Acelon Chemicals & Fiber Corporation

Sustainability Report

Sustainability Report | **2025**



E Environmental Sustainability

Low-Carbon Processes · Circular Economy · Green Innovation

S Social Inclusion

Positive Workplace · Safety & Health · Social Well-being

G Corporate Governance

Ethical Management · Risk Management · Sound Governance

Innovative Fibers · Circular Regeneration · Carbon Reduction · A Better Future

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1. About This Report

1.01 Message from the Chairman

In 2025, the global economic and industrial environment remains highly uncertain. Changes in U.S. trade policies, the reorganization of international supply chains, ongoing geopolitical risks, and sharp fluctuations in major currency exchange rates all present severe challenges to export-oriented industries. For our company, besides fluctuations in raw material prices and end-market demand, changes in the NT$ exchange rate have also caused significant foreign exchange losses, affecting annual operating performance. Facing the rapidly changing external environment, we have come to realize even more deeply that a company can only maintain long-term competitiveness in times of change by continuously enhancing product value, strengthening technological capabilities, and establishing a more resilient operating model.

In recent years, competition in our company's main market, Brazil, has become increasingly intense. Competitors from mainland China, South Korea, and other regions have successively expanded their production capacity and actively sought market share, causing continuous upward pressure on the prices of traditional products. In response to this trend, the Company will not focus solely on competing through production capacity or low prices. Instead, it will adopt a transformation toward high-value products as its core strategy for the future. By developing functional, high value-added, and environmentally friendly materials, the Company aims to gradually increase product differentiation and reduce the impact of relying on a single market and price competition on operations.

Looking back at 2025, we continued to promote energy saving and carbon reduction, circular economy, and smart manufacturing initiatives, deepened the carbon management system, continued to comply with international certifications such as GRS, and expanded the development of products using recycled materials, solution-dyeing, and low-carbon processes. At the same time, the Company also continued to introduce AI and digital tools to strengthen production management, quality monitoring, energy scheduling, and operational decision-making efficiency, enhancing the on-site manufacturing responsiveness. This ensures that digital transformation is not only a management tool but also an important foundation for enhancing operational resilience and sustainable competitiveness.

In terms of product and technology development, the Company will continue to invest in research and development resources, focusing on application areas such as high-performance yarns, environmentally friendly recycled materials, flame-retardant materials, industrial yarns, military protective materials, and special composite materials. As global brand customers increasingly demand sustainable supply chains, material traceability, low-carbon processes, and functional applications, competition in the fiber industry is no longer just about cost and production capacity, but about material technology, application development capabilities, and co-innovation with customers. The company will leverage its existing process experience and research and development foundation to continuously increase the proportion of high value-added products and establish a more highly differentiated product portfolio.

In addition to product upgrades, the Company will also carefully evaluate its overseas layout and regionalized supply capabilities. In response to changes in U.S. tariff policies, global supply chain restructuring, and intensified competition in the Brazilian market, the Company will continue to assess the feasibility of overseas production bases and strategic locations, including regions with regional market connectivity potential such as Paraguay, in order to reduce tariff, logistics, and exchange rate risks, and to enhance the flexibility and efficiency of serving key market customers. The overseas layout is not merely aimed at expanding production capacity, but rather at strengthening supply chain resilience, getting closer to customer needs, and establishing an operational model better suited to the future international trade and economic environment.

Facing the accelerating pace of industry transformation, the Company will also uphold a spirit of openness and collaboration, actively evaluating opportunities to co-develop new products, new applications, and new markets with domestic and international strategic partners, material technology manufacturers, brand clients, or channel partners. In the future, it does not rule out integrating external resources through technology cooperation, strategic alliances, or other cooperation models, accelerating the deployment of high-value products, expanding the market applications of sustainable materials and functional products, and creating higher added value and long-term growth momentum for the Company.

Looking ahead to 2026, the Company will take high-value transformation, low-carbon manufacturing, and operational resilience as its core themes, and will continue to promote the following five directions:

I. Transition to High-Value-Added Products

Increase the share of functional, environmentally friendly and specialty materials, focusing on functional yarns, recycled materials and flame-retardant materials, as well as the development of industrial yarns, military protective materials and specialty composites, thereby reducing dependence on price-driven markets and establishing differentiated competitive advantages.

II. Smart Manufacturing and Digital Transformation

Deepen the application of AI, production data analytics and smart management to improve manufacturing efficiency, quality stability and energy management capabilities, as well as operational decision-making efficiency, and build a more flexible and resilient smart factory.

III. Sustainable Development and Low-Carbon Competitiveness

Continue to promote energy conservation and carbon reduction, the circular economy, green product development and optimization of the carbon management system to improve ESG performance,and respond to international brand customers' requirements for sustainable supply chains and low-carbon products.

IV. Market Diversification, Overseas Expansion and Strategic Cooperation

In response to global supply chain restructuring, changes in tariff policies and intensifying competition in major markets, carefully evaluate overseas production bases and regional supply capabilities, while actively seeking strategic cooperation opportunities to diversify market and exchange-rate risks and enhance international competitiveness.

