deficiencies at our contractors, conduct irregular audits and follow-ups, and strengthen regulatory awareness to improve the health, safety, and environmental awareness of workers of our contractors.

Aspect	Degree	Deficiencies	Improvement Actions
Business Ethics		No such cases	
Labor	Minor	Incomplete employee attendance records	Complete records retroactively
		Update the minimum wage in labor contracts	Update and revise
		Human rights policy not available in migrant workers' native languages	Provide translated versions for migrant workers
Fire safety	Minor	Building/fire safety inspection report not updated	Commission a third-party inspection
		Missing fire drill records, photo documentation, or sign-in sheets	Complete and document retroactively
		Fire escape routes obstructed or fire extinguishers expired	Remove obstructions and replace expired fire extinguishers
		Emergency exits obstructed or evacuation plans lacking current locations and translations in migrant workers' native languages	Remove obstructions and update evacuation plans
Environmental, health, and safety	Minor	Failure to appoint certified first aid personnel or certified occupational safety and health personnel	Assign personnel to undergo training and obtain required certifications
		Lubricating oil lacked SDS documents or on-site labeling	Provide required documentation and labeling retroactively
		Medicines in the first aid kit exceeded their expiration dates, and over-the-counter drugs were present	Update first aid kit contents
		Latest labor-management meeting minutes were not retained	Update the documentation
		Drive belt guards for sewing machines and fabric-dropping machines were not reinstalled	Reinstall the guards

Supplier meeting

In 2025, Eclat hosted a supplier meeting, inviting yarn mills, chemical suppliers, and other partners to facilitate communication. In addition to reviewing management measures and procurement policies, the meeting provided detailed analyses of brand requirements and international regulations (such as ZDHC and REACH) to enhance supplier compliance capability. Furthermore, regulatory trends and requirements regarding greenhouse gas inventories and carbon emission issues were explained in an accessible manner, addressing current industry challenges and opportunities for transition. Practical risk case studies and new product introduction processes were also shared to further suppliers' risk identification and response capabilities, progressively building a more transparent and resilient sustainable supply chain.



05

Guardian of Environmental Resources

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5.4 Water Resource Management 144

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2025 Goals

1. In 2025, the greenhouse gas emission intensity target for both business divisions is a 20% reduction compared to the base year (2017).
2. In 2025, the goal is to achieve 10% renewable energy usage at the Taiwan plants.
3. In 2025, the goal is to achieve 15% renewable energy usage at overseas plants.

2025 Performance

1. Garment: 16.3%
   Material: 47.0%
   The Material Division has achieved the target; the Garment Division has not.
2. 10% — Achieved
3. 11% — Not Achieved

- Identify major climate risks and opportunities for the organization following TCFD's disclosure recommendations.
- Quantify financial impacts of major climate risks and opportunities and formulate management strategies and goals.
- Improve equipment energy efficiency to reduce carbon emissions by 238.24 tonnes of carbon dioxide equivalent (tCO_2e).
- Continue energy transition by increasing renewable energy use and installing an additional 3,661 kWp of solar power capacity, achieving a carbon reduction of 2,635.36 tCO_2e.
- Solar power generation capacity: 3,250,065 kWh at the Taiwan plants.
- Solar power generation: 6,597,584 kWh at the Vietnam plants.

2025 Goals

1. In 2025, the percentage of recycled water to total water consumption was greater than 20%.
2. In 2026, the Material Division's water withdrawal intensity target is a 30% reduction compared to the base year (2020: 100.84 m^3/ton).

2025 Performance

1. Recycled water ratio: 25.63% — Achieved
2. 68.84 m^3/tonne
   31.74% decrease — Achieved

- The water recycling rate of the Eclat Fabrics Vietnam Plant reached 57.13% in 2025.
- Since 2017, water saving KPIs have been established for the Material Division on a three-year cycle. Using 2020 as the base year, water withdrawal intensity in 2025 decreased by 31.74% compared to the base year, successfully achieving the 2026 target ahead of schedule.

2025 Goals

- In 2026, the waste discharge intensity targets for both business divisions are set to decrease by 10% compared to the base year (2020: 0.73 kg/dozen for Garment; 454.48 kg/tonne for Material).

2025 Performance

- Garments: 0.675 kg/dozen
  7.8% decrease
- Fabrics: 373.62 kg/tonne
  decrease 17.8%

In Progress

- The Eclat Textile Vietnam garment plant achieved waste reduction by reducing the thickness of nylon film by 50%.

5.1 Environmental and Energy Management Systems

5.1.1 Environmental Policy

Eclat consistently upholds its vision of "continuously innovating and developing functional, fashionable, and sustainable fabrics and apparel to enhance the quality of life." While rigorously ensuring product quality, Eclat also regards environmental protection and worker health and safety as core responsibilities, establishing its "Environmental, Health, Safety, and Energy Policy":

Environmental, Health, Safety and Energy Policy
Comply with laws and regulations, and meet societal expectations
Reduce environmental burden and minimize environmental impact
Strengthen education and training to engage all employees in EHS
Implement management systems effectively to enhance management performance
Strengthen hazard prevention to create a safe working environment
Avoid resource misuse and ensure sustainable business operations
Enhance consultation and communication to foster better working relationships

5.1.2 Environmental Management Objectives

1. Conduct monthly regulatory reviews to ensure that current operations comply with new local laws and regulations.

2. Conduct annual internal audits and external third-party verification to ensure the effective operation of the management system, with the latest certificates uploaded to the Company website. Eclat has implemented the ISO 14001 environmental management system at multiple operating sites globally, achieving continuous improvement through the PDCA cycle to reduce environmental impacts from operations. In recent years, as stakeholders have increasingly focused on energy conservation and carbon reduction, Eclat has introduced the ISO 50001 energy management system and established a comprehensive energy management plan. Through a systematic inventory of energy use, the Company continues to promote energy reduction and efficiency improvement measures, while setting energy performance indicators and targets and executing management programs to achieve continuous progress in energy conservation. By implementing these management systems, Eclat aims to meet stakeholder expectations and the requirements of environmental regulations established by local governments, while pursuing operational performance. The Company also seeks to effectively reduce the environmental impacts of its business activities and enhance environmental management performance to achieve the ultimate goal of sustainable development.

3

ISO 14001 Environmental Management System Certification Status by Plant

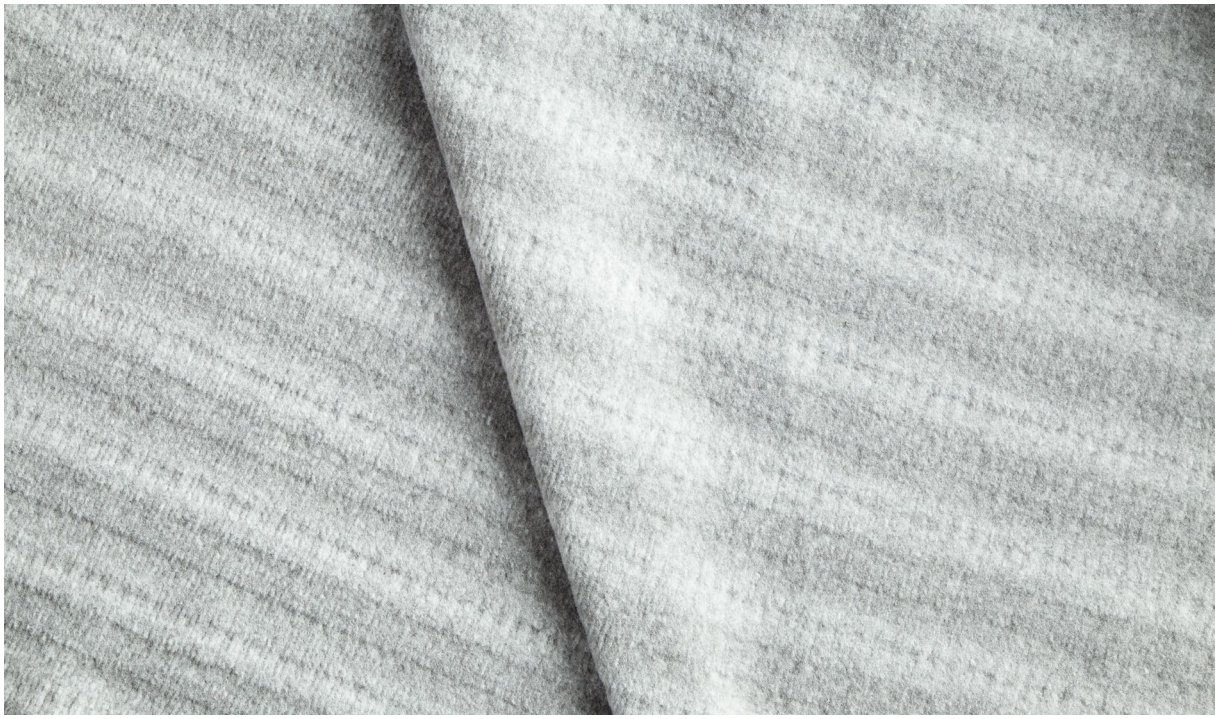
Region	Plant	ISO 14001 certificate validity period		Certification body
Taiwan	Da-Yuan Plant	2025.7.24	2028.7.23	SGS
	Hsi-Chou Plant	2024.2.12	2027.2.12	SGS
Vietnam	Eclat Fabrics	2024.5.21	2027.5.20	MS CERT
	Eclat Textile Vietnam Plant	2024.12.4	2027.12.3	BSI
	COLLTEX Plant	2024.12.24	2027.12.23	INTERCERT
	E-TOP Plant	2026.2.12	2029.2.12	BV
Indonesia	PT. Eclat Textile	2024.10.29	2027.10.28	URS

ISO 50001 Energy Management System Certification Status by Plant

Region	Plant	ISO 50001 certificate validity period		Certification body
Taiwan	Da-Yuan Plant	2024.1.16	2027.1.2	SGS
Vietnam	Eclat Fabrics	2024.1.8	2027.1.7	BSI

bluesign® Certification Information by Plant

Region	Plant	bluesign® Certificate Validity Period		Certification body
Taiwan	Da-Yuan Plant	2025.11.11	2028.11.11	Bluesign
Vietnam	Eclat Fabrics	2023.9.15	2026.9.15	Bluesign

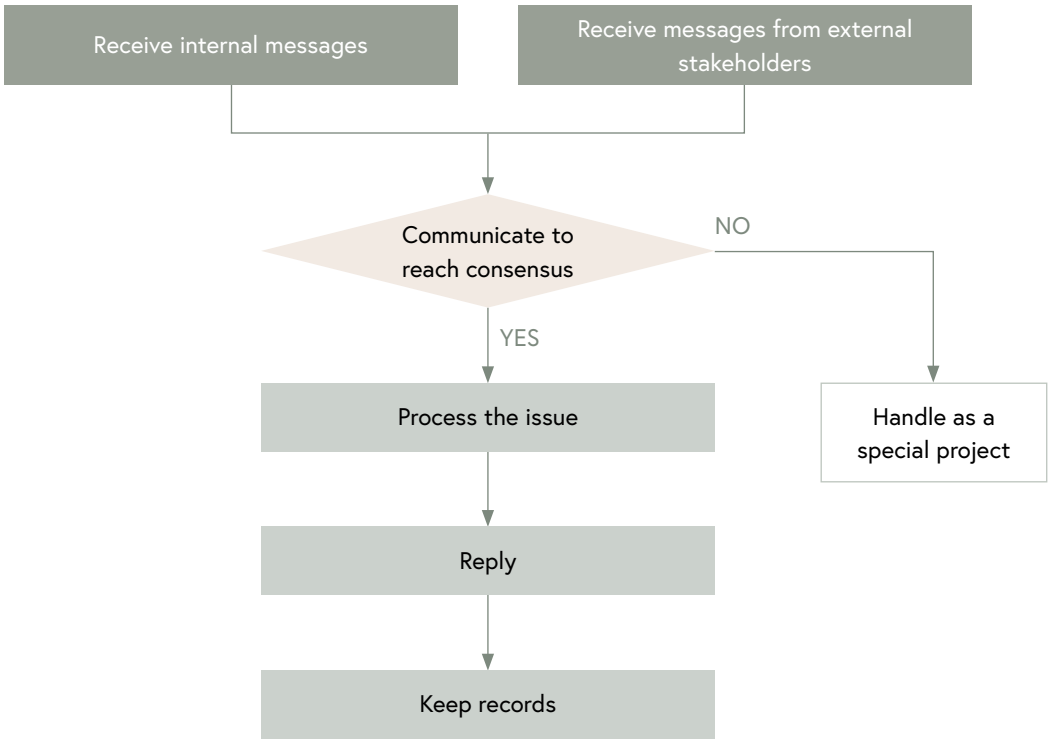


5.1.3 Compliance with Environmental Regulations

The Sustainability Division at the Company's headquarters lists updates on environmental and energy-related laws and regulations on a monthly basis and, after assessing their applicability, forwards them to each production base for compliance evaluation. In 2025, the Company complied with all environmental and energy laws and regulations. As some of the Company's production sites are located within industrial zones, they have no significant impact on biodiversity and have a relatively minor impact on local communities. Nevertheless, the Company has established an "environmental management communication control procedure" for stakeholder engagement on environmental improvement issues. As external stakeholders, community residents can provide suggestions on environmental improvement and pollution prevention for specific facilities through channels such as telephone, mail, or face-to-face communication, which each plant then addresses in accordance with the Company's "communication operating procedure." In 2025, Eclat experienced no pollution incidents and had no major violations of environmental laws and regulations resulting in fines exceeding US$10,000.

Channels
Environmental, Safety, and Health departments, Administrative departments, and Environmental Complaint units at each production site.

Handling process



5.2 Strengthening Climate Resilience

5.2.1 Adoption of the Task Force on Climate-Related Financial Disclosures (TCFD)

In the face of global climate change, countries are announcing roadmaps to achieve net-zero emissions, and Taiwan has also incorporated its net-zero target into law. Early identification of and response to climate risks, strengthening climate resilience and adaptation, mitigating the potential operational impacts of disasters, and seizing potential transition opportunities arising from extreme climate conditions have become important issues that we must address. In 2025, Eclat received a "B" rating in both the CDP Climate Change and Water Security questionnaires. In addition, Eclat integrated climate change risk as a key risk under its enterprise risk management policy in 2018, and subsequently established its climate change risk management policy in 2024:

Climate Change Risk Response Policy
Comply with local laws and regulations and support international climate initiatives
Promote climate hazard awareness and drive climate risk actions
Assess material climate risks and identify potential climate opportunities
Establish a climate risk management system and define performance indicators
Formulate risk response measures and implement energy-saving and carbon reduction programs
Strengthen climate resilience and put climate change adaptation into practice
Achieve energy transition through the use of clean fuels and renewable energy

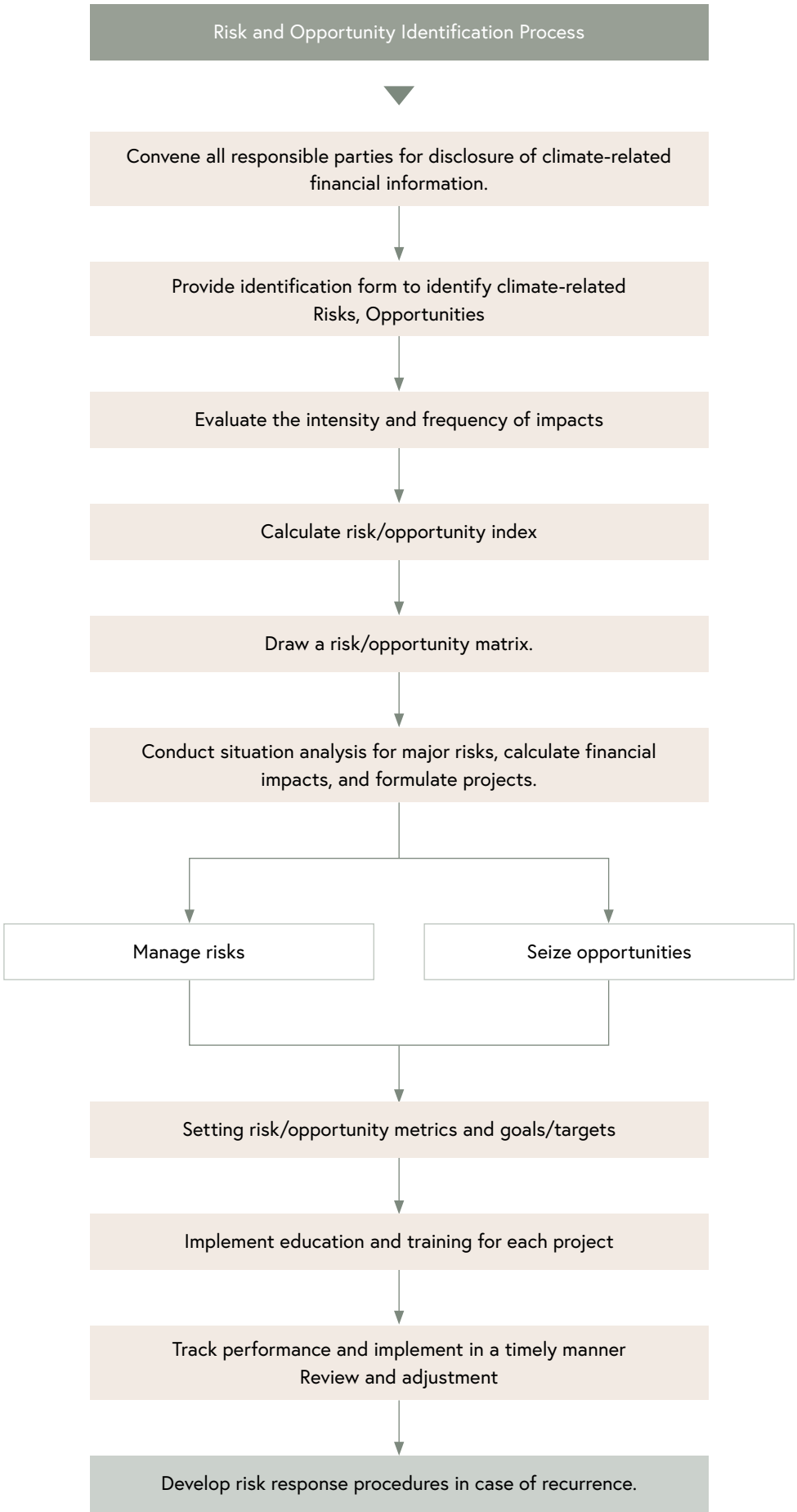
The implementation process is coordinated by the Eclat HQ's ESG Committee, as the climate change management organization. The Board of Directors serves as the highest-level decision-making entity. The Environmental Sustainability Team designs a risk and opportunity identification table, and convenes overseas internal plants and various business management departments (the division of roles for risk and opportunity identification is as follows) and aligns with the Task Force on Climate-Related Financial Disclosures (TCFD) metrics to conduct benchmarking. Through inventory and identification of various risks and opportunities, a matrix of significant risks and opportunities is developed. Based on the matrix analysis results, the estimated management costs and financial impacts are calculated, and this information is utilized to strengthen Eclat's climate change governance. Systematic assessment of financial relevance is conducted to reduce risks and seize potential improvements and transformation opportunities.

Risk	Physical	Immediacy	Sustainable Environmental Development Team
		Long-term	
	Transition	Policy and Regulations	Corporate Governance Team
		Technology	Products and Services
		Market	
		Goodwill (Reputation)	Corporate Governance Team
Opportunities	-	Energy Efficiency	Sustainable Environmental Development Team
		Energy Source	
		Products and Services	Products and Services
		Market	
		Resilience	Corporate Governance Team

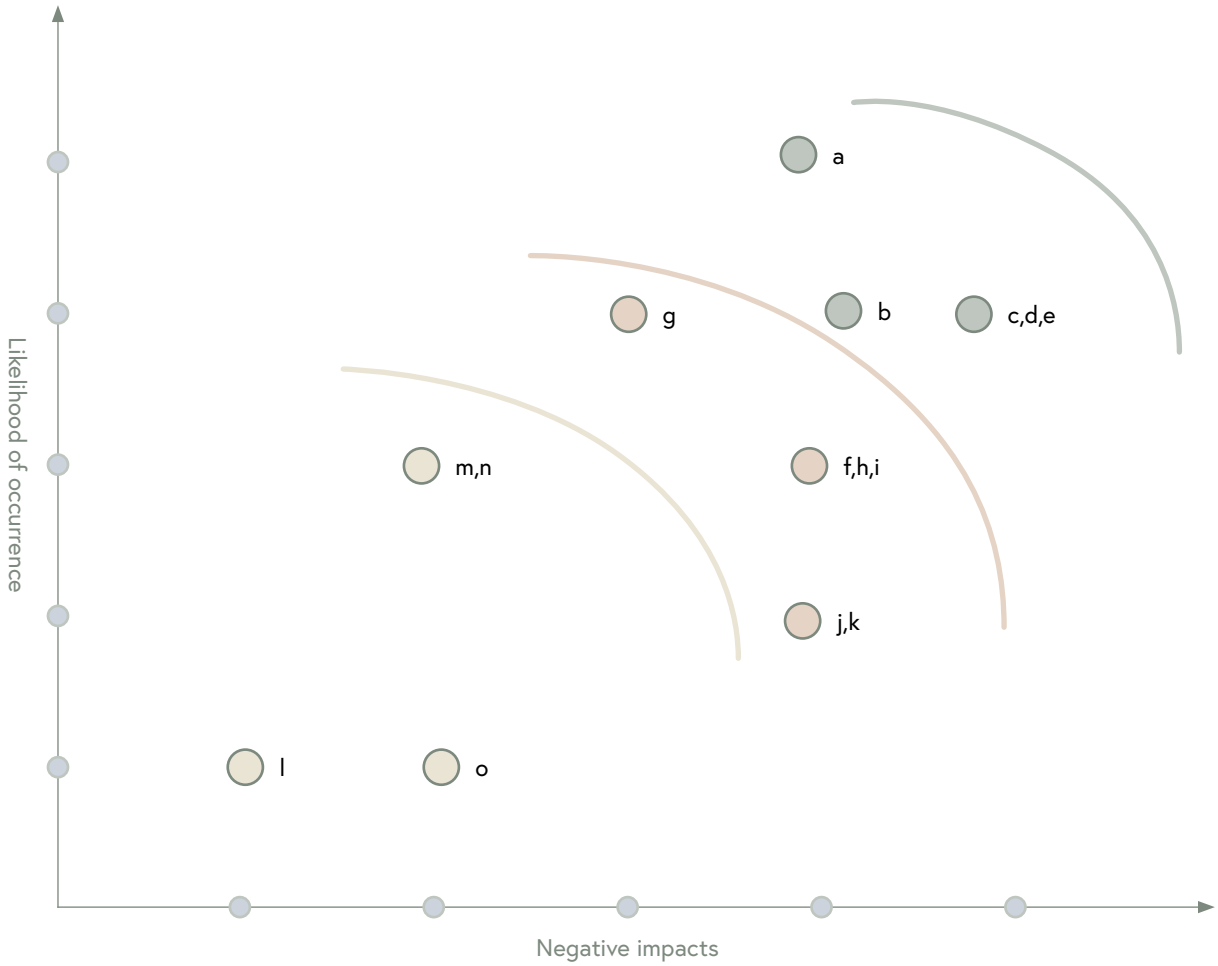
Climate Change Risks and Opportunities Metric Disclosure Framework

Category	Metric	Corporate Governance Actions
 Governance	a. Describe the board's oversight of climate-related risks and opportunities.	Climate change-related risks have been integrated into our enterprise risk management scope. Eclat's "Climate Change Risk Management Procedure" has been approved by the chairman of the board, and the ESG Committee reports on corporate risks and response measures to the Board of Directors annually.
	b. Describe management's role in assessing and managing risks and opportunities.	The ESG Committee manages climate change matters at Eclat, with the Board of Directors as the highest level decision-making unit, which reviews the status of the promotion of climate change related issues every quarter, and reports the results of the implementation of climate change related issues directly to the Board of Directors on an annual basis.
 Strategies	a. Describe the short-, medium-, and long-term climate-related risks and opportunities that have been identified by the organization.	Following Eclat's internal goal management timeline, climate risks and opportunities are defined within the framework of short-term (less than three years), medium-term (three to five years), and long-term (more than five years) periods.
	b. Describe the climate-related risks and opportunities that pose a significant impact on the organization's business, strategy and financial planning.	In accordance with the "Climate Change Risk Management Procedure," the "Climate Change Risk and Opportunity Identification Questionnaire" is used to identify material risks and opportunities related to climate change. This assessment helps to evaluate their potential operational and financial impacts on Eclat.
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or harsher scenario.	Eclat takes climate change scenarios into account to set strategies and short-, medium- and long-term goals for major risks and opportunities.
 Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	The TCFD framework is used to identify climate risks and opportunities, and all departments and plant-related units are brought together to discuss and reach a consensus on the results of the annual significant climate risks, which are confirmed by senior management.
	b. Describe the organization's processes for managing climate-related risks.	This is implemented in accordance with the risk identification process under Eclat's "Climate Change Risk Management Procedure."
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	In 2010, Eclat formulated the Enterprise Risk Management (ERM) methodology, and the second revision was completed in 2018, incorporating climate change risk management into the scope of the ERM methodology, defining and identifying climate change risks and opportunities, evaluating their financial impacts, formulating climate risk management strategies, and proposing risk mitigation measures.
 Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Reduce total greenhouse gas emissions, electricity consumption, and water consumption per unit of product; reduce landfill and incineration of waste, increase the reuse rate of waste, increase the proportion of renewable energy use, and minimize production interruptions due to climate disasters.
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Inventory GHG Scope 1, 2, and 3 emissions data annually in accordance with ISO 14064-1 and subject to external verification.
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Eclat has formulated strategies, management methods and goals for each identified material climate-related risks and opportunities, please refer to the significant risks and opportunities assessment table for details.

Climate Change Risk and Opportunity Identification Flowchart



Climate Change Risk Matrix

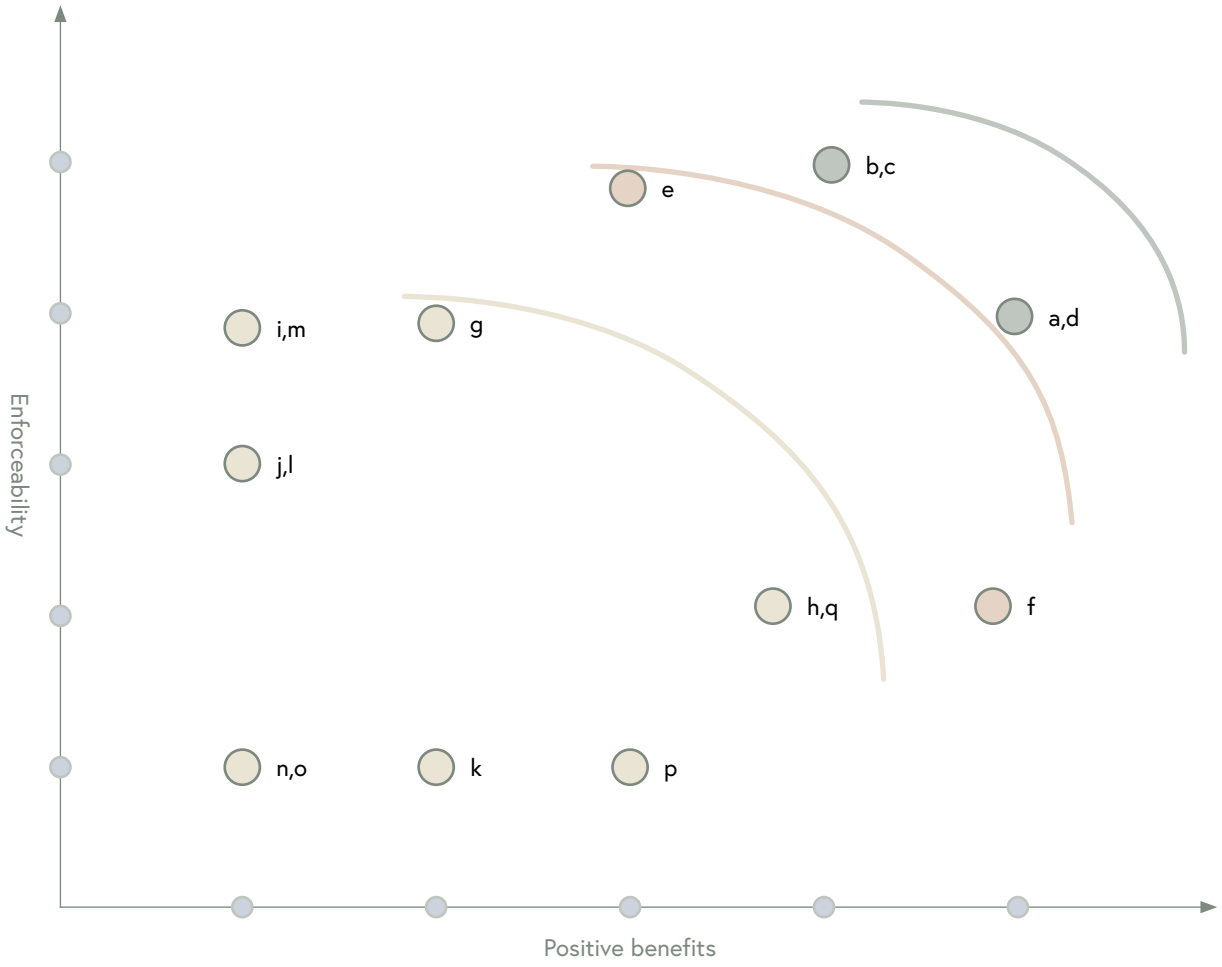


a. Changes in precipitation (rainfall) patterns and extreme changes in climate patterns
b. Increased carbon disclosure requirements
c. Tightening of GHG-related regulations and carbon tariff mechanism at borders
d. Replacement of existing products and services with low carbon alternatives
e. Costs of low-carbon technology transition

f. Increased severity of extreme weather events such as typhoons, floods, etc.
g. Rising raw material costs
h. Failure to invest in new technologies
i. Stigmatization of the industry
j. Requirements and supervision of existing products and services
k. Exposure to litigation

l. Sea level rise
m. Market information risk uncertainty
n. Changing consumer preferences
o. Increased stakeholder concern and negative feedback

Climate Change Significant Opportunity Matrix



a. Adoption of more efficient modes of transportation
b. Use of low carbon energy sources
c. Develop and/or increase low-carbon goods and services
d. Develop R&D and innovation in new products and services

e. Diversification of business activities
f. Participation in renewable energy projects and adoption of energy saving measures

g. Recycling
h. Reduce water use and consumption
i. Adopt incentive policies
j. Use of new technologies
k. Participate in the carbon trading market
l. Switching to decentralized energy sources
m. Entering new markets
n. Utilize public sector incentives
o. Acquire new assets and locations that require insurance
p. Develop climate adaptation and insurance risk solutions
q. Energy substitution/diversification

Major Climate Risk Identification and Assessment Table

Risk Category		Climate-related Risks	Risk description	Financial Impact	Location of value chain impact	Goals of mitigation or adaptation strategies
Physical Risks	Long-term	1. Changes in rainfall (water) patterns and extreme changes in climate patterns	A severe water shortage could result in the following operational risks: 1. Restriction of raw material soaking due to water restriction. 2. Reduced water usage in the dyeing process will result in a reduction in production. 3. Lack of cooling water for the air compressor will result in production suspensions.	Decrease in revenue Losses of approximately NT$ 127 million	Eclat Downstream	Strategy: 1. Monitor water consumption, identify significant water consumptions and implement various water conservation measures. 2. Develop water restriction measures to increase water recycling rates. Goals: 1. Increase water recycling rate. The water recycling rate target for 2025 is 20%, reaching 25.63% by 2025. 2. Increase the number of water towers to increase the plant's water storage capacity.
Transition Risks	Policies and Regulations	2. Increased carbon emissions disclosure requirements	Increasing scrutiny and carbon-related demands from investors and customers will lead to higher costs, thereby squeezing profitability.	Increases in cost Increase of approximately NT$ 7.7116 million	Eclat	Strategy: In order to proactively address customer demands, we have been gradually replacing high-energy-consuming equipment with decentralized low-energy alternatives. Goals: Completed the replacement and improvement of garment plant equipment by 2025.