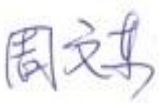
V. Talent Development and Organizational Innovation

Continue to foster a supportive, growth-oriented workplace, strengthen talent development and cross-functional collaboration, and enhance R&D incentive systems to cultivate a culture of continuous innovation in which employees and the Company grow together.

Sustainable development is not just a corporate responsibility, but also an important foundation for companies to face future competition. The company will continue to uphold the core principles of steady management, honest governance, and innovative research and development, maintaining flexibility amidst change, seeking breakthroughs in challenges, and promoting product upgrades, low-carbon manufacturing, digital transformation, and global expansion to higher standards.

Here, I sincerely want to thank all shareholders, customers, partners, and all colleagues for their support and efforts. Looking ahead, we will continue to stabilize our existing operational foundation, actively explore new growth curves for high-value and sustainable products, and create long-term and resilient sustainable value for shareholders, employees, customers, and society.



Chairman 

1.02 About the Company

1.02.1 Company Profile

◎Our company was established in July 1988, and in November of the same year, we purchased the current site of the Puyan Factory to set up the plant. In December 1992, the construction of the Fangyuan Factory was completed and production began. In December 2009, we merged with the Douliu Factory.

◎In June 2011, the investment subsidiary Acegreen Eco-Material Technology Co., Ltd. developed its self-researched 'cellulose fibers', mainly operating in Lyocell cellulose fiber long filaments, PP non-woven fabric, and epidemic prevention masks.

◎In December 2013, the subsidiary Acenature Biotechnology Co., Ltd. was established to develop self-designed ultra-fine fiber functional products.

Company Name		ACELON CHEMICALS AND FIBER CORP.
Date Established		July 1988
Listing Date		April 1998
Stock Code		1466
Operating Locations	Headquarters	No. 94, Fanjin Rd., Yongle Village, Puyan Township, Changhua County, Taiwan
	Puyan Plant	Same as above
	Fangyuan Plant	No. 45, Gongqu Rd., Houliao Village, Fangyuan Township, Changhua County, Taiwan
	Douliu Plant	No. 150, Dougong 10th Rd., Douliu City, Yunlin County, Taiwan
	Changhua Office	No. 105-4, Zhanglu Rd., Changhua City, Changhua County, Taiwan
Industry		Textile Industry
Chairman		Mr. Wen-Tung Chou
Principal Products and Services		Nylon filament yarn, polyester filament yarn, polypropylene filament yarn, nylon textured yarn, polyester textured yarn, polypropylene textured yarn, ultra-fine composite fiber yarn, GRS-certified recycled yarn, and solution-dyed fiber (colored yarn)
Paid-in Capital		NT$1,111,573 thousand
Number of Employees		324

2. Value Chain Overview

◎Our company is a mid-to-upstream textile manufacturer, producing a complete range of chemical fibers. We can produce small quantities in a diversified manner and can also accommodate customized requests. Our production is highly flexible, and the Company produces the first-stage filament yarn in-house to be used for processing the second-stage filament, making our costs competitive.

◎Since 2016, our company has continuously promoted circular economy products, using recycled raw materials to produce nylon filament and polyester filament, contributing to environmental protection, and has obtained GRS (Global Recycled Standard) certification.

Value Chain Overview

Value Chain	Type	Number
Suppliers	Companies	223
Customers	Companies	288
Other Business Relationships	Invested Subsidiaries	3

1.03 Report Information

1.03.1 Reporting Basis

This report refers to the 2021 version of the GRI Sustainability Reporting Standards (GRI Standards) published by the Global Reporting Initiative (GRI); it is also prepared in accordance with the "Operational Rules for the Preparation and Submission of Sustainability Reports by Listed Companies" and the "Practical Guidelines for Sustainable Development of Listed Companies" issued by the Taiwan Stock Exchange, in order to specifically describe the Company's actions and results regarding corporate social responsibility and to disclose them to stakeholders. The relevant comparison table can be found in the appendix.

1.03.2 Reporting Period and Frequency

This report is the 6th report published by the Company, published annually, disclosing financial and non-financial information for the year 2025 (January 1, 2025 to December 31, 2025), including management policies, major topics, performance, value chain management, and environmental and social initiatives, and is also published on the Company's website.

The reporting period of this report is consistent with the financial statements. For the sake of completeness and comparability of the report, some sections will include information beyond the 2025 reporting period, which will be noted in the respective sections.

- Last report release date: August 2025
- This Report publication date: August 2026

1.03.3 Reporting Boundary and Scope

The scope of this report covers the parent company of ACELON CHEMICALS AND FIBER CORP. itself (hereinafter referred to as the Company), including the Changhua Office, Puyan Plant, Fangyuan Plant, and Douliu Plant, and does not include consolidated financial report subsidiaries.

Basis of Calculation for Report Data

Financial Data	The economic income distribution table uses individual financial report data certified by accountants. Unless otherwise noted, financial data are presented in 'thousand NT$'.
Environmental Data	The greenhouse gas emissions are based on data from internal audits following ISO 14064-1:2018, and the water resources and waste statistics are based on data reported by each operating site to the local authorities.
Other Data	Summarize the self-collected statistical data from each operational site.

1.03.4 Restatements of Information

There were no restatements of information.

1.03.5 External Assurance

This report has not been assured by an independent third-party verification body.