Risk Category	Climate-related Risks	Risk description	Financial Impact	Location of value chain impact	Goals of mitigation or adaptation strategies
Transition Risks Policies and Regulations	3. Tightening of greenhouse gas-related regulations and imposition of border carbon tariffs.	1. The TWSE's requirements for disclosure of non-financial information in annual reports are becoming more detailed and stringent. 2. If the Climate Change Response Act formally implements a carbon trading scheme, opens a carbon trading market, or begins imposing a carbon tax, both carbon credit purchases and the Company's emission costs will increase. 3. The Renewable Energy Development Act will increase the cost of renewable energy consumption if the government mandates a certain percentage of renewable energy use for large energy users. 4. The introduction of a border carbon tariff will increase operating costs.	Increases in cost Increase of over NT$ 90 million	Eclat	Strategy: 1. Monthly tracking and identification of relevant regulations. 2. Pay close attention to the EU Carbon Border Adjustment Mechanism (CBAM). 3. Energy transformation, increasing the use of renewable energy and reducing the carbon footprint of products. Goals: 1. Taiwan Plants to achieve 10% renewable energy use by 2025. 2. Overseas plants to achieve 15% renewable energy use by 2025
Transition Risks Technology	4. Replacement of existing products and services with low carbon alternatives 5. Costs of Low Carbon Technology Transition	The need to progressively adopt new technologies and equipment for energy transformation will lead to increased costs.	Increases in cost approximately NT$ 100 million	Upstream Eclat	Strategy: Revise adoption of certain technologies and raw materials, introduce new equipment, and hire technical personnel to increase the proportion of renewable energy usage across various plants. Goals: After stabilization, the cost of both energy allocation and technology operation will be reduced, which in turn will reduce the production cost.

Material Climate Opportunity Identification and Assessment Table

Opportunity Category		Climate-Related Opportunity		Opportunity Description	Financial Impact	Location in the Organization	Management Strategies and Goals
Opportunities	Energy Efficiency			Avoiding the costs and wastage of labor resources generated by redundant transportation.	Cost reduction approximately NT$ 1.2 million per year		Strategy: Consolidate shipments to the same export location to reduce the number of shipments and reduce transportation carbon emissions. Goals: Consolidate the orders of all business units for unified scheduling.
		a-1.	Adopt more efficient transportation methods.	Encourage suppliers to invest in the vicinity of our plants to reduce overseas transportation costs. The procurement cost of raw materials is expected to decrease due to shorter transportation distances, leading to a reduction in Scope 3 of greenhouse gas emissions from plants.	Cost reduction approximately NT$ 7.5 million per year	Fabric Division	Strategy: Invite suppliers that work closely with Eclat to elaborate on investment advantages and encourage them to establish plants in Vietnam. Goals: Procure 80% of raw materials locally to create an industry clustering effect and improve the efficiency of vertical communication in the supply chain.
		a-2.	Utilize more efficient production and distribution processes.	Avoiding redundant production of the same products conserves resources (energy and manpower) and reduces environmental impact (carbon emissions and wastewater).	Cost reduction approximately NT$ 1.2 million per year		Strategy: Integrate with end customers to consolidate orders for one-time production. Goals: Enhance production quality and reduce rework rate. Streamline the production process and consolidate shipments.
		a-3.	Reduce energy use and emissions	Save energy consumption.	Cost reduction approximately NT$ 1.15 million per year	All production sites	Strategy: Reduce all types of energy use and improve energy efficiency. Target: Complete the replacement of energy-consuming equipment in all plants and reduce all paper consumption by 50%.

Opportunity Category	Climate-Related Opportunity	Opportunity Description	Financial Impact	Location in the Organization	Management Strategies and Goals
Opportunities	Energy Source b. Use of low carbon energy	1. Taking advantage of Vietnam's abundant sunlight, utilizing solar power for a portion of electricity consumption (utilizing plant roof space, solar energy companies providing equipment installation and maintenance, self-consumption) not only increases the share of green energy but also qualifies for discounted green energy rates, ranging from an 8% to 10% reduction. 2. Increasing the proportion of green energy can reduce Scope 2 emissions within the market baseline, consequently lowering product emissions. This reduction is beneficial in terms of potential cost savings from future decreases in border carbon tariffs.	Cost reduction approximately NT$ 250,000 per year	Vietnam Production Plants	Strategy: Evaluate the benefits and applicability of using solar power, and gradually introduce green power in each plant to increase the percentage of renewable energy used. Goals: 1. By 2025, the percentage of renewable energy usage in Taiwan is set to reach 10%. 2. Overseas plants will utilize 15% of renewable energy.
	Products and Services c. Develop or increase low-carbon products and services.	Carbon footprint certification of products to enable carbon reduction in manufacturing processes.	Revenue Increase approximately NT$ 15 million per year	Fabric Division	Strategy: Carbon footprint certification for major products to understand energy consumption hotspots and make improvements. Goals: 1. 10% of self-developed prod ucts pass carbon footprint certification to understand energy consumption hotspots during the manufacturing process. 2. Improve process energy efficiency to reach 10% in 5 years.
	d. R&D and innovation in the development of new products and services	With the rise in average temperature, the demand for moisture wicking fabrics increases. In response, Eclat has developed functional fabrics with high moisture wicking performance. Temperature changes will indeed change consumer preferences and demand for clothing, but the annual temperature change is highly uncertain, and it is not possible to ensure that the opportunity for change is sustainable.			Strategy: Continuously research and develop functional fabrics with good moisture wicking performance. Goals: Increase the order volume of moisture wicking fabrics.

5.2.2 Greenhouse Gas Management

Under the guidance of the Greenhouse Gas Inventory Promotion Committee, all plants adhere to the ISO 14064-1 standard for greenhouse gas inventory verification. The year 2017 serves as the baseline for Eclat's greenhouse gas inventory, and annual greenhouse gas inventory assessments are conducted. Eclat has set a medium- to long-term greenhouse gas reduction target to reduce carbon emission intensity by 30% by 2030 compared to the base year. Various action plans have been developed in accordance with the Company's climate change management policy (see Section 5.2.1), yielding tangible results in energy transition.

Green Power	In 2020, Eclat has utilized green electricity at its Vietnam plants for the first time. As of 2025, the renewable energy usage ratio at its Vietnam and Taiwan plants approached 11%. The future goal is to continuously double the share of green electricity.
Clean energy	Since 2021, all production bases have completely ceased using coal as fuel. This has not only effectively reduced greenhouse gas emissions but also significantly decreased NOx and SOx emissions.
Source reduction	In addition to continuously improving equipment energy efficiency, the Company actively optimizes its production processes. Since 2020, low liquor ratio machines have been progressively introduced. These machines not only achieve water savings but also reduce electricity consumption by 16% and steam consumption by 35% compared to conventional machinery.



In 2016, Eclat established greenhouse gas inventory management procedures and, in accordance with the "Eclat Corporation Environmental, Safety, Health and Energy Policy," formed a Greenhouse Gas Inventory Promotion Committee. Chaired by the Sustainability Division, the committee promotes plant-level greenhouse gas inventories and regularly reports inventory and verification progress to the Board of Directors.

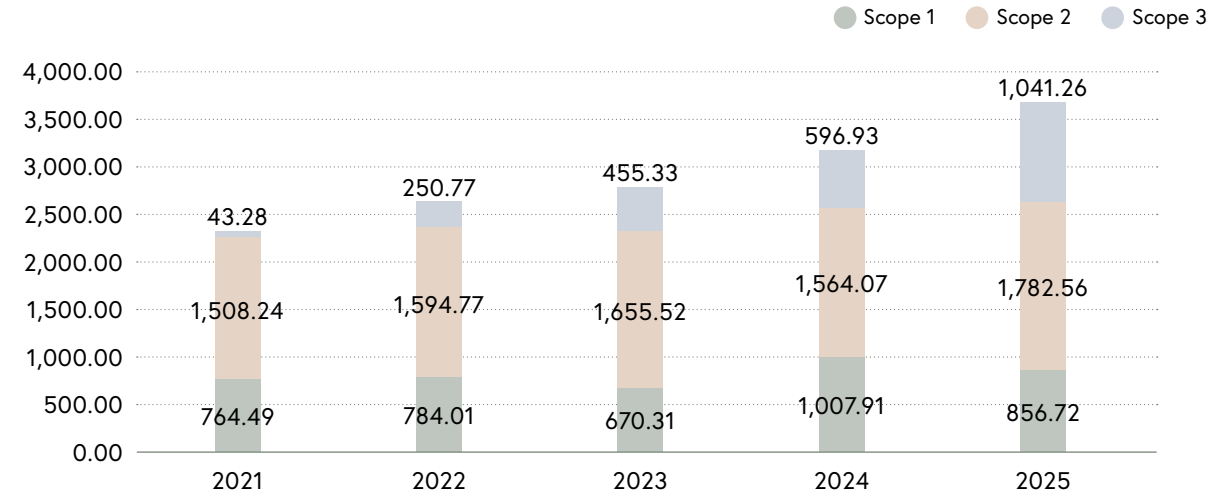
In 2025, total Scope 1 and Scope 2 emissions decreased by 15,476.43 tCO_2e compared to 2024, representing a 12.3% reduction in absolute emissions. This was mainly due to the energy transition of the purchased steam supplier in 2025, which significantly reduced the emission factor of purchased steam by 33.4%. Additionally, Scope 2 emissions were reduced owing to solar power contributions from the Vietnam fabric plant and Phase II of the E-Top Vietnam plant. Consequently, even under a scenario of increased production, absolute emissions decreased significantly. In terms of emission intensity, the Material Division achieved a 19% reduction in 2025, while the Garment Division achieved a 5.5% reduction. With respect to the targets set for 2025, the Material Division met its target, while the Garment Division achieved 81.5% of its target. Eclat also voluntarily discloses Scope 3 greenhouse gas inventory items in accordance with ISO 14064-1:2018. Please refer to the Appendix for detailed greenhouse gas emissions data.

Emissions Intensity

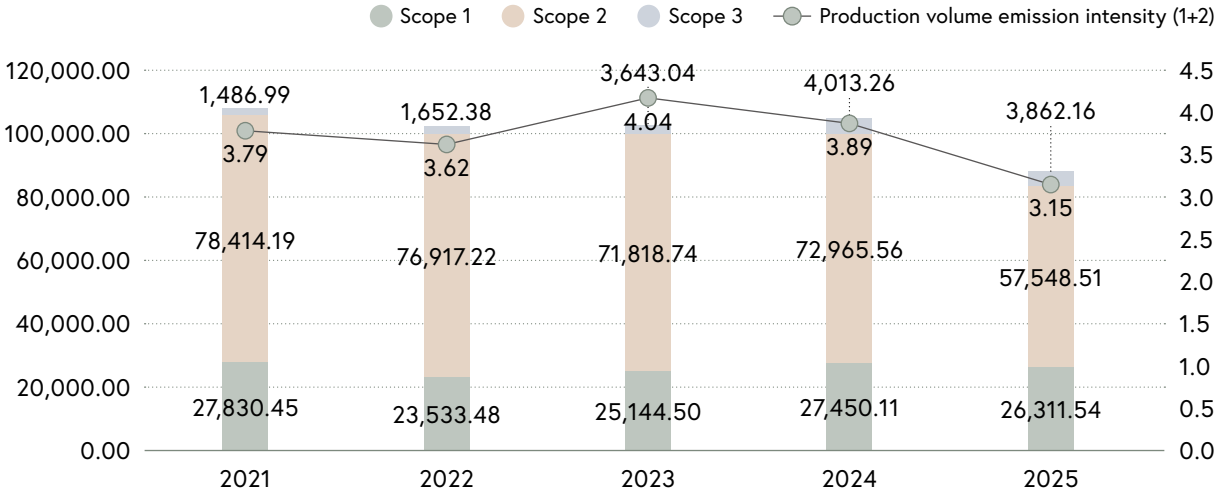
Unit: tCO_2e

Year	2023	2024	2025
Eclat Group Total Emissions			
Scope 1 direct emissions	28,225.17	31,029.99	28,793.22
Scope 2 energy (indirect)	90,560.75	94,968.69	81,729.03
Scope 1+2 (direct emissions + energy indirect)	118,785.91	125,998.68	110,522.25
Operating revenue ($ millions)	30,790.46	36,828.50	37,989.75
Emissions intensity per unit revenue (tCO_2e/NT$ million)	3.86	3.42	2.91
Scope 3 other indirect GHG emissions	9,881.73	10,535.73	26,195.25
Total (Scope 1 + 2 + 3)	129,775.34	136,534.41	136,717.50
Fabric Division Emissions Intensity			
Fabric Division Scope 1+2 (direct emissions + indirect energy use)	99,969.05	100,415.67	83,860.05
Total Production (ton)	23,980	25,783	26,596
Unit emission intensity per unit of production (tons CO_2e/ton)	4.17	3.89	3.15
Scope 3 other indirect GHG emissions	3,643.04	4,013.26	3,862.16
Total (Scope 1 + 2 + 3)	103,612.09	104,428.92	87,722.21
Garment Division Emission Intensity			
Garment Division Scope 1+2 (direct emissions + indirect energy use)	19,377.48	23,011.03	24,022.92
Total Production (dozen)	4,435,183	5,964,852	6,603,167
Emission intensity per unit of production (metric tons CO_2e/thousand dozen)	4.37	3.85	3.64
Scope 3 other indirect GHG emissions	5,783.36	5,925.54	21,291.83
Total (Scope 1 + 2 + 3)	25,160.84	28,936.57	45,314.75

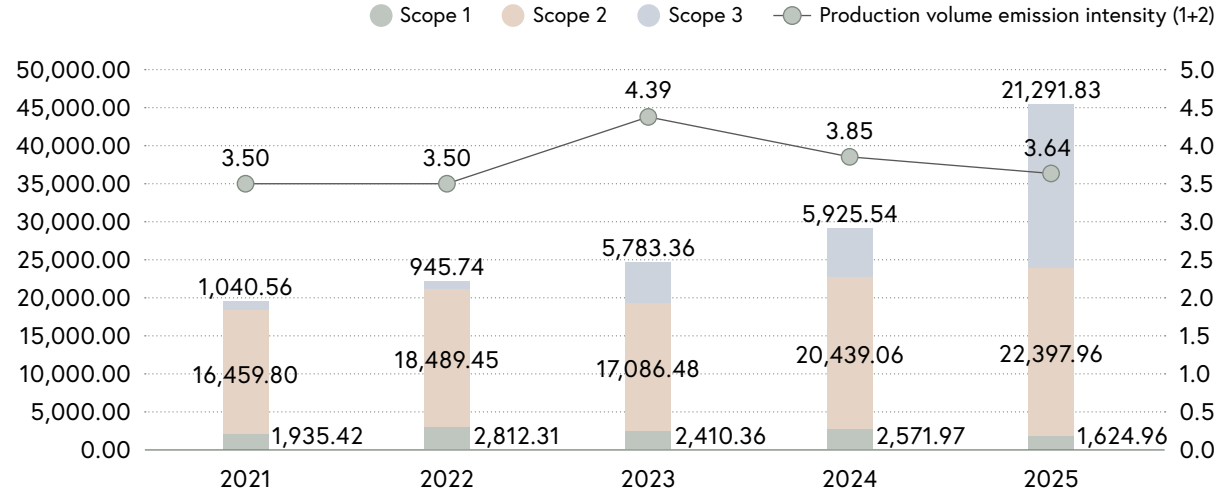
Headquarters



Fabric Division



Garment Division



Note 1 Scope 1 refers to direct GHG emissions.

Note 2 Scope 2 refers to indirect GHG emissions from energy use.

Note 3 Scope 3 refers to other indirect greenhouse gas emissions (employee overseas travel, waste disposal, upstream raw materials, transportation of raw materials and products, etc.). Product transportation originally included only land freight; in 2023, sea freight was added.

Note 4 Scopes 1, 2, and 3 have all been verified by the independent third-party organization (SGS). The Greenhouse Gas Verification Statement is available on the official website.

Note 5 The inventory boundary covers the parent company and subsidiaries included in the consolidated financial statements.

Note 6 The inventory boundary was expanded in 2022 to include the Indonesia Plant, which was established in 2021.

Scope 1+2 Greenhouse Gas Emissions Table (according to the type of greenhouse gas)

Unit: tCO_2e

Greenhouse Gas Type	CO_2	CH_4	N_2O	HFC	PFCs	SF_6	NF_3	Total
Emissions	108,997.313	814.582	38.956	681.535	0.000	0.000	0.000	110,532.386
Percentage (%)	98.6	0.74	0.04	0.62	0.00	0.00	0.00	100.00

Note 1 The emission factors and global warming potentials used by the Company are sourced from the values published in the IPCC Sixth Assessment Report (2021). Greenhouse gas inventory and calculations are conducted in accordance with the ISO 14064-1:2018 standard. The scope of the inventory covers the calculation of six major greenhouse gases — carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride — and also includes nitrogen trifluoride in accordance with the latest international standards.

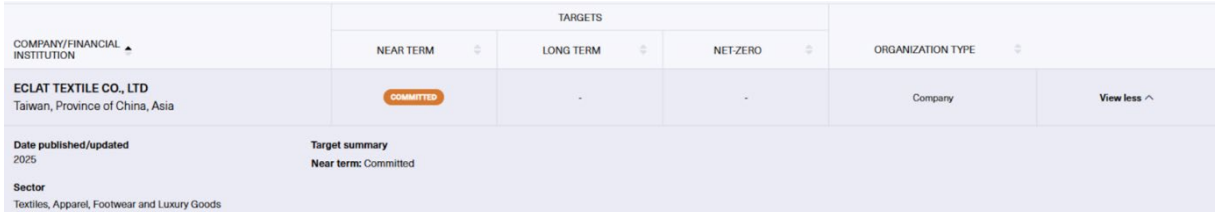
Note 2 Eclat compiles greenhouse gas emissions using the operational control approach, therefore, 100% of the inventoried emissions are recognized.

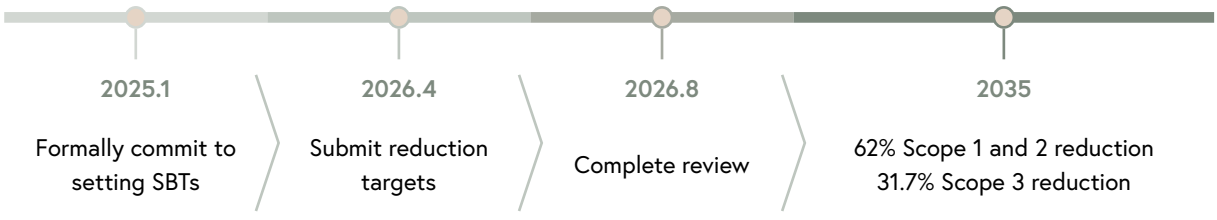
Note 3 Scope 1 direct greenhouse gas emissions sources include: natural gas, liquefied petroleum gas, diesel, and gasoline.

Note 4 The electricity emission factors for manufacturing sites in Taiwan are based on the 2025 electricity emission factor of 0.466 kg CO_2e/kWh announced by the Bureau of Energy, Ministry of Economic Affairs; the electricity emission factor for Vietnam plants is based on the electricity emission factor of 0.6592 kg CO_2e/kWh announced by the Department of Meteorology, Hydrology and Climate Change, Ministry of Natural Resources and Environment of Vietnam; and the emission factor for purchased steam is based on the emission factor of 0.1717 CO_2e/kg for steam sold by Dayuan Cogeneration Corporation.

5.2.3 Science-based carbon reduction targets initiative

In response to the requirements and expectations of our stakeholders, the Company formally signed a commitment to set science-based carbon reduction targets in December 2024. Eclat has established 2024 as the base year and 2035 as the target year, aiming to achieve a 62% reduction in Scope 1 and Scope 2 emissions, and a 31.7% scope 3 reduction by the target year. The inventory data, targets, and decarbonization pathway have been submitted to the SBTi for review, which is expected to be completed in 2026.







5.3 Energy Use and Management

5.3.1 Development of Renewable Energy and Energy Usage Statistics

Following the commissioning of Eclat's first solar power system at our Vietnam fabric production base in 2022, five production bases and our headquarters building have adopted solar power generation to date. In 2025, alongside the official launch of the Phase II solar installation at the Vietnam fabric plant (3,000 kWp capacity), the E-Top (Vietnam) plant completed its Phase II expansion with an additional 661 kWp of solar capacity, and a 540 kWp solar facility was installed at the Eclat Textile (Cambodia) plant. As of 2025, the Group's total solar installed capacity reached 9,033 kWp. In 2025, total solar power generation reached 9.99 million kWh, achieving an annual carbon reduction of 5,979 tonnes of CO_2 equivalent (tCO_2e). Eclat has actively driven its energy transition in recent years, and projects that additional production bases will implement solar power installations in 2026.

Taiwan Solar Power Plants




Dayuan Plant




Hsichou Plant

Vietnam Solar Power Plants





Use of renewable energy at production sites

Region	Installed capacity (kWp)	Total electricity consumption (kWh)	Renewable energy usage (kWh)	Green power usage ratio (%)
Taiwan	2,519	33,332,905	3,250,065	10
Vietnam	6,097	60,599,192	6,597,709	11
Cambodia	540	2,553,436	142,569	6

Results of energy saving goals

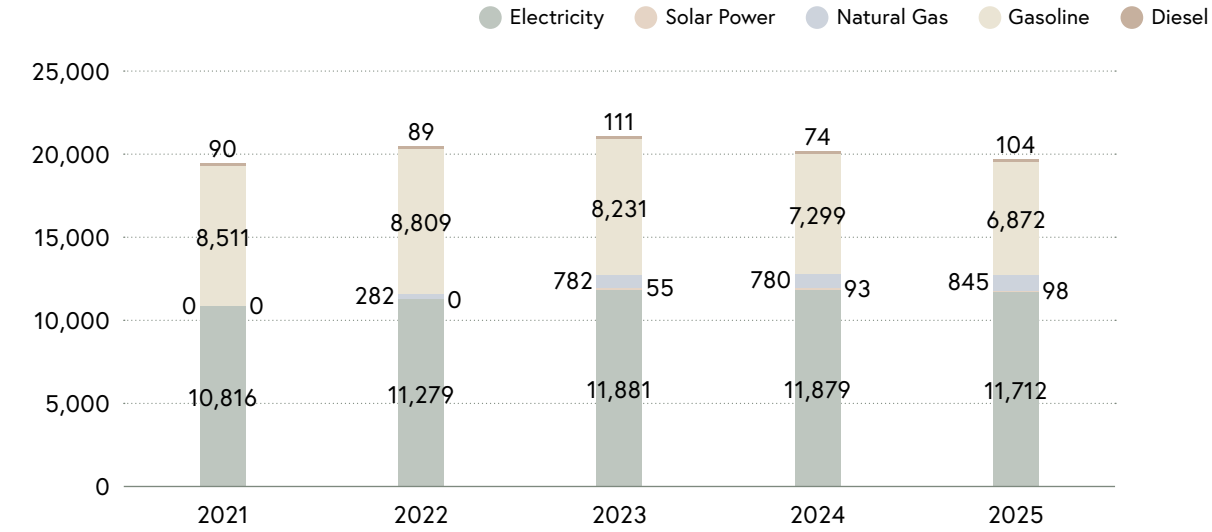
Eclat regularly analyzes and reviews enterprise energy consumption with reduced energy use as an operational goal. In 2025, the Material Division's total energy consumption decreased by 4.43% compared to 2024. In terms of energy intensity, the Material Division's energy intensity in 2025 decreased by 7.35% compared to 2024. The Garment Division's total energy consumption increased by 8.33% compared to 2024, primarily due to a 10.7% increase in production volume, while its energy intensity decreased by 1.49%. We plan to introduce energy saving diagnosis in 2026 to identify further energy-saving opportunities, thereby developing various energy-saving projects to gradually reduce energy intensity and mitigate global climate change.

Energy Intensity Table

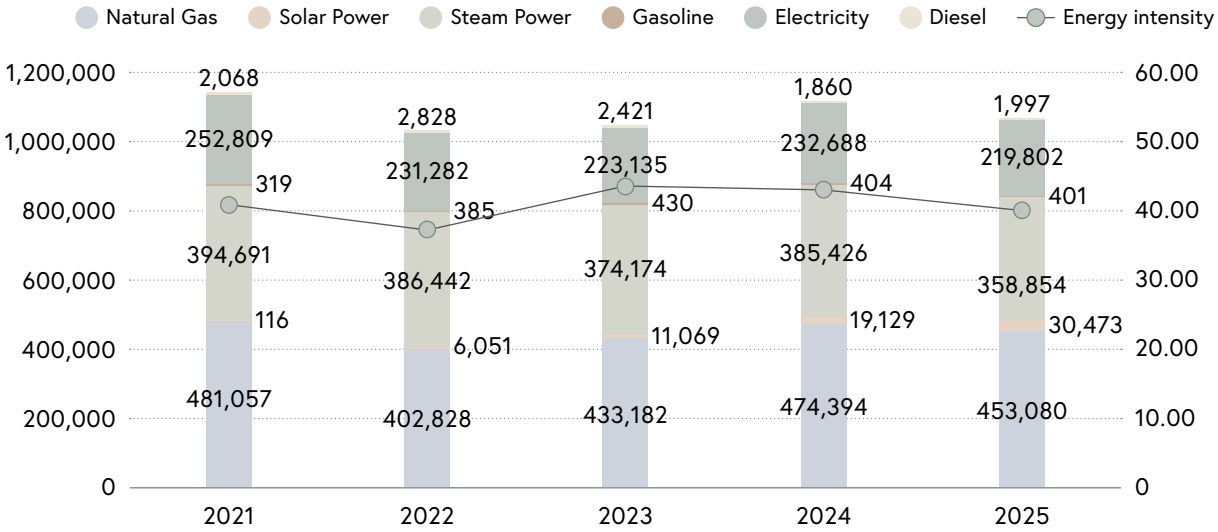
Unit: GJ (gigajoule)

Year	2023	2024	2025
Fabric Division Energy Intensity			
Non-renewable Energy	1,033,341.597	1,094,771.297	1,034,133.659
Renewable Energy	11,068.803	19,128.715	30,473.482
Total Energy Use	1,044,410.400	1,113,900.012	1,064,607.141
Total production (ton)	23,980	25,783	26,596
Energy Intensity (gigajoule/tonne)	43.553	43.203	40.029
Garment Division Energy Intensity			
Non-renewable Energy	96,718.430	115,366.472	124,977.909
Renewable Energy	4,557.146	4,779.623	5,491.314
Total Energy Use	101,275.576	120,146.095	130,469.223
Total production (dozen)	4,435,183	5,964,852	6,603,167
Energy Intensity (gigajoule/dozen)	0.0228	0.0201	0.0198

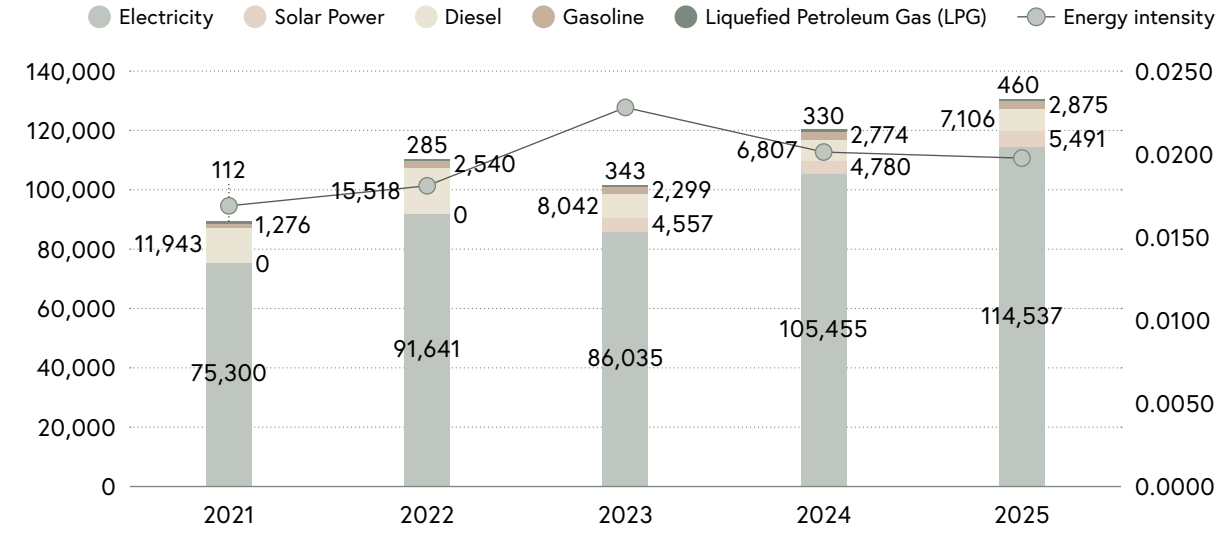
Eclat HQ Energy Use



Material Division Energy Use



Garment Division Energy Use



Note 1 The intensity of activities is sourced either from recorded meter readings or procurement quantities.

Note 2 The conversion coefficients are based on the "Heat Content of Energy Products" announced by the Energy Bureau of the Ministry of Economic Affairs.

Note 3 Power conversion factor: 1 kWh = 3600 kJ.

Note 4 Unit: Gigajoule

Energy saving measures and carbon reduction performance in 2025

Unit: tCO_2e/year

Operating Locations	Energy saving methods	Project/Initiative Description	Carbon Reduction Performance
Da-Yuan Plant	Improve energy efficiency	Replace the original 100 HP fixed-frequency air compressor with a 100 HP variable-frequency air compressor	99.25
Hsi-Chou Plant	Improve energy efficiency	Installation of variable frequency drives (VFDs) for dust collection fans	26.28
Vietnam Fabric Plant	Energy transformation	Solar power generation phase II installation of 3,000 kWp	2,159.54
E-TOP Plant	Improve energy efficiency	Replacement of fluorescent lights with LED lights	98.83
	Energy transformation	Solar power generation phase II installation of 661 kWp	475.82
Eclat Textile Vietnam Plant	Improve energy efficiency	Replacement of 70 servo motors	13.88
Eclat Textile Cambodia Plant	Energy transformation	Solar power generation installation of 540 kWp	425.72
Total			3,299.32

The Company sets annual energy-saving targets and continues to promote various energy-saving initiatives, primarily categorized into energy transition and energy efficiency improvements. In 2025, Eclat implemented seven projects, with energy efficiency improvement measures saving a total of 1,568 gigajoules.

Category	Item	Unit	Energy Savings	Calorific Value Conversion Factor (KJ/kWh)	Energy Consumption Reduction (GJ)
Improve energy efficiency	Electricity	kWh	435,818	3,600	1,568.944

Note 1 Solar carbon reduction benefits are calculated based on annual power generation and regional electricity emission factors.

Note 2 Taiwan's electricity emission factor: 0.466 kg CO_2e/kWh; Vietnam: 0.6592 kg CO_2e/kWh; Indonesia: 0.877 kg CO_2e/kWh.

Note 3 The calculation method involves tallying the reduced electricity consumption compared to the previous year and then converting it into carbon reduction based on the coefficient.



5.4 Water Resource Management

Water resource management is a critical issue in the textile industry. Consequently, Eclat established its water resource management policy in 2023:

Water resource management policy
Comply with local water and wastewater discharge laws and regulations.
Continue to promote water conservation and encourage employees to propose water-saving plans.
Develop low-water-consumption production technology.
Develop new water sources to reduce the impact of drought on production.
Increase the ratio of wastewater recycling to reduce single-use water consumption.