1.03.6 Contact for the Sustainability Report

If there are any questions about the contents of this report, you can contact us through the following channels:

Contact Unit: General Manager's Office

Contact person: Miss Hsiao

Phone: 886-4-7638869 Ext. 5201

Email: mulan@acelon.com.tw

Company ESG dedicated website: https://www.acelon-yarn.com/zh-tw/csrs

Company Address: No. 105-4, Zhanglu Road, Changhua City, Changhua County

2. Sustainable Management

2.01 Sustainable Development Strategy

Acelon adheres to the core principle of sustainable operation. While developing the Company's economy, it also focuses on ESG—environmental protection (Environment), social responsibility (Social), and corporate governance (Governance)—and the performance of sustainable operation indicators. A Sustainability Development Committee has been established to promote sustainable business goals, allowing more stakeholders to understand the Company's ESG contributions and advance towards sustainable objectives together with the Company.

Our company values the UN's call for SDGs sustainability issues and actively practices them. In 2025, our company did not have any major violations of relevant regulations, including no violations of laws and regulations in the social and economic fields, no violations of health and safety regulations for products, no violations of product information and labeling regulations, and no violations of marketing communication-related regulations.

In the future, our company will continue to take sustainable development as our core value, actively promoting green energy and environmental protection measures to address challenges such as climate change and biodiversity decline. Through innovation and integration, we will continuously improve our products and services to meet customer needs while reducing negative impacts on the environment. At the same time, we are committed to social contribution, supporting community development and vulnerable groups, and promoting the development of public welfare. Through these efforts, we aspire to become a company that contributes to society and the environment, and to work hand in hand with global partners to achieve the goals of sustainable development.

Sustainability Management Systems and Certifications

Category	Name	Description	Progress / Timeline	Sustainability Vision
E	ISO 14001	Environmental Management System	Certification completed in 2025	Environmentally Friendly
	ISO 50001	Energy Management System	Certification completed in 2025	Improve Energy Efficiency
	ISO 14064-1	Greenhouse Gas Inventory	Introduced in 2021	Energy Conservation and Carbon Reduction
	ISO 14067	Product Carbon Footprint	Carbon footprint inventory and certification completed for nine major product categories in 2023	Energy Conservation and Carbon Reduction
	GRS	Global Recycled Standard	Certification completed in 2025 Continuously expand recycled products	Environmentally Friendly
	Oeko-Tex Standard 100	Ecological Textile Label	Validity period: 2025.07.16-2026.07.15	Environmentally Friendly

Category	Name	Description	Progress / Timeline	Sustainability Vision
S	ISO 45001	Occupational Health and Safety Management System	Certification completed in 2025	Zero Occupational Accidents
	RPA	Robotic Process Automation	Introduced in 2021 Simplify workflow and expand usage	Create a Positive Workplace
	Digital Learning Platform	E-learning System	Completed in 2024	Create a Positive Workplace
	MES	DTY Machine Connectivity	Completed in 2024	Create a Positive Workplace
G	Sustainability Development Committee	Establishment of Sustainability Development Committee	Established in 2022	Enhance Corporate Governance
	The company aligns its external communication and information disclosure with international standards	Preparation of annual reports, financial statements and shareholders' meeting handbooks	Chinese and English versions prepared in 2025	Enhance Corporate Governance

Acelon ESG Performance Highlights

Year/Month	Item
2015.12	The company signed its first collective agreement with the corporate union.
2021.12	Our company won the 18th National Innovation Award with 'natural cellulose fibers with recyclable cellulose.'
2022.08	The company's 2021 Sustainability Report has been verified and approved by BSI (British Standards Institution).
2023.04	Our company has received a subsidy from the Ministry of Economic Affairs' Industrial Low-Carbon Transformation Promotion Program for the textile industry through the "Integrated Carbon Reduction Strategy Demonstration Project for Traders, Suppliers, and Manufacturers," part of the Technology Research and Development Project for Industrial Upgrading and Innovation Platform Guidance Program (thematic R&D project).
2023.12	Our company won the 2023 National Innovation and Excellence Award with 'natural cellulose fibers containing recyclable cellulose.'
2023.12	Our company's 'natural cellulose fiber with recyclable cellulose' has been granted a patent by the Intellectual Property Office of the Ministry of Economic Affairs.
2023.12	Our company won the 20th National Innovation Award with 'Intelligent Temperature-Regulating Fiber'.
2024.08	Awarded the 7th Potential Mid-Sized Enterprise Award by the Industrial Development Bureau of the Ministry of Economic Affairs.
2024.12	Won the 2024 17th TCSA Taiwan Corporate Sustainability Awards - Sustainability Report - Traditional Manufacturing Industry - Category 2 Bronze Award.
2024.12	Our company won the 2024 National Innovation and Excellence Award with 'natural cellulose fibers containing recyclable cellulose.'

External Initiatives

The Global Recycled Standard (GRS) was initiated by the textile exchange and supported by major brands to promote a circular economy through waste recycling and reuse, being environmentally friendly. It is an international, voluntary, and comprehensive product standard that specifies third-party certification requirements for recycled content, supply chain monitoring, social and environmental practices, and chemical restrictions. The goal is to increase the use of recycled materials in products and to reduce or eliminate production-related hazards. Our company has obtained GRS certification since 2016, actively promoting the reuse of

recycled materials, continuously expanding the use of recycled materials, and leveraging our influence to reduce the environmental hazards of waste while preventing ecological damage. Our company participates in external initiatives as shown in the table below.