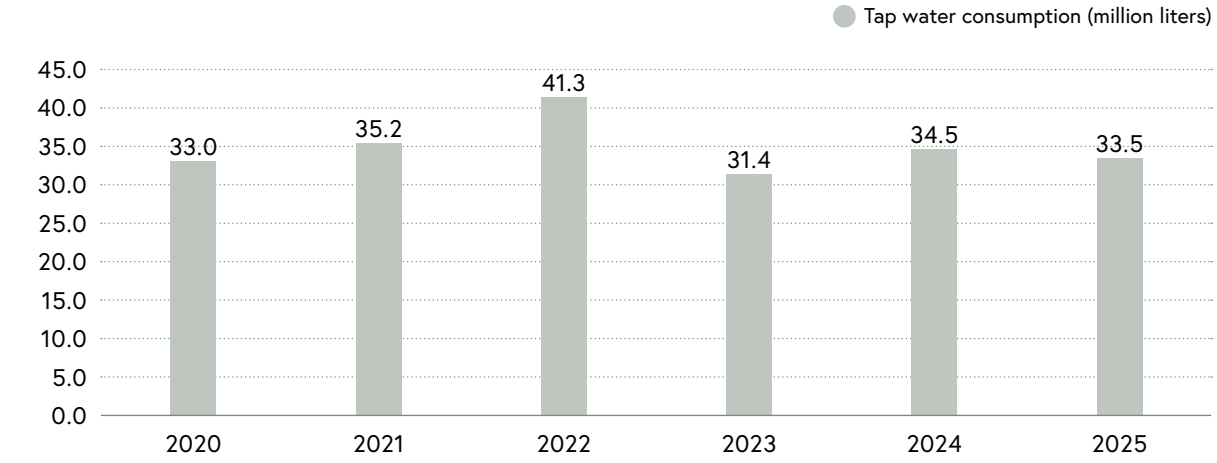
Water resource management policy

In terms of water resource management, Eclat has established a comprehensive water resource management policy, with the relevant details disclosed on our official website. In 2025, the Company participated in the CDP water security disclosure project and received a "B" rating. Eclat's regional factories all implement rigorous water resource management plans, achieving effective water resource monitoring and management through daily meter readings, monthly analyses, and quarterly reviews. To reduce the pressure on water resource development, we established a rainwater harvesting system in 2016. In 2025, rainwater harvesting accounted for 9.59% of the Garment Division's total water consumption, making it one of Eclat's key water sources. Regarding the wastewater recycling system, the addition of RO equipment at the Vietnam fabric plant at the end of 2024 increased the wastewater recycling rate of this single plant from 30% to 40%. Consequently, in 2025, recycled and reused water accounted for 25.63% of the Material Division's total water consumption, representing a 5.21% increase compared to the previous year. We continue to increase the proportion of rainwater and recycled water reuse to foster a virtuous cycle in water resource management.

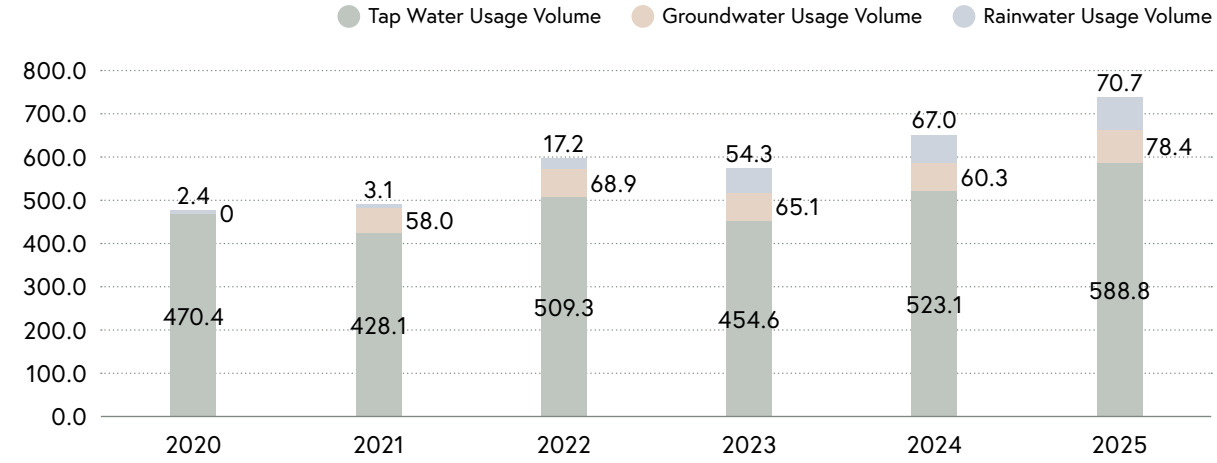
Eclat is also committed to reducing water consumption at the source by leveraging innovative process technologies to minimize water use. In the past, we collaborated with industry peers to develop waterless dyeing technology, marking a significant milestone in environmentally friendly textile manufacturing in our industry.



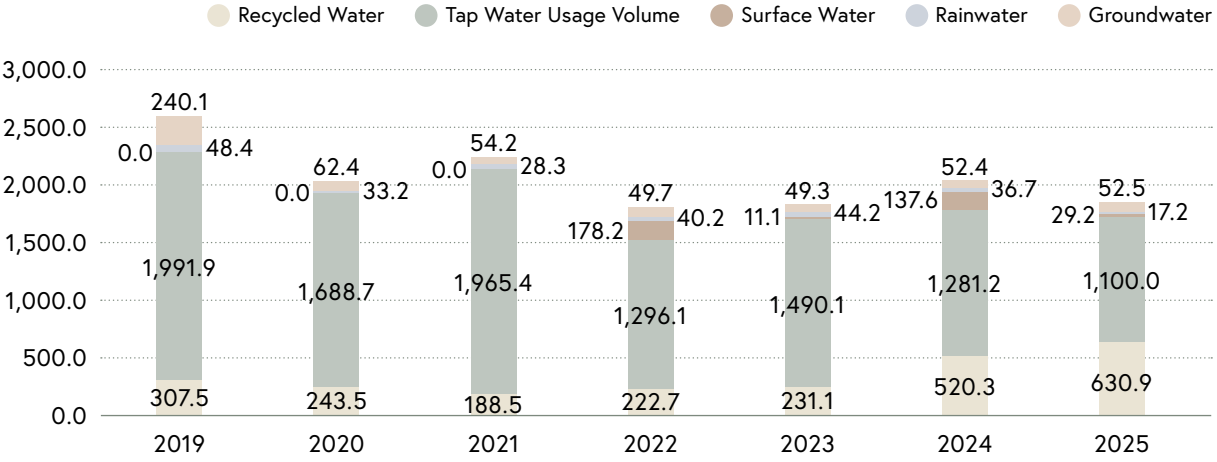
Total water intake at Headquarters



Garment Division Water Withdrawal Table



Material Division Water Withdrawal



Note 1 Activity data source is based on meter reading records or purchase receipts.

Note 2 The sources of water consumption do not involve national or international protected areas.

Note 3 Recycled water consumption calculations do not include rainwater consumption.

Note 4 In 2021, water withdrawal statistics for the Garment Division began including the Eclat Textile (Cambodia) plant, which led to the addition of the groundwater category.

Note 5 Unit: million liters

Eclat's Material Division, which has higher water consumption, sets water withdrawal reduction targets, and reviews and adjusts these targets every three years based on performance. The target for 2026 is to reduce water withdrawal intensity by 30% compared to the base year (2020). Following the expansion of wastewater reclamation equipment in October 2024, freshwater use was significantly reduced in 2025. Consequently, the actual reduction reached 31.74% in 2025, achieving the target ahead of schedule.

5.5 Environmental Impact Management

5.5.1 Air Pollution

Eclat strives to reduce the atmospheric impact of its operations by installing pollution control equipment at each emission source, including condensers, electrostatic precipitators, and scrubbers, which remove more than 90% of volatile organic compounds and more than 95% of particulate matter emitted from stenter machines.Likewise, through the fuel substitution program, traditional coal and heavy fuels are replaced by cleaner natural gas to substantially reduce the amount of NOx, Sox, VOCs and particulate matter produced. Eclat completely phased out the use of coal by the end of 2021. In 2025, NOx and SOx emissions were reduced by 55% and 95%, respectively, compared to 2019.



Note 1 The NOx, SOx, and particulate matter (PM) emission coefficients are based on the results of the annual inspection reports. The emission coefficients of volatile organic compounds (VOCs) are selected based on the announcement of the Environmental Protection Administration, Executive Yuan, in the "Emission Coefficients of Industrial Processes, Emission Coefficients of Operating Units (Including Equipment Components), Control Efficiency, and Other Measurement Requirements for Volatile Organic Compounds for Stationary Sources in Public and Private Establishments Reporting Air Pollution Prevention Fees".

Note 2 Calculation method in the test report: The result is obtained by multiplying the test result and the total annual air output volume.

Note 3 For industry-specific emission coefficients, the results are obtained by multiplying announced industry-specific coefficients by the volume of products or services.

Note 4 Eclat does not import, use, nor produce ODS.

Note 5 The scope includes plants in the Fabric Division and the Garment Division. As the head office is not a production plant, no testing was conducted at the head office.

Note 6 VOC data estimation method: Production volume x industry-specific emission coefficient.

Note 7 Unit: kg

5.5.2 Effluent

Eclat has established a comprehensive wastewater management protocol and strictly adheres to local regulations for effluent discharge standards. In addition to regular annual effluent testing, each facility also conducts daily water quality checks to achieve real-time alertness and management. The testing scope includes parameters such as pH value, biochemical oxygen demand (BOD), chemical oxygen demand (COD), temperature, and more. Depending on the size of each facility, quarterly or semi-annual effluent inspections and reporting are carried out. Dedicated environmental management auditors verify the reported data to ensure its accuracy. All fabric plants also comply with the Zero Discharge of Hazardous Chemicals (ZDHC) guideline, conducting wastewater testing semi-annually. All 2025 test results complied with the standard's specifications.

By periodically monitoring and sharing information on the latest wastewater regulations and briefing sessions, as well as conducting relevant training programs as needed, we help employees stay up to date with the latest developments. In 2025, the Vietnam fabric plant increased its wastewater recycling rate from 30% to 40–50%, significantly reducing final wastewater discharge volume. Consequently, total wastewater discharge in 2025 decreased by 9.58% compared to the previous year.

Effluent Discharge Consumption

Unit: million liters

Locations	Treatment method/water quality	Emissions
Fabric Division		
Da-Yuan Plant - Laojie River	Chemical and biological treatment	662.095
Hsi-Chou Plant - Shuiweizi Canal-Houlong River	Chemical and biological treatment	53.931
Eclat Fabrics Vietnam Plant - Shibu River	Chemical and biological treatment	379.451
Garment Division		
E-TOP Plant	Centrally managed and treated by the industrial park authorities	77.941
Tai-Yuan Plant	Centrally managed and treated by the industrial park authorities	20.463
COLLTEX Plant	Centrally managed and treated by the industrial park authorities	71.108
Eclat Textile Vietnam Plant	Centrally managed and treated by the industrial park authorities	206.214
Eclat Textile Cambodia Plant	Self-discharge after physicochemical treatment.	61.432
PT. Eclat Textile Plant	Centrally managed and treated by the industrial park authorities	64.865
Non-planned discharge		0
Total Discharge Consumption		1,597.500

Note 1 Laojie River and Houlong River both belong to Class C water bodies, which are not water source protection zones and are not classified as national or international protected areas. The discharge destination for wastewater from the Vietnamese textile plant is Shibu River, which is not a source protection zone and is not classified as a national or international protected area. All the effluents from garment plants undergo managed treatment and are directly discharged to industrial wastewater treatment plants within various industrial zones, rather than being directly released into water bodies.

Note 2 There were no instances of serious effluent leakage events in 2025.

Effluent quality testing data

Test Item	Test Results								
	Da-Yuan Plant	Hsi-Chou Plant	Eclat Fabrics Vietnam Plant	E-TOP Plant	Tai-Yuan Plant	COLLTEX Plant	Eclat Textile Vietnam Plant	Eclat Textile Cambodia Plant	PT. Eclat Textile Plant
pH Value	7.3	7.9	7.47	7.02	7.5	6.5	6.86	7.81	7.0
Biochemical oxygen demand (BOD)	24.9	13.8	6	18	12.3	5.0	22	1.0	1.5
Chemical oxygen demand (COD)	78.2	47.7	19.2	50.25	40.1	11.0	66	26	8.7
Temperature (°C)	31.3	22.1	30.7	-	-	-	-	-	30
Total Dissolved Solids (TSS)	14.1	25	<9.5	22.5	-	33	39	3.0	10

Note 1 E-Top (Vietnam), Tai-Yuan Garment, Colltex Garment, Eclat Textile Vietnam, and PT. Eclat Textile International generate only domestic wastewater, which is routed to the industrial park wastewater treatment plant after simple in-plant treatment.

Note 2 Both wastewater from manufacturing processes and domestic wastewater from the Da-Yuan, Hsi-Chou and Eclat Fabric Vietnam Plant are treated in the in-plant wastewater treatment plant before being discharged.

Note 3 The Eclat Textile (Cambodia) plant generates only domestic wastewater, which is treated in-plant and then directly discharged.

5.5.3 Waste

In 2024, Eclat formulated and published its waste management policy. The details of the policy have been disclosed on the Company's official website.

Waste Management Policy

Comply with local waste-related laws and regulations;

Promote waste reduction at the source, and implement waste sorting and resource reuse;

Optimize wastewater treatment to reduce sludge generation;

Reduce landfill disposal and incineration treatment while increasing the proportion of industrial waste recycling and reuse;

Phase out high-risk waste disposal contractors and implement an evaluation and audit system for waste management contractors.

Waste Management Policy

Regulatory compliance constitutes the fundamental requirements of Eclat's waste management. All industrial waste is reported and responded to in accordance with local regulations. Waste is classified and stored based on its characteristics. Each factory designates responsible personnel to oversee inspections of temporary waste storage areas and to report relevant production and storage quantities. In the past five years, all waste outputs have been reported in accordance with the regulations, and the current year's assessment of waste disposal plants has been completed, with no violation of laws occurring during the period.

Since 2022, Eclat has partnered with new waste recycling and sludge reuse contractors at its Vietnam plants. Through recycling and resource recovery, these materials are converted into eco-bricks, significantly reducing landfill and incineration volumes in the region while increasing the overall recycling rate.

In 2025, the Dayuan Plant upgraded its sludge drying equipment to lower sludge moisture content, thereby achieving waste reduction at the source. This upgrade resulted in a reduction of 873 tonnes of sludge generated in 2025, representing a decrease of approximately 53%. To implement our circular economy policy, in addition to repurposing generated sludge as raw material for eco-bricks, waste fabric from our Taiwan plants has, in recent years, been sent to Dayuan Cogeneration Corporation's resource recovery facility to be processed into solid recovered fuel (SRF). The resulting SRF is supplied back to Dayuan Cogeneration Corporation as fuel to generate steam, which is then purchased by the Eclat Dayuan Plant, establishing a closed-loop internal waste recycling system. In 2025, a total of 313.64 tonnes of waste fabric from our Taiwan plants was transferred to contractors for SRF production. Our waste reduction target is to reduce the waste intensity of both business divisions by 10% by 2026 compared to the 2020 base year. In 2025, the waste intensity of the Material Division and the Garment Division decreased by 17.8% and 7.8%, respectively, compared to the base year, meaning the Material Division has successfully achieved its target ahead of schedule.

Waste Statistics - Fabric Division

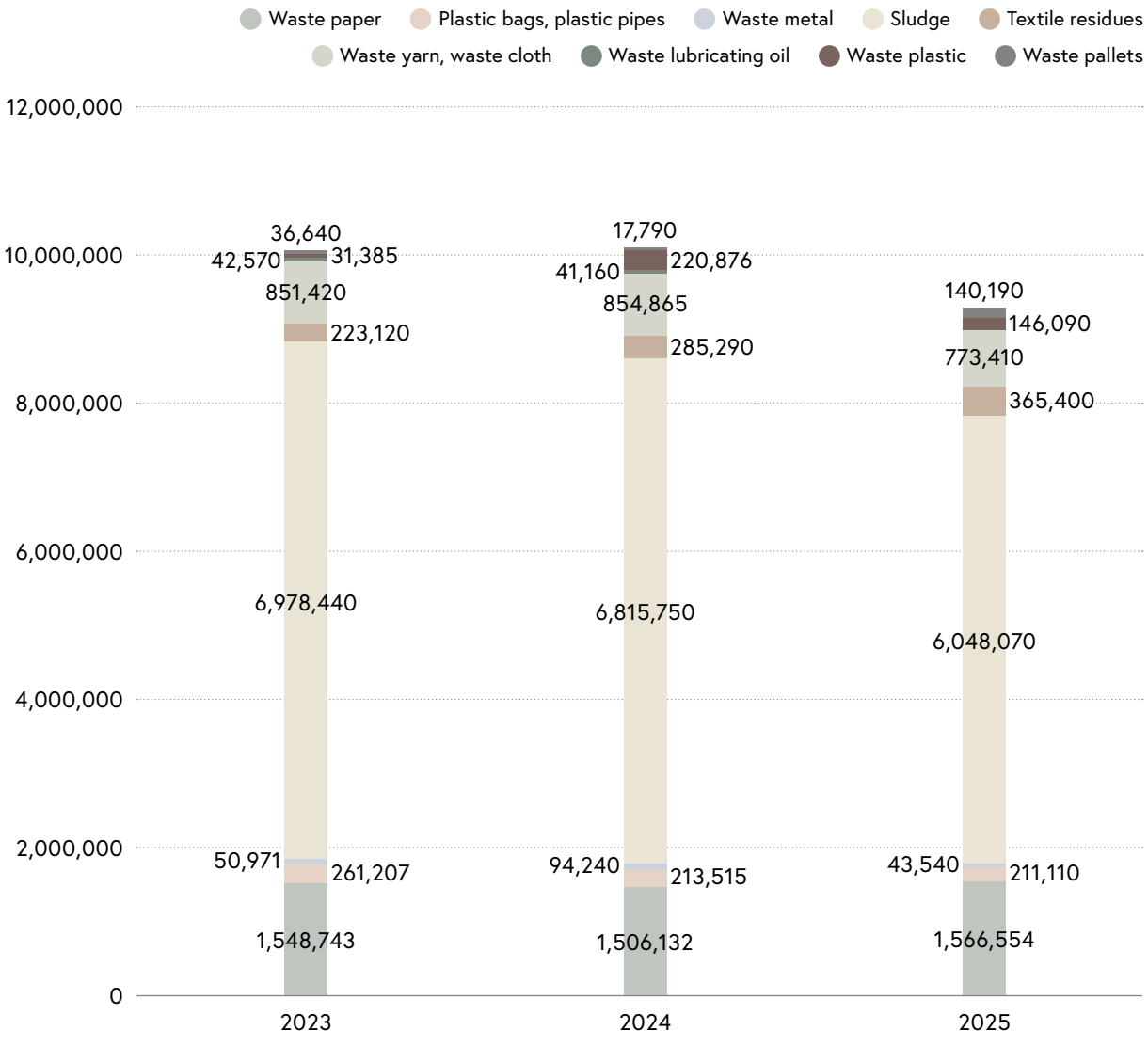
Unit: kg

Year	2023	2024	2025
General Business Waste			
Recycling	10,024,478	10,049,618	9,294,364
Incineration	20,790	45,110	132,870
Landfill treatment	270,080	228,950	224,600
Total amount	10,315,348	10,323,678	9,651,834
Hazardous waste (Ecalt Fabric Vietnam Plant only)			
Recycling	162,190	93,550	98,040
Incineration	58,200	170,470	186,840
Landfill treatment	3,758	0	0
Total amount	224,148	264,020	284,880

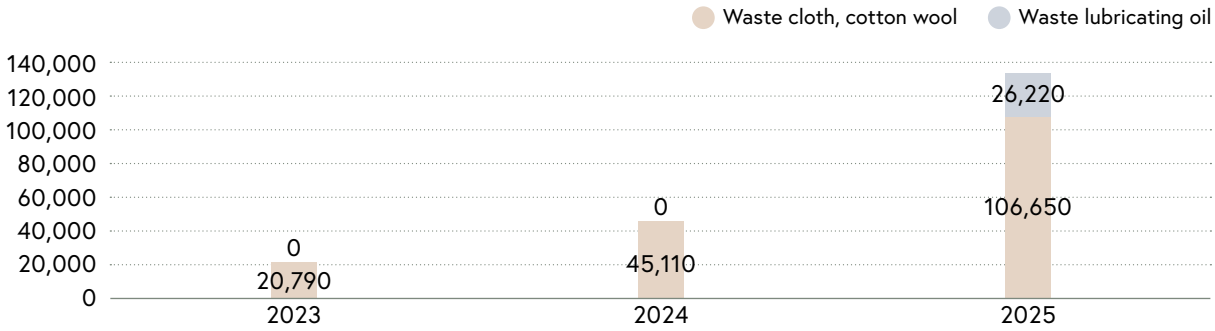
Note 1 The Fabric Division consists of the Da-Yuan Plant, Hsi-Chou Plant, and Eclat Fabrics Vietnam Plant.

Note 2 Due to local regulations in Vietnam, hazardous waste only includes Eclat Fabrics Vietnam Plant.

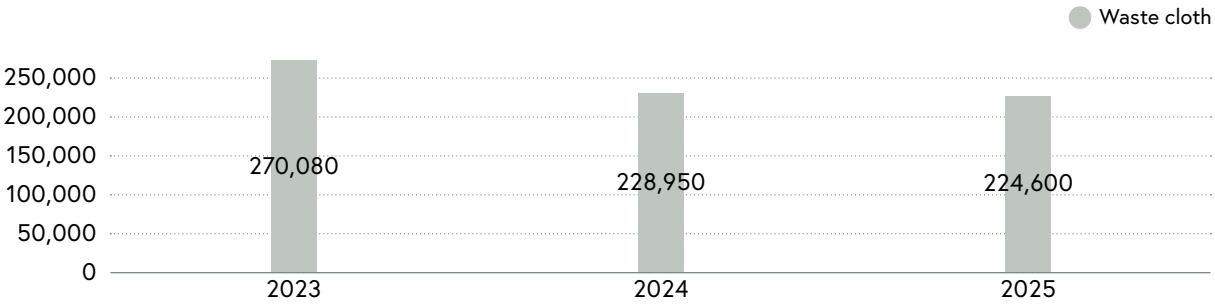
Types of "recycling" treatment for general industrial waste.



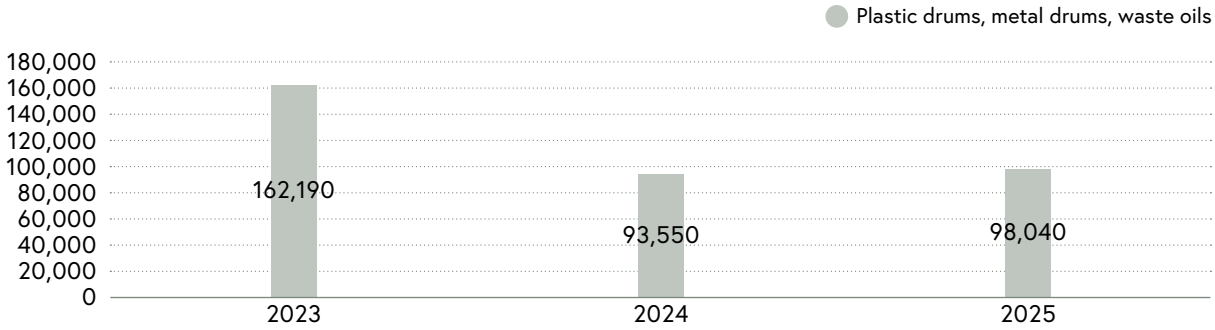
Types of "incineration" treatment for general industrial waste



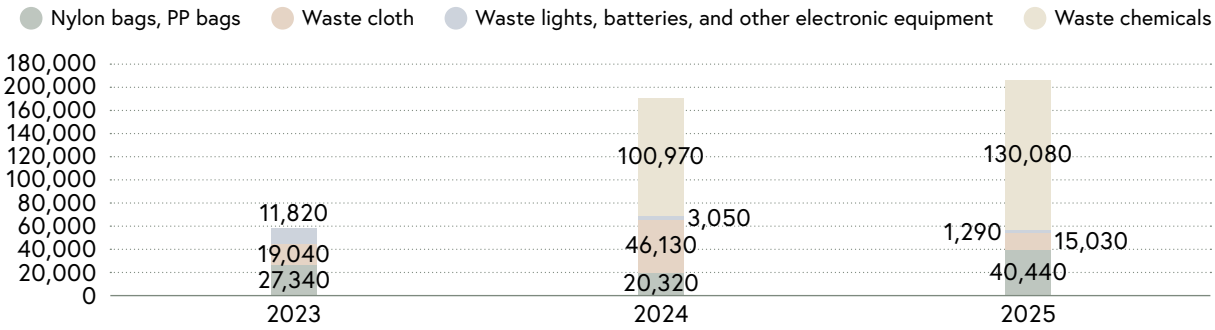
Types of "landfill" treatment for general industrial waste



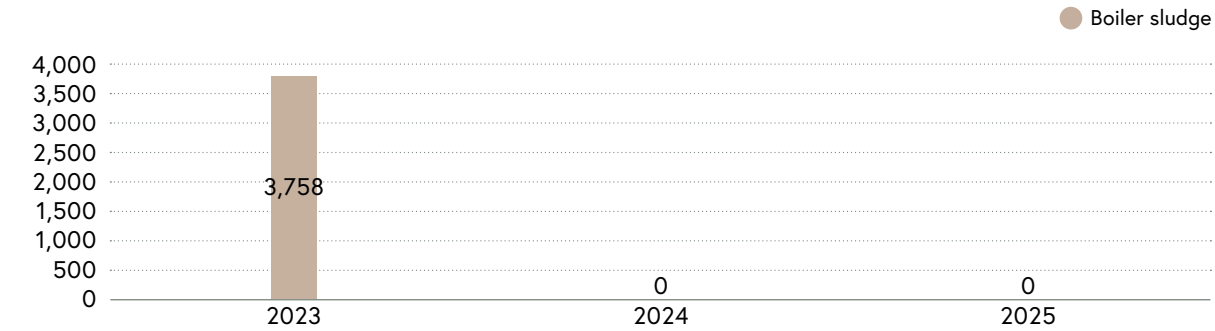
Types of "recycling" treatment for hazardous industrial waste



Types of "incineration" treatment for hazardous industrial waste



Types of "landfill" treatment for hazardous industrial waste

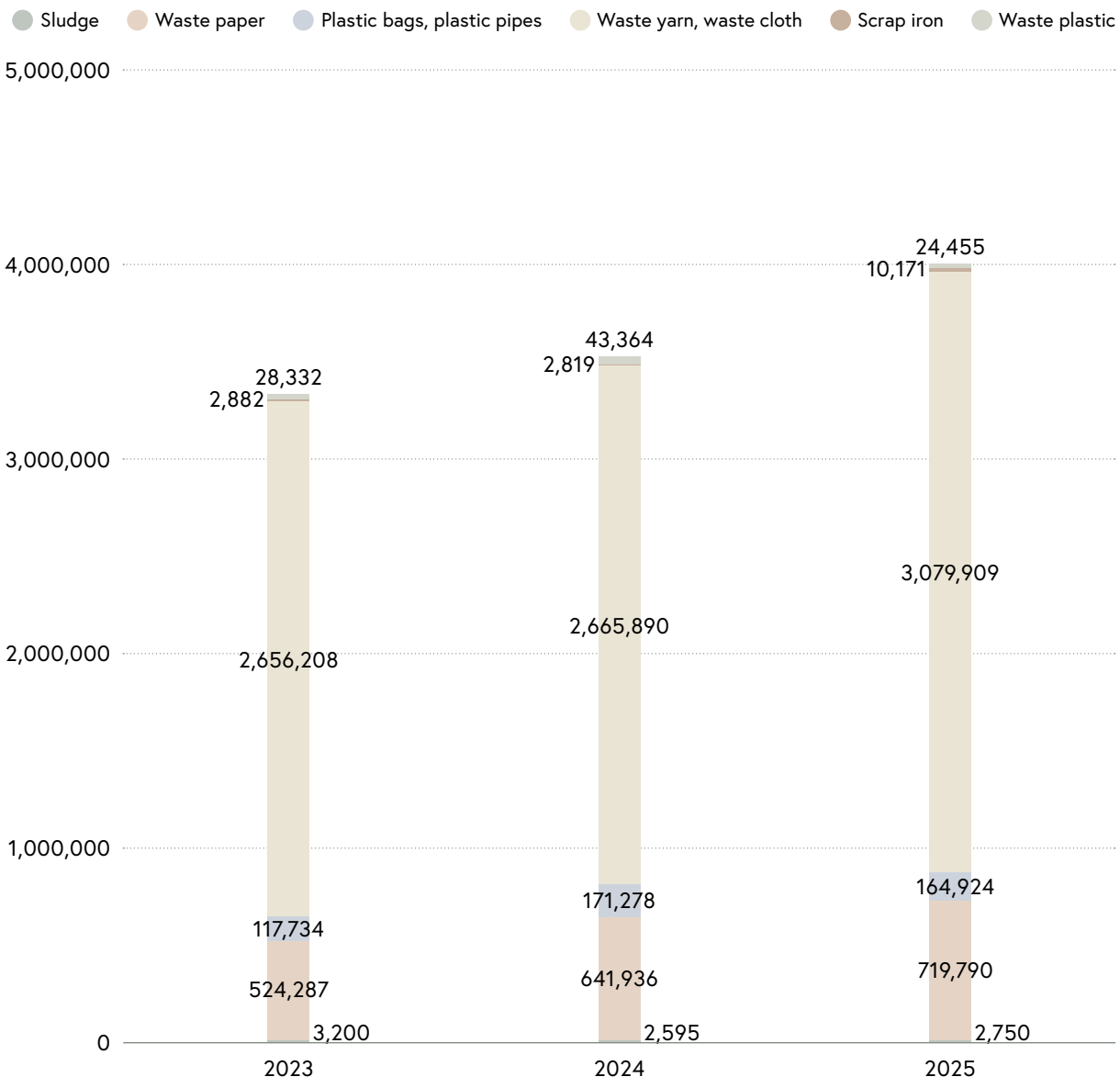


Waste Statistics Garment Division

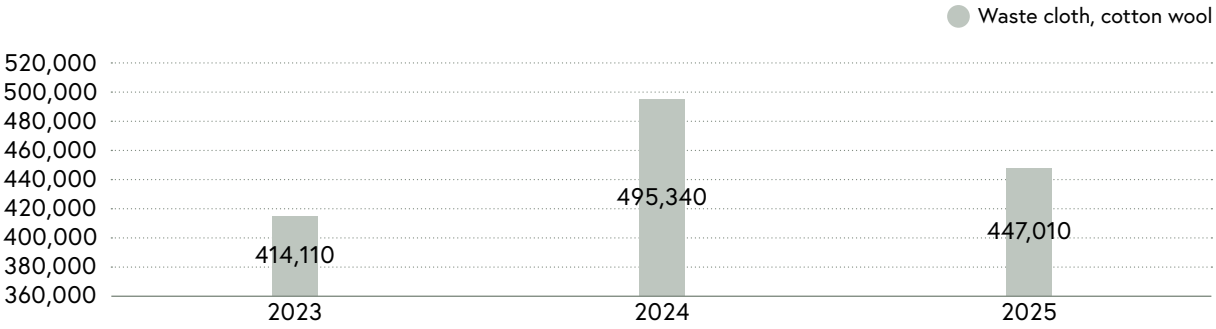
Unit: kg

Year	2023	2024	2025
General Business Waste			
Recycling	3,332,643	3,527,882	4,001,999
Incineration	414,110	495,340	447,010
Landfill treatment	0	115	89
Total amount	3,746,753	4,023,337	4,449,098
Hazardous Waste			
Recycling	823	902	818
Incineration	4,917	4,979	7,738
Landfill treatment	0	0	327
Total amount	5740	5,881	8,883

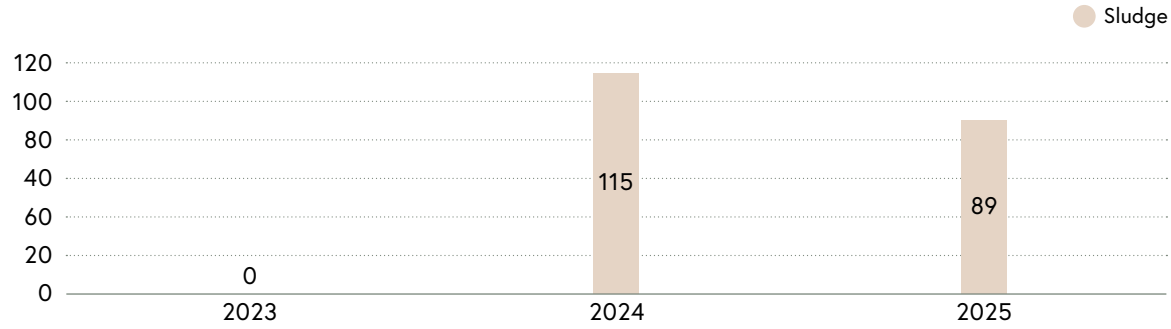
Types of "recycling" treatment for general industrial waste.