External Initiatives
The Company has obtained Global Recycled Standard (GRS) certification.

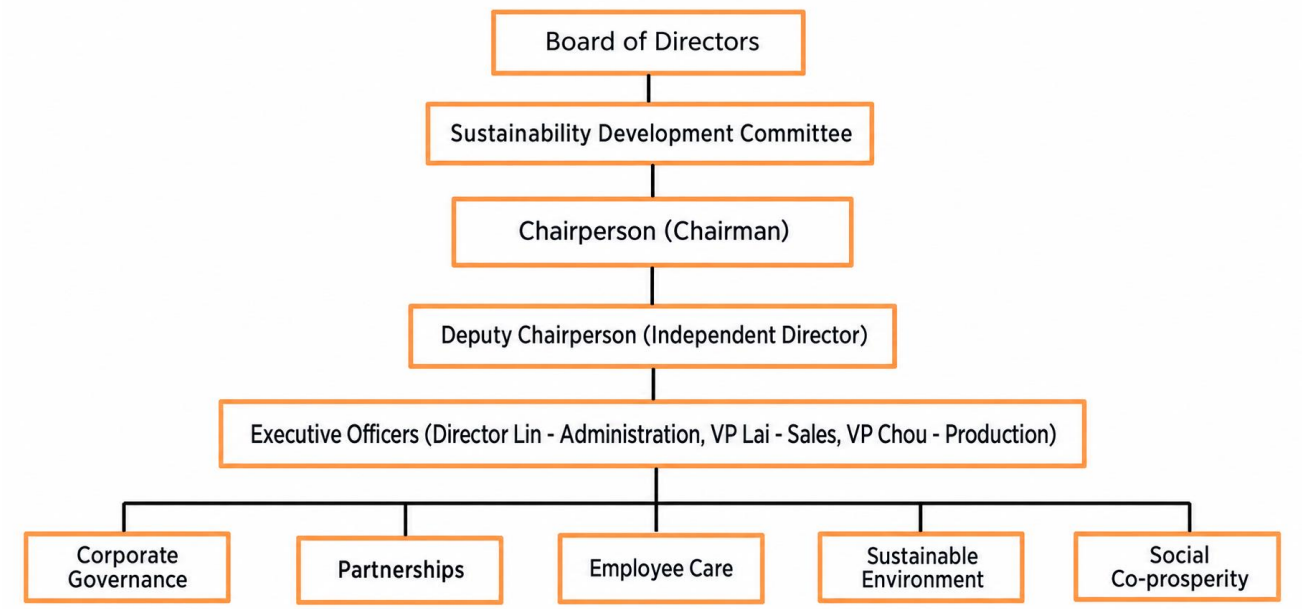
2.02 Sustainable Development Mechanisms

2.02.1 Sustainability Governance Structure

To implement the ESG vision and mission, the Company established a Sustainability Development Committee to serve as the internal governance unit for sustainable development. The Sustainability Development Committee is composed of the Chairman, three independent directors, and three senior executives (Director, Vice President of Sales, Vice President of Production). The Committee formulates the Rules of Organization for the Sustainability Development Committee, the Code of Sustainable Practices, and the Sustainable Information Management Measures, which are approved by the Board of Directors. These regulations define the authority, responsibilities, and obligations of the Sustainability Development Committee. The main responsibilities of the Committee are to manage, decide, and oversee the governance strategies, policy implementation effectiveness, and goal achievement of significant ESG issues related to the Company's operations. The Committee reports execution results to the Board of Directors every six months. The Board must assess the likelihood of these strategies being successful and regularly review their progress, urging the management team to make adjustments when necessary.

The Sustainability Development Committee is chaired by the Chairman of the Board, and under the committee, five executive teams are established according to functional responsibilities, including Corporate Governance, Partnerships, Employee Care, Sustainable Environment, and Social Prosperity. Each team appoints one senior executive as the team executive director. Each executive team is responsible for identifying material ESG issues related to the Company's operations, formulating management strategies and goals, and preparing the annual sustainability report. The executive directors regularly review the performance and goal achievement of the executive teams and report to the Sustainability Development Committee every six months.

Sustainability Development Committee Organization Chart:



Team	Responsibilities	Key Focus	Responsible Units
Corporate Governance (Director Lin supervises)	Focusing on sustainable operations, promote and implement the direction of corporate governance.	Corporate Governance, Internal Audit Regulatory Compliance, Risk Management	Chairman's Office, Finance Department, Audit Office, Legal Team, IT Team
Partnership (Deputy General Supervisor Lai)	Leverage corporate influence to jointly promote sustainability initiatives with upstream and downstream partners, continuously improving product quality and meeting customer expectations.	Customer relationship, supply chain management, marketing, research and innovation	Business Department, Marketing Department, R&D Department, Materials Division
Employee Care (Supervisor Director Lin)	With the goal of achieving a win-win situation for labor and management and growing together, we promote various employee benefits and create a good, safe, and healthy workplace environment.	Employee benefits, career planning, occupational safety, human rights management	Human Resources Department, Safety and Health Department
Sustainable Environment (Deputy General Manager Zhou Supervising)	Formulate relevant environmental protection policies, respond to the risks and opportunities of climate change, and plan and promote various countermeasures.	Environmental protection, energy conservation and carbon reduction, water resource management, waste management	Production Department, Engineering Department, Administration Section
Social Co-prosperity (Director Lin supervises)	Utilize corporate resources to care for local neighborhoods and promote social prosperity, fulfilling corporate social responsibility.	Local care, social welfare, industry-academia collaboration	Human Resources Department, Administration Section