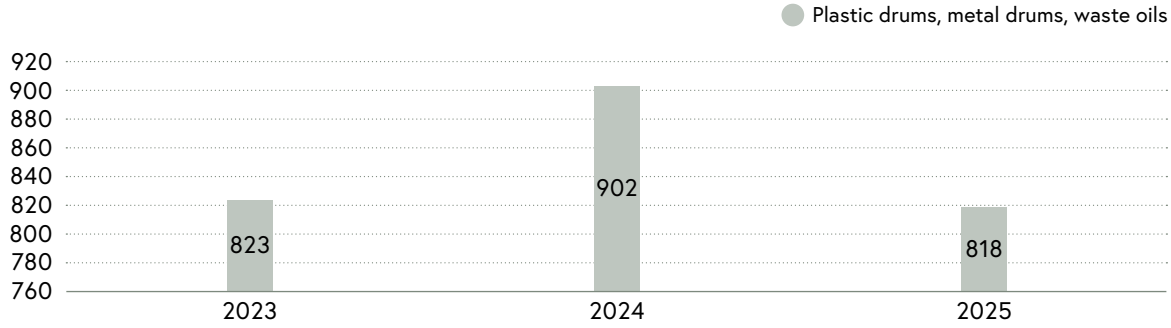
Types of "incineration" treatment for general industrial waste



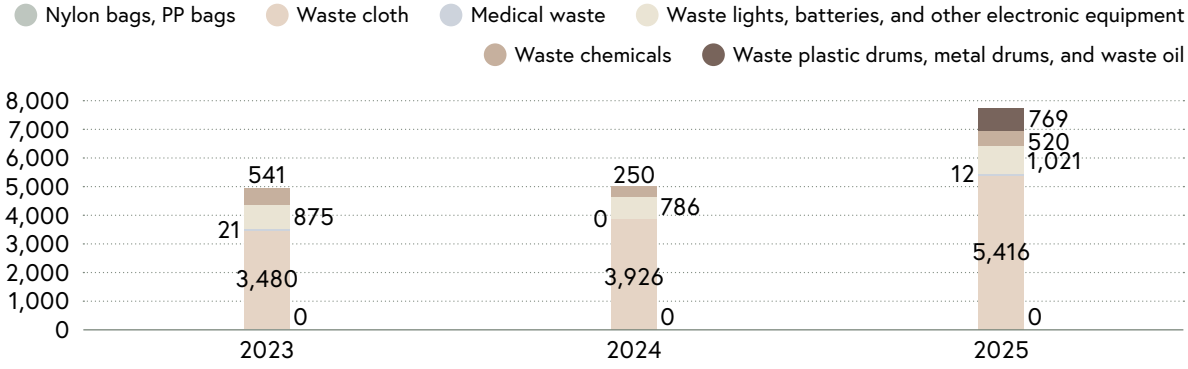
Types of "landfill" treatment for general industrial waste



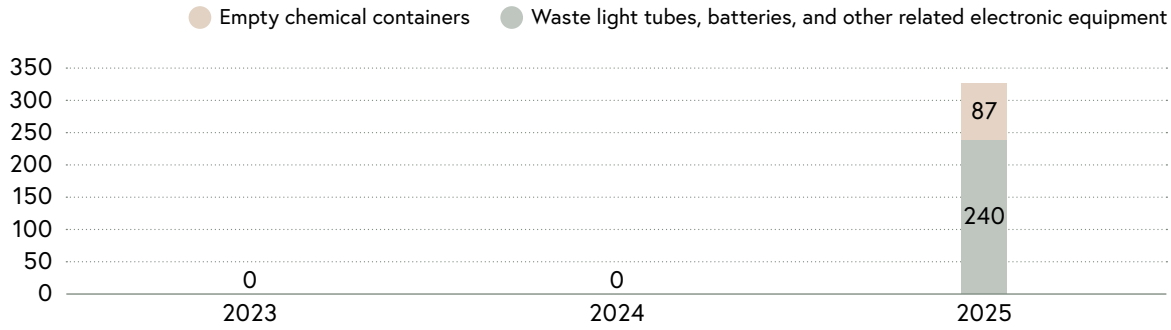
Types of "recycling" treatment for hazardous industrial waste



Types of "incineration" treatment for hazardous industrial waste



Types of "landfill" treatment for hazardous industrial waste



In addition to basic regulatory requirements, the Company's plants in Taiwan have formulated the "Waste Disposal Contractor Survey Form" and "Waste Disposal Contractor Audit Form", which have been in use since 2016. The survey covers document review, disposal capacity, and risk assessment (including illegal incidents and public complaints), while the audit items include removal, storage, treatment, final disposal, and document review.

In 2025, audits were conducted for one new contractor and nine existing contractors at Taiwan's plants, as well as six existing contractors in overseas regions, with all evaluated contractors successfully passing. In addition, in 2025, unannounced vehicle tracking audits were conducted for waste removal contractors in Taiwan. A total of three waste removal operators were spot-checked, with no illegal activities found, and all results complied with regulatory requirements.

Taiwan Plants Survey Results of Waste Treatment Contractors

	1 new waste treatment enterprises	9 existing waste treatment enterprises		
Items to be handled by the enterprises	Waste cloth	Sludge (5)	General industrial waste/waste cloth/ wooden pallets/ empty drums (3)	Waste lubricating oil (1)
Assessment results	Contract signing with qualified enterprises (1)	Contract signing with (5)	Contract signing with (3)	Contract signing with (1)

Emergency Preparedness and Contingency Control Procedures

Eclat is committed to mitigating the environmental footprint of our plant operations and reducing environmental impacts. To effectively minimize these impacts during emergencies, Eclat has established the "Emergency Preparedness and Response Control Procedure." Under this procedure, an emergency response team is deployed to plan control processes and conduct regular drills — including chemical spill response and fire drills — ensuring that prompt and appropriate measures can be taken in the event of an accident.

Reference documents	Process	Responsible Unit
	Emergency preparedness and response	Emergency Response Team
Emergency Response and Contingency Standard Operating Procedures	Occurrence of emergency	Occurrence Unit
	Emergency notification and assessment	Incident unit, environmental engineering team, and occupational safety and health personnel
	Emergency response handling	Emergency Response Team
Environmental Safety Non-conformity and Corrective Measures Management Procedures	Post-incident Handling	Incident unit, environmental engineering team, and occupational safety and health personnel
	Report Filing	Occurrence Unit
	Review and update Emergency Preparedness and Contingency Control Procedures	EOSH Management Committee

5.5.4 Biodiversity

Eclat Textile recognizes that biodiversity is a critical foundation for maintaining ecosystem health, climate stability, and sustainable human development. As a member of the global textile supply chain, we understand the impact of corporate operations on the natural environment and incorporate biodiversity protection into our sustainable development strategy and risk management mechanism. We also strive to reduce the impact of operational activities on ecosystems, and promote the conservation of natural capital and the enhancement of ecosystem resilience. In response to the vision of the United Nations Sustainable Development Goals (SDGs) and the Global Biodiversity Framework (GBF), Eclat has established a biodiversity policy, incorporating biodiversity protection into corporate decision-making and management systems. The Company continuously promotes related actions to achieve the goal of corporate growth coexisting and prospering with the natural environment.

Biodiversity Policy

1. Support the Global Biodiversity Framework (GBF) by incorporating relevant targets into the Company's sustainable development strategy and regularly reviewing and updating management measures.
2. Pursue no net loss and net positive impact by establishing management targets and performance indicators, disclosing the impacts of operational activities on biodiversity, and promoting protection and restoration measures.
3. Implement land use and management responsibilities to ensure that land development and use at operating sites do not cause irreversible ecological damage, promote sustainable land management, protect natural habitats, and facilitate ecosystem restoration.

Management Guidelines

1. Avoid conducting operational activities in important biodiversity conservation areas and high ecological sensitivity areas.
2. Comply with local laws and international conventions related to land use, forest conservation, and ecological protection in operating locations.
3. Conduct biodiversity risk assessments for each operating site and implement management measures in accordance with the mitigation hierarchy of avoidance, minimization, restoration, and offset.
4. Continuously improve energy and resource efficiency to reduce air, water, and soil pollution.
5. Promote environmental education among employees to enhance biodiversity conservation awareness.
6. Incorporate biodiversity considerations into procurement decisions.
7. Collaborate with suppliers, customers, and stakeholders to promote ecological conservation.

Biodiversity Risks and Management Actions

Eclat regularly reviews the environmental characteristics and ecological sensitivity surrounding its operating sites, assessing potential biodiversity impacts from activities such as land use, water withdrawal, wastewater discharge, and supply chain raw material procurement. To address identified environmental risks, the Company implements management measures including pollution prevention, resource efficiency improvements, and supply chain management to minimize potential impacts on natural ecosystems. To fulfill its biodiversity protection commitment, Eclat participated in the Laojie River adoption program in Taoyuan City in 2025, leveraging corporate resources to support river environment maintenance and ecological conservation, thereby taking concrete action to support the sustainable development of local ecosystems. The Laojie River serves as an important aquatic ecological corridor in the Taoyuan area, supporting diverse aquatic and terrestrial habitats. Through the adoption mechanism, Eclat regularly performs environmental cleanup, invasive alien species removal, planting maintenance, and ecological preservation. These efforts help improve river water quality while enhancing habitat functionality and ecosystem resilience.

Eclat recycles incoming raw material cartons for product packaging, and promotes the circular use of inter-plant packaging materials, including recycled cartons, paper tubes, and plastic tubes. In 2025, the total recycled packaging materials reached 2,662 tonnes.

In 2025, the waste intensity of the Material Division and the Garment Division decreased by 17.8% and 7.8%, respectively, compared to the base year. By minimizing resource consumption and waste generation, Eclat mitigates its environmental and ecological impacts.

Appendix GRI Standards Cross Reference Table

GRI 1: Foundation 2021

Declaration of Use	Eclat has published its 2025 ESG Report in accordance with the GRI guidelines. The data and information cover the period from January 1st to December 31st, 2025.
GRI1 Version	GRI 1: Foundation 2021
Applicability of GRI industry-specific standards	Not applicable

GRI 2: General Disclosures 2021

Metric	GRI Content	Corresponding Sections	Description omitted	Page
	The organization and its reporting practices			
2-1	Organizational details	1.1 About Eclat		15
2-2	Entities included in the organization's sustainability reporting	1.1 About Eclat		4
2-3	Reporting period, frequency and contact person	About the Report		4
2-4	Restatements of information	The report has not been recompiled		5
2-5	External assurance	Appendix 2: Assurance Report by Attesting CPAs		162
	Activities and workers			
2-6	Activities, value chain and other business relationships	1.1 About Eclat		16
2-7	Employees	2.1 Human Resource Management		52
2-8	Workers who are not employees	2.1 Human Resource Management		52
	Governance			
2-9	Governance structure and composition	1.1 About Eclat		21, 27
2-10	Nomination and selection of the highest governance body	1.1 About Eclat		22
2-11	Chair of the highest governance body	1.1 About Eclat		22
2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Sustainability Strategy and Risk Management		27
2-13	Delegation of responsibility for managing impacts	1.2 Sustainability Strategy and Risk Management		27
2-14	Role of the highest governance body in sustainability reporting	1.2 Sustainability Strategy and Risk Management		27
2-15	Conflicts of interest	1.1 About Eclat		22
2-16	Communication of critical concerns	1.2 Sustainability Strategy and Risk Management		27, 29
2-17	Collective knowledge of the highest governance body	1.2 Sustainability Strategy and Risk Management		22, 27
2-18	Evaluation of the performance of the highest governance body	1.1 About Eclat		25
2-19	Remuneration policies	1.1 About Eclat		23

Metric	GRI Content	Corresponding Sections	Description omitted	Page
2-20	Process to determine remuneration	1.1 About Eclat		23
2-21	Annual total compensation ratio	-	The highest annual total remuneration is considered confidential information within the organization.	-
		Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Message from the Chairman		6, 32
2-23	Policy commitments	1.2 Sustainability Strategy and Risk Management		52, 92 97, 117
2-24	4 Embedding policy commitments	1.2 Sustainability Strategy and Risk Management		27, 100
2-25	Processes to remediate negative impacts	1.3 Business Performance and Integrity Governance		36, 75
2-26	Mechanisms for seeking advice and raising concerns	1.3 Business Performance and Integrity Governance		36
*2-27	Legal Compliance	3.2 Labor Rights Protection 4.2 Service Quality and Customer Management 5.1 Implementing Management Systems 5.4 Environmental Impact Management	There were no major regulatory violations in 2025	112, 126 148
2-28	Membership associations	1.1 About Eclat		19
		Stakeholder engagement		
2-29	Approach to stakeholder engagement	1.5 Stakeholder Engagement		38
2-30	Collective bargaining agreements	2.3 Remuneration, Benefits, and Care		71

GRI 3: Material Topics 2021

Metric	GRI Content	Corresponding Sections	Description omitted	Page
3-1	Process to determine material topics	1.4 Identification of Material Issues		38
3-2	List of material topics	1.4 Identification of Material Issues		38
3.3	Management of material topics	1.4 Identification of Material Issues		38

Disclosure of specific material topics				
Name of specific material topics	No.	GRI Content	Corresponding Sections	Page
		Economic		
* Bussiness performance	3-3	Management of material topics	1.4 Identification of Material Issues	38
	201-1	Direct economic value generated and distributed	1.3 Business Performance and Integrity Governance	34
	201-3	Defined benefit plan obligations and other retirement plans	2.3 Remuneration, Benefits, and Care	64
	201-4	Financial assistance received from government	1.3 Business Performance and Integrity Governance	34

Disclosure of specific material topics				
Name of specific material topics	No.	GRI Content	Corresponding Sections	Page
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	2.3 Remuneration, Benefits, and Care	64
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	3.3 Community and Social Co-Prosperity	102
Procurement Practices	204-1	Proportion of spending on local suppliers	3.1.3 Sustainable Supply Chain Topics	116
Anti Corruption	205-2	Communication and training about anti-corruption policies and procedures		
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No such incidents occurred in 2022	-
Tax	207-1	Approach to tax	1.3 Business Performance and Integrity Governance	34
	207-2	Tax governance, control, and risk management	1.3 Business Performance and Integrity Governance	34
	207-3	Stakeholder engagement and management of concerns related to tax	1.3 Business Performance and Integrity Governance	34
Environmental aspect				
Materials	301-1	The weight or volume of the materials used	4.3 Sustainable Value Supply Chain	116
	302-2	Use of recycled and reused materials	4.3 Sustainable Value Supply Chain	116
* Energy	302-1	Energy consumption within the organization	5.1 Implementing Management Systems	124
	302-3	Energy intensity	5.1 Implementing Management Systems	124
	302-4	Reduction of energy consumption	5.1 Implementing Management Systems	124
Water and Effluents	303-3	Water withdrawal	5.2 Strengthening Climate Resilience	127
	303-4	Water discharge	5.2 Strengthening Climate Resilience	124
*Discharge	305-1	Direct (Scope 1) GHG emissions.	5.1 Implementing Management Systems	124
	305-2	Indirect (Scope 2) GHG emissions.	5.1 Implementing Management Systems	124
	305-4	Intensity of greenhouse gas emissions.	5.1 Implementing Management Systems	124
Waste	306-3	Waste generated	5.2 Strengthening Climate Resilience	127
	306-5	Direct disposal of waste	5.2 Strengthening Climate Resilience	127
Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	4.3 Sustainable Value Supply Chain	116
	308-2	Negative environmental impacts in the supply chain and actions taken	4.3 Sustainable Value Supply Chain	116
Social aspect				
Labor/ Management Relations	401-1	New employee hires and employee turnover	2.1 Human Resource Management	52
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2.3 Remuneration, Benefits, and Care	64
Labor/ Management Relations	401-3	Parental leave	2.3 Remuneration, Benefits, and Care	64
	402-1	Minimum notice periods regarding operational changes	2.2 Talent Cultivation and Development	58