2.02.2 Operations

In addition to the routine ESG strategy implementation performance reports, when major ESG events occur, such as significant complaints or serious negative impact incidents, the Sustainability Development Committee must submit the investigation results and corresponding response measures from the relevant departments to the Board of Directors for discussion. In 2025, the Sustainability Development Committee held a total of three meetings, with an average member attendance rate of 100%. The meeting times and content are detailed in the table below.

◉ **The relevant proposals of the Sustainability Development Committee for the year 2025 of the Republic, and submitted to the Board of Directors:**

Meeting Date	Agenda	Resolution	Company Action
2025/05/08 Second Term, 3rd Meeting	1. Planning for the Company's 2024 Sustainability Report. 2. Report on the Company's proposed 2025 sustainable development plan.	Approved unanimously by all attending committee members	Implemented in accordance with the meeting resolution
2025/08/08 Second Term, 4th Meeting	Preparation of the Company's 2024 Sustainability Report.	Approved unanimously by all attending committee members	Implemented in accordance with the meeting resolution
2025/11/11 Second Term, 5th Meeting	Report on the Company's implementation of sustainable development in 2025.	Approved unanimously by all attending committee members	Implemented in accordance with the meeting resolution

2.03 Board of Directors and Functional Committees

2.03.1 Role and Achievements of the Board in Sustainability Governance

2.03.1.1 Role and Oversight in Sustainability Governance

1. Board Oversight of Sustainability Initiatives

The board of directors is responsible for guiding long-term business strategies and has supervisory duties. Each year, the Sustainability Development Committee formulates sustainability strategy guidelines based on major issues and the Company's business vision, reports to the board of directors, and publishes relevant policies after approval.

Each subgroup of the Sustainability Development Committee is responsible for formulating various sustainable project policies, risk assessments, and response strategies. Each subgroup holds meetings to review changes in risks and management status, and reports on the implementation status of sustainable projects, which are then compiled by the Chairman of the Sustainability Development Committee and presented to the Board of Directors.

2. Sustainability Reporting Management

The company regularly assesses significant issues annually through the Sustainability Development Committee, distributing significant issue questionnaires to internal senior management and stakeholders to investigate the impact of various ESG issues on

the economy, environment, and people, analyzing the significant issues of the year, and reporting these issues to the Board of Directors.

Every year, each subgroup of the Sustainability Development Committee collects relevant content and data, which are then checked by the CEO of each subgroup. After that, the information is compiled by the Sustainable Development executive members and submitted annually to the board of directors for review and inspection. Once approved, it is issued.

Data Collection and Drafting	Report Compilation	Internal Review
Summary and data collection by each subcommittee of the Sustainability Development Committee	Sustainability Report Preparation Team	Reviewed and Approved by the Board of Directors

2.03.1.2 Performance Evaluation of Sustainability Oversight

In order to implement corporate governance and enhance the operational effectiveness of the board of directors, the Company has established the 'Board Performance Evaluation Measures.' The board and its functional committees are evaluated annually, covering aspects such as participation in company operations, improvement of board decision-making quality, board composition and structure, selection and continuous education of directors, and internal control. Each director conducts a 'Board and Functional Committee Performance Self-Assessment' through questionnaires. After all questionnaires are collected, the Acelon Board Secretariat conducts an evaluation by referring to directors' attendance and related information, and submits a report to the board. In 2025, the performance evaluation results of the Acelon board and its functional committees (including the Audit Committee, Remuneration Committee, and Sustainability Development Committee) were all rated as Excellent. The self-assessment results indicate that the Company's directors received positive evaluations regarding the efficiency and effectiveness of operations for each assessment indicator. The overall operation of the board is good, reflecting the Company's achievements in strengthening board effectiveness and compliance with corporate governance.

◉ The performance evaluation covers the following three dimensions:

1. Professional competencies and decision-making effectiveness: There are four seats for independent directors, with backgrounds in taxation, law, accounting, and the textile industry with diverse professional fields.
2. Supervision of Internal Control of the Company: To effectively perform the functions of the board of directors, an 'Audit Committee' and 'Compensation Committee' are established under the board of directors.
The performance evaluation and salary compensation system standards and structure for the Company's directors and managers are all determined by the "Compensation Committee".
Once established, after reviewing the individual's performance and contribution to the Company, and determining the reasonableness of their compensation, it will be submitted to the board of directors for approval.

The company has an 'Audit Committee' composed entirely of independent directors, aimed at assisting the board of directors in improving corporate governance performance. Its authority includes: establishing or amending internal control systems, acquiring or disposing of assets, and engaging in derivative transactions. The handling procedures for major financial business activities and the assessment of the effectiveness of internal control systems.

3. Attitude Towards Sustainable Management: In May 2022, the Company established a Sustainability Development Committee, jointly promoted sustainable development actions by the chairman and managers, and regularly reported the implementation status to the board of directors to facilitate strategy execution and continuous supervision. In addition, ESG audit indicators are incorporated into the performance evaluation of managers to strengthen the promotion of ESG goals.

2.03.1.3 Continuing Education on Sustainable Development

◉ Director Continuing Education

In order to enhance the professional advantages and capabilities of the directors, the Company, in accordance with legal regulations, arranges at least two director training courses per year. On May 8, 2025, Deloitte Touche Tohmatsu was commissioned to hire professional instructors to conduct the course "Corporate Sustainability and Resilience Management" (with a total of 10 directors participating), and on June 17, 2025, the course "Directors' Important Civil and Criminal Responsibilities and Case Studies" was conducted (with a total of 11 directors participating). Some directors also undertake external training on their own, with a total training duration of 87 hours. Through new knowledge gained from these training courses, the members of the board continuously enrich their expertise, enabling the board to make timely decisions and responses to external environmental impacts, and effectively implement corporate governance systems. The training status of the board can be referred to on pages 29-31 of the Acelon shareholders' meeting annual report.

DIRECTORS' PARTICIPATION IN SUSTAINABILITY-RELATED TRAINING

Type	Date	Course / Seminar	Hours
In-person Course	2025/05/08	The Path to Corporate Sustainability and Resilience Management	3 hours
In-person Course	2025/06/17	Important Civil and Criminal Liabilities of Directors and Case Studies	3 hours





2.03.2 Board Structure and Operations

2.03.2.1 Board Composition and Diversity

◉ Board Composition

In order to ensure the diversity of the Board of Directors and to have the ability to review and discuss issues related to industry, economy, environment, and society, the selection of board members considers candidates with different professional backgrounds, foresight, leadership abilities, industry trends, and gender diversity. Currently, there are 11 board seats (including 3 institutional directors and 4 independent directors). There are 3 female directors, accounting for 27% of all board members, with an average age of 49; male members account for 73% of all board members, with an average age of 63. The average age of all board members is 59. Among them, there are 3 directors who are employees, accounting for 27%. The average tenure of independent directors is 3.4 years, with no individual serving more than three consecutive terms as an independent director. Additionally, appropriate candidates are regularly selected through the re-election process for directors or independent directors.

The company's board of directors is composed of members with professional backgrounds, professional skills, and industry experience; and in accordance with the Company Act and the Company's articles of association, suitable candidates are nominated for election by the shareholders' meeting, with a term of three years per term.

To ensure the diversity of board members and their ability to review and discuss industry, economic, environmental, and social issues, the selection of board members takes into account their different professional backgrounds, foresight, leadership abilities, and

excellence in industry trends. By leveraging each director's expertise and extensive industry experience, they diligently fulfill their supervisory responsibilities, strengthen corporate governance and operational systems, and protect shareholders' rights, faithfully executing the Company's business development and major decisions with prudence and self-discipline.

Detailed information of individual members (such as gender, age, concurrent positions in this company or other companies, etc.) can be found on page 13 of the shareholders' meeting annual report.

BOARD MEMBER STRUCTURE

Item	Classification	Percentage
Gender	Male	73%
Gender	Female	27%
Age	Ages 30-55	64%
Age	Age 56 and above	36%

2.03.2.2 Operations

The main authority of the Board of Directors is to deliberate on significant business and financial decisions of the Company, the formulation of important regulations, and the appointment and dismissal of managers. It also sets ESG sustainable development promotion goals and implementation practices. The Board meets at least once per quarter on average to regularly review the effectiveness of these initiatives and conduct rolling assessments and adjustments. The operation of the Board exercises its powers in accordance with relevant laws, the Company's articles of association, and the rules of procedure of the Board, with relevant executives attending to report. Certified public accountants are also invited to participate in meetings for exchange and communication. In addition, to ensure the independence of the Board's supervision, directors with conflicts of interest in any proposal recuse themselves from discussion and voting, and do not act as proxies for other directors in voting.

Each functional and responsible unit of the Company, based on its respective business scope, regularly communicates and coordinates with relevant stakeholders, widely gathering their opinions and suggestions, and feeds the information back to the internal responsible units and management for discussion. This serves as a basis for sustainable business strategy development and as a reference for the Company to formulate corporate social responsibility policies. In addition, internal management review meetings are held monthly, and annual strategy meetings are conducted, presided over by the Chairman, to review the Company's medium- and long-term goals and corresponding strategies on a rolling basis each year, and to set annual operational performance targets.
In 2025, a total of 6 board meetings were held, with an overall attendance rate of 98%. In accordance with the materiality principles set by the regulatory authorities, important resolutions are promptly published in both Chinese and English on the Market Observation Post System for investors' understanding.

2.03.2.3 Nomination and Selection

The company's board of directors is the highest governing body of the Company. In accordance with relevant laws, regulations, and the powers granted by the shareholders' meeting, it establishes and follows various rules and procedures, and is responsible for formulating, supervising, and approving the Company's overall sustainable development strategies and major resolutions.

The nomination and election of the Company's directors are based on relevant laws and regulations and the provisions of the Company's articles of association, adopting a candidate nomination system, and the director nomination announcement and nomination procedures are conducted according to legal procedures. The qualifications and election of independent directors comply with the provisions of the "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" for selection, with each term lasting three years. The 13th term of directors was nominated by the board of directors and shareholders meeting the statutory shareholding requirements, elected at the shareholders' meeting on June 21, 2024, and at the first

extraordinary board meeting of that term, all elected directors chose Mr. Wen-Tung Chou as chairman, leveraging Mr. Wen-Tung Chou's extensive experience and leadership ability, and appointed him as the Company's general manager.

2.03.2.4 Recusal from Conflicts of Interest

The company's board of directors currently consists of eleven directors (including four independent directors), of whom more than half do not concurrently serve as employees or managers. All board members are able to exercise their respective expertise and responsibilities, focusing on understanding and supervising company affairs. If a relevant proposal involves the personal interests of any director or senior management personnel, they must proactively disclose whether there is any potential conflict of interest with the Company, recuse themselves from the discussion and voting of the proposal, and are not allowed to exercise voting rights on behalf of other directors.

To avoid conflicts of interest within the highest governing body, the Company, through its legal department and the board secretary, is responsible for assisting the board of directors and management in formulating and supervising the implementation of integrity management policies and conduct guidelines. It regularly (at least once a year) reports compliance status to the board, assists the board and management in auditing and assessing whether the preventive measures established for implementing integrity management are functioning effectively. Since the establishment of the Company's board of directors, no incidents violating conflict of interest regulations have occurred. Directors, managers, and employees are all obligated to act in the best interest of the Company to avoid any conflicts of interest.

Information related to conflicts of interest of the Company, such as directors or management serving on other boards, cross-shareholding with suppliers or other stakeholders, controlling shareholders, transactions with stakeholder groups, and outstanding balances, please refer to pages 4-11 of the Company's 2025 Annual Shareholders' Meeting Report.

2.03.2.5 Remuneration Policy

1. Board Remuneration Structure and Determination Process

According to Article 14, Section 14 of the Company's Articles of Association, "Directors' remuneration shall be handled in accordance with Article 196 of the Company Act"; the board of directors is authorized to determine and pay remuneration based on the level of participation and contribution of the directors to the Company's operations, as well as by comparing with industry standards. The remuneration for the chairman of the board is calculated based on the income received by the general manager. The remuneration for other directors shall be paid at a standard not exceeding the highest salary level in the Company's employee salary table.

The independent directors of the Company receive fixed remuneration, while the other directors may receive additional fixed monthly compensation. The company's "Director Performance Evaluation Measures" serve as the basis for evaluating each director. In addition to considering the overall operational performance of the Company (financial indicators: operating net profit, pre-tax net profit, post-tax net profit), future industry operational risks, and development trends, the evaluation also takes into account each director's performance achievement rate (including: attendance at board and functional committee meetings, participation in director continuing education courses, advice on company management strategies, assessment of future operational risks, guidance on company operations and practices, compliance with integrity, or any actions that negatively affect the Company's image), and reasonable remuneration is given based on their contribution to the Company. Relevant performance assessments and the reasonableness of compensation are reviewed by the Compensation Committee and submitted to the Board of Directors for resolution in accordance with the law before distribution. The compensation system is reviewed as needed based on actual operational conditions and relevant laws to maintain a balance between the Company's sustainable operation and risk management. For 2025, the directors' remuneration, the director remuneration grading table, and the payment standards can be found on pages 15-17 of the Company's 2025 annual report.

The salaries of the Company's managers are determined by the Remuneration and Nomination Committee in a professional and objective manner, with reference to the typical compensation levels in the industry. The Committee also considers individual performance evaluation results, the time and effort invested, responsibilities undertaken, performance in other positions, as well as the achievement of the Company's short-term and long-term business goals, and the Company's financial condition. The Committee assesses the rationality of the correlation between individual performance, the Company's operational results, and future risks, and then makes recommendations to the Board of Directors for their decision-making reference.

◉ Linkage Between Executive Remuneration and Sustainability Performance

Our company incorporates sustainable performance into the compensation system, strengthening the strong link between compensation and ESG performance. Compensation is composed of three indicators:
1. Annual strategic results: improvement in productivity per employee and target achievement rate
2. Corporate operating performance: annual net profit and total company revenue
3. Sustainable development indicators: achievement of targets across the three ESG dimensions
And it will have different weightings according to the different levels of senior executives and their responsibilities, in order to promote the achievement of the Company's long-term goals.
For the 2025 senior management salary and grade table, please refer to page 18 of the Company's 2025 annual report.

2. Remuneration Ratios
The company's employee compensation structure includes basic salary, performance bonuses, employee stock options, other long-term incentive measures, and year-end bonuses.

THE MEDIAN AND AVERAGE SALARIES OF NON-MANAGERIAL EMPLOYEES OF THE COMPANY IN 2025, AS WELL AS THE CHANGES FROM THE PREVIOUS YEAR, ARE AS FOLLOWS:

Non-managerial Employees	2025	2024	Change (%)
Number of Employees	301	291	3.44
Median Salary (NT$ thousand)	612	606	0.99
Average Salary (NT$ thousand)	640	611	4.75

Detailed information on the salaries of non-managerial employees of the Company has been disclosed on the Market Observation Post System > Summary Reports > Corporate Governance > Employee Benefits and Compensation Statistics > Salaries of Full-time Non-Managerial Employees / Salary Information of Full-time Employees Not Holding Managerial Positions (https://mops.twse.com.tw/mops/#/web/t100sb15).

2.03.3 Structure and Operations of Functional Committees

1. REMUNERATION COMMITTEE

The company's Remuneration Committee is composed of three independent directors, with a male-to-female ratio of 2:1. It is responsible for assisting the Board of Directors in establishing policies, systems, standards, and structures for the performance evaluation and remuneration of directors and managers. The company, through this committee, regularly evaluates and reviews the performance assessments, salaries, bonuses, and compensation allocation methods of employees, managers, and directors, and compares them with industry standards, submitting recommendations to the Board for discussion. In 2025, the Remuneration Committee held a total of three meetings, with a 100% attendance rate from all members.

2. AUDIT COMMITTEE

The company's Audit Committee is composed of four independent directors, with a male-to-female ratio of 3:1, aimed at assisting the Board of Directors in improving corporate governance performance. Its authority includes: establishing or amending internal control systems; procedures for acquiring or disposing of assets; handling major financial operations involving derivative transactions; evaluating the effectiveness of internal control systems; supervising the true representation of the Company's financial statements; effective implementation of internal controls; compliance with laws and regulations; management of existing or potential risks; and the appointment or dismissal, independence, and performance of certified public accountants. The Audit Committee holds at least one meeting per quarter. In 2025, the Audit Committee held a total of six meetings, with a 100% attendance rate from all members.

3. SUSTAINABILITY DEVELOPMENT COMMITTEE

To commit to corporate social responsibility and sustainable operations, the Company established the Sustainability Development Committee in May 2022, aimed at assisting the Board of Directors in implementing and formulating the Company's sustainability directions and goals, as well as devising relevant management policies and specific promotion plans. In 2025, the Sustainability Development Committee held a total of three meetings, with a 100% attendance rate of all members.

In recent years, our company has continuously enhanced the transparency of corporate governance and social engagement, humbly received

feedback and suggestions from various stakeholders, and steadily moved forward. Social prosperity, sustainable operations, and the practice of corporate social responsibility are the goals we continually strive for. We hope that through a sound and efficient corporate governance system, we can strengthen company operations and ensure shareholders' rights. Each of the functional committees can perform their respective duties, aiming to more effectively implement corporate governance and improve the quality of the board's decision-making.



3. Stakeholders and Material Topics

3.01 Stakeholder Engagement

This company, referring to the five major principles of the AA1000 SES Stakeholder Engagement Standard (2015)—Dependency, Responsibility, Urgency, Influence, and Diverse Perspectives—identifies groups or organizations that have an impact on the Company and are affected by the Company. The stakeholders directly related to the Company are identified as shown in the figure below:



In order to understand and respond to the concerns of stakeholders, our company provides various communication channels to communicate and engage with stakeholders, allowing stakeholders to give feedback at any time, in order to understand the sustainability issues that different stakeholders are concerned about and to provide responses.

Stakeholder Identification and Communication Table

Category	Stakeholder Group	Communication Channels	Communication Frequency	Topics of Concern	Response
Shareholders / Investors	Shareholders	Material announcements, press releases	Irregular	Business performance Corporate governance Major events	Material announcements, press releases
	Institutional investors	Investor relations website	As required		Investor relations website
	1.Phone, email, visits	Website, email, phone liaison	Irregular		Website, email, phone liaison
	2.Customer satisfaction survey	Shareholders' meeting	Once a year		Shareholders' meeting
	Shareholders	Shareholders' meeting	Once a year	1. Sales & services 2. Service & demands	1. Orders & inquiries 2. Demand feedback
	Institutional investors	Investor relations website	Irregular		
	1.Phone, email, visits	Website, email, phone liaison	Irregular		
	2.Customer satisfaction survey	Shareholders' meeting	Once a year		
Customers	Labor-management meeting	Labor-management meeting	Quarterly	Labor relations, labor conditions, employee development, and workplace improvement measures, etc.	Discussion and resolution
	Welfare committee meeting	Welfare committee meeting	Quarterly	Employee welfare matters	Discussion and resolution
Employees	Labor union representatives meeting	Labor union representatives meeting	Annually	Promote labor-management meetings, welfare committee meetings, retirement preparation and supervision committee meetings, etc.	Discussion and resolution
	Employee suggestion box	Employee suggestion box	Irregular	Improve work environment, performance management, fair treatment, and prevent violations of business ethics, etc.	Investigation and response to results
	Employee grievance hotline	Employee grievance hotline	Irregular	Harassment, improper management, unfair treatment, and violations of business ethics, etc.	Investigation and response to results
	Employee grievance mailbox	Employee grievance mailbox	Irregular	Harassment, improper management, unfair treatment, and violations of business ethics, etc.	Investigation and response to results
	New employee training	New employee training	Irregular	Company introduction, corporate culture, values, and compliance training, etc.	Internal and external training courses
	Employee education and training	Employee education and training	Irregular