Disclosure of specific material topics				
Name of specific material topics	No.	GRI Content	Corresponding Sections	Page
* Occupational Safety and Health	3-3	Management of material topics	1.4 Identification of Material Issues	38
	403-1	Occupational health and safety management system	3.1 Occupational Safety and Health	79
	403-2	Hazard identification, risk assessment, and incident investigation	3.1 Occupational Safety and Health	79
	403-3	Occupational health services	3.1 Occupational Safety and Health	79
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.1 Occupational Safety and Health	79
	403-5	Worker training on occupational health and safety	3.1 Occupational Safety and Health	79
	403-6	Promotion of worker health	3.1 Occupational Safety and Health	79
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.1 Occupational Safety and Health	79
	403-8	Workers covered by an occupational health and safety management system	3.1 Occupational Safety and Health	79
	403-9	Work-related injuries	3.1 Occupational Safety and Health	79
	403-10	Work-related ill health	3.1 Occupational Safety and Health	79
Training and Education	404-1	Average hours of training per year per employee	2.2 Talent Cultivation and Development	58
	404-2	Programs for upgrading employee skills and transition assistance programs	2.2 Talent Cultivation and Development	58
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	2.1 Human Resource Management	52
	405-2	Ratio of basic salary and remuneration of women to men	2.1 Human Resource Management	52
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	4.3 Sustainable Value Supply Chain	116
Material topics not covered by specific GRI topics.				
* Corporate Governance	3-3	Management of material topics	1.4 Identification of Material Issues 1.3 Business Performance and Integrity Governance	38 34
* Innovative Products and Technologies	3-3	Management of material topics	1.4 Identification of Material Issues 4.1 Product Innovation and R&D	38 108

Appendix Climate-Related Information Cross Reference Table for TWSE/TPEx Companies

■ Risks and opportunities for Eclat arising from climate change and related measures taken by Eclat.

Item	Status of Execution
1. Describe the Board's and management's oversight and governance of climate-related risks and opportunities. 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the organization (short, medium, and long term). 3. Describe the financial impacts of extreme weather events and transition actions. 4. Describe how the process of identifying, evaluating and managing climate risk is integrated into the overall risk management system. 5. If scenario analysis is used to assess the resilience to climate change risk, the scenarios, parameters, assumptions, analytical factors, and major financial impacts should be described. 6. If there is a transition plan for managing climate-related risks, describe the content of the plan and the metrics and objectives used to identify and manage physical and transition risks.	1. 128 2. 129-135 3. 129-135 4. 129-135 5. 128 6. 129-135
7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	7. We will continue to plan and refine relevant measures in the future
8. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of carbon reduction credits offset or the amount of renewable energy certificates (RECs) should be described.	8. 139
9. Status of greenhouse gas inventory and assurances	9. 159-163

Status of greenhouse gas inventory and assurances

Company profile	In accordance with the Sustainable Development Roadmap for TWSE/TPEx Listed Companies, the minimum disclosure requirements are:
☐ Companies with paid-in capital of NT$10 billion or more, the steel industry, and the cement industry	☐ Parent company standalone inventory ☐ Consolidated financial report subsidiary inventory
☐ Companies with paid-in capital of NT$5 billion or more but less than NT$10 billion	☐ Parent company standalone assurance
■ Companies with paid-in capital of less than NT$5 billion	☐ Consolidated financial report subsidiary inventory

Verification statements can be downloaded from the official website:

Scope 1	2024 total emissions (metric tons CO_2e)	2024 intensity (metric tons CO_2e)	2025 total emissions (metric tons CO_2e)	2025 intensity (metric tons CO_2e)	Assurance institution	Description of assurance
Parent company	8,586.062	0.23	8,259.4428	0.22	SGS	2025: Of the Company's total greenhouse gas emissions disclosed, 136,717.5003 metric tons of CO_2e (representing 100% of the total emissions) were assured by an assurance provider in accordance with the ISO 14064-3 standard with a reasonable level of assurance.
Eclat Fabrics Vietnam Plant	19,871.9564	0.54	18,908.819	0.50		
COLLTEX Plant	255.7842	0.01	135.0895	0.00		
Eclat Textile Vietnam Plant	736.6905	0.02	380.4944	0.01		
Tai-Yuan Plant	150.8990	0.00	67.1949	0.00		
E-TOP Plant	347.7518	0.01	153.8553	0.00		
Eclat Textile Cambodia Plant	644.5491	0.02	605.6247	0.02		
PT. Eclat Textile Plant	436.2930	0.01	282.6971	0.00		
Total	31,029.9857	0.84	28,793.2176	0.76		
Scope 2	2024 total emissions (metric tons CO_2e)	2024 intensity (metric tons CO_2e)	2025 total emissions (metric tons CO_2e)	2025 intensity (metric tons CO_2e)		
Parent company	52,373.326	1.42	38,421.5448	1.01		
Eclat Fabrics Vietnam Plant	22,156.3053	0.60	20,909.5227	0.55		
COLLTEX Plant	3,127.5072	0.08	3,295.9064	0.09		
Eclat Textile Vietnam Plant	6,929.9165	0.19	7,224.8122	0.19		
Tai-Yuan Plant	1,482.0134	0.04	1,511.9075	0.04		
E-TOP Plant	2,408.3213	0.07	2,642.4447	0.07		
Eclat Textile Cambodia Plant	1,600.2722	0.04	1,508.4795	0.04		
PT. Eclat Textile Plant	4,891.0290	0.13	6,214.4100	0.16		
Total	94,968.6911	2.58	81,729.0278	2.15		
Scope 3	10,535.734		26,195.2549			

SASB Metrics Cross Reference Table

Disclosed Topics	No.	Corresponding Metrics	Corresponding Sections	Page
Management of chemicals in products	CG-AA-250a.1.	Discussion of processes to maintain compliance with restricted substances regulations	3.1 Occupational Safety and Health	79
	CG-AA-250a.2.	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	3.1 Occupational Safety and Health	79
Environmental impacts in the supply chain	CG-AA-430a.1.	Percentage of (1) tier 1 supplier facilities and (2) beyond tier 1 supplier facilities in compliance with wastewater discharge permits or contractual agreements	4.3 Sustainable Value Supply Chain	116
	CG-AA-430a.2.	Percentage of (1) tier 1 supplier facilities and (2) beyond tier 1 supplier facilities that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	4.3 Sustainable Value Supply Chain	116
Labor conditions in the supply chain	CG-AA-430b.1.	Percentage of (1) tier 1 supplier facilities and (2) beyond tier 1 supplier facilities audited against the labor code of conduct, and (3) percentage of total audits conducted by third-party auditors	4.3 Sustainable Value Supply Chain	116
	CG-AA-430b.2.	(1) Priority non-conformance rate from supplier labor code of conduct audits and (2) corresponding corrective action rate	4.3 Sustainable Value Supply Chain	116
	CG-AA-430b.3.	Description of the most significant (1) labor risks and (2) environmental, health, and safety risks in the supply chain	4.3 Sustainable Value Supply Chain	116
Raw material sourcing	CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factors most likely to threaten sourcing, (3) discussion of business risks or opportunities related to environmental or social factors, and (4) management strategies to address business risks and opportunities	4.3 Sustainable Value Supply Chain	116
	CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material certified by third-party environmental or social standards, by standard	4.3 Sustainable Value Supply Chain	116
Activity Metric	CG-AA-000.A	(1) Number of tier 1 suppliers, and (2) number of beyond tier 1 suppliers	4.3 Sustainable Value Supply Chain	116

Assurance Report by Attesting CPAs

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會計師有限確信報告

儒鴻企業股份有限公司　公鑒

確信範圍

本會計師接受儒鴻企業股份有限公司（以下簡稱儒鴻）之委任，對2025年度永續報告書中所選定之永續績效資訊 (以下稱「標的資訊」)，執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

標的資訊及其適用基準

有關儒鴻之標的資訊及其適用基準詳列於附件一。

管理階層之責任

儒鴻管理階層之責任係依據臺灣證券交易所「上市公司編製與申報永續報告書作業辦法」之規定，以及依照適當之基準編製標的資訊，包括依照全球永續性報告協會(Global Reporting Initiatives, GRI)所發布之2021年GRI 準則(GRI Standards) 、永續會計準則理事會(SASB)發布之服飾、配件及鞋類永續會計準則，儒鴻管理階層應選擇所適用之基準，並對標的資訊在所有重大方面是否依據該適用基準報導負責，此責任包括建立及維持與標的資訊編製有關之內部控制、維持適當之記錄並作成相關之估計，以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

本會計師之責任

本會計師之責任係依據所取得之證據對標的資訊作成結論。

本會計師依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行確信工作，以發現標的資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。本會計師依據專業判斷，包括對導因於舞弊或錯誤之重大不實表達風險之評估，以決定確信程序之性質、時間及範圍。

本會計師相信已取得足夠及適切之證據，以作為表示有限確信結論之基礎。

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會計師之獨立性及品質管理

本會計師及所隸屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所遵循品質管理準則1號「會計師事務所之品質管理」，該品質管理準則規定組織設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及適用之法令規範相關之政策或程序。

所執行程序之說明

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同，其範圍亦較小，因此，有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論，並不提供合理確信必要之所有證據。

儘管本會計師於決定確信程序之性質及範圍時曾考量儒鴻內部控制之有效性，惟本確信案件並非對儒鴻內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢，主要係對負責編製標的資訊及相關資訊之人員進行查詢，並應用分析及其他適當程序。

本會計師所執行之程序包括：

- 與儒鴻人員進行訪談，以瞭解儒鴻之業務與履行永續發展之整體情況，以及永續報導流程；
- 透過訪談、檢查相關文件，以瞭解儒鴻之主要利害關係人及利害關係人之期望與需求、雙方具體之溝通管道，以及儒鴻如何回應該等期望與需求；
- 與儒鴻攸關人員進行訪談，以瞭解用以蒐集、整理及報導標的資訊之相關流程；
- 檢查計算標準是否已依據適用基準中概述的方法正確應用；
- 針對報告中所選定之永續績效資訊進行分析性程序；蒐集並評估其他支持證據資料及所取得之管理階層聲明；如必要時，則抽選樣本進行測試；
- 閱讀儒鴻之永續報告書，確認其與本會計師取得關於永續發展整體履行情況之瞭解一致。

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先天限制

因永續報告中所包含之非財務資訊受到衡量不確定性之影響，選擇不同的衡量方式，可能導致績效衡量上之重大差異，且由於確信工作係採抽樣方式進行，任何內部控制均受有先天限制，故未必能查出所有業已存在之重大不實表達，無論是導因於舞弊或錯誤。

結論

依據所執行之程序及所取得之證據，本會計師未發現標的資訊有未依照適用基準編製而須作重大修正之情事。

安永聯合會計師事務所

會計師：呂倩雯

民國一一五年七月二十一日

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附件一：

<table>
<tr><th>編號</th><th>章節標題</th><th>內文標題</th><th>標的資訊</th><th>適用基準</th></tr>
<tr><td>1</td><td>第二章</td><td>2.1 人力資源管理</td><td>
<table>
<tr><td rowspan="2">類別</td><td colspan="4">臺灣</td><td colspan="4">越南</td><td colspan="4">柬埔寨</td><td colspan="4">印尼</td></tr>
<tr><td colspan="2">男</td><td colspan="2">女</td><td colspan="2">男</td><td colspan="2">女</td><td colspan="2">男</td><td colspan="2">女</td><td colspan="2">男</td><td colspan="2">女</td></tr>
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<tr><td>31~50 歲</td><td>38</td><td>39</td><td>46</td><td>58</td><td>216</td><td>212</td><td>1,874</td><td>1,545</td><td>51</td><td>50</td><td>245</td><td>200</td><td>54</td><td>43</td><td>531</td><td>767</td></tr>
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<tr><td>總計</td><td>94</td><td>133</td><td>149</td><td>254</td><td>678</td><td>734</td><td>3,956</td><td>3,485</td><td>125</td><td>135</td><td>538</td><td>519</td><td>173</td><td>151</td><td>3,594</td><td>4,865</td></tr>
<tr><td>比率 (%)</td><td>39%</td><td>34%</td><td>61%</td><td>66%</td><td>15%</td><td>17%</td><td>85%</td><td>83%</td><td>19%</td><td>21%</td><td>81%</td><td>79%</td><td>5%</td><td>3%</td><td>95%</td><td>97%</td></tr>
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</table>
</td><td>GRI 401-1 新進員工和離職員工</td></tr>
<tr><td>2</td><td>第四章</td><td>4.3.3 永續供應鏈</td><td>
一階供應商數量
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<tr><td>項目</td><td>紗線</td><td>染助劑</td><td>織布協力廠</td><td>主料</td><td>輔料</td><td>成衣廠</td></tr>
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一階以外供應商數量
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</td><td>SASB 活動指標 CG-AA-000.A (1)一階供應商及(2)一階以外之供應商之數量</td></tr>
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<table>
<tr><th>編號</th><th>章節標題</th><th>內文標題</th><th>標的資訊</th><th>適用基準</th></tr>
<tr><td>3</td><td>第五章</td><td>5.4 環境衝擊管理</td><td>
總公司　　單位：百萬公升
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<tr><th>水資源使用</th><th>2025 年度</th></tr>
<tr><td>自來水使用量</td><td>33.5</td></tr>
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織布事業部　　單位：百萬公升
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<tr><td>自來水使用量</td><td>1,100.1</td></tr>
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<tr><td>地表水使用量</td><td>29.2</td></tr>
<tr><td>雨水使用量</td><td>17.2</td></tr>
<tr><td>回收水使用量</td><td>630.9</td></tr>
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成衣事業部　　單位：百萬公升
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<tr><td>雨水使用量</td><td>70.7</td></tr>
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</td><td>GRI 303-3 取水量</td></tr>
<tr><td rowspan="2">4</td><td>第一章</td><td>1.2.2 永續風險與機會</td><td>如遇有重大事件，廠區或負責人應先初步判斷，事件性質，辨識其為屬於影響公司內部同仁、生產或營銷計畫層面之「一般重大事件」，或是否可能對公司外部利益與形象造成危機，需回應機關、媒體或大眾，或對未來生產營運產生影響之「特殊重大事件」。若是一般重大事件應先實施緊急應變處理後事後再通報總公司；若為特殊重大事件，應立即通知總公司，由總公司召集相關單位成立重大事件處理小組，並依核決權限管理辦法辨別所屬核決層級，報請相對應主管、總經理或董事會核定後執行處置。</td><td rowspan="2">GRI 2-27 法規遵循</td></tr>
<tr><td>第三章</td><td>3.1.1 鑑別工作危害風險與事故調查</td><td>2025 年 7 月苗栗廠內，在職安署中區職業安全衛生中心現場檢查時，發現試染機旁 1 台脫水機開蓋停止運轉之安全連鎖功能失效以及 1 台堆高機安全帶損壞失去效能，依職業安全衛生法規定裁罰新台幣 12 萬元。</td></tr>
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編號	章節標題	內文標題	標的資訊	適用基準
4	第四章	4.2.1 產品質與行銷標示	本年度儒鴻所有產品未發生違反產品健康與安全、行銷標示相關法規之事件。	GRI 2-27 法規遵循
	第五章	5.1.3 環境法規遵循	儒鴻企業於 2025 年無發生污染事件發生，且無發生罰款超過 1 萬美金以上之重大違反環境法律之事件。	

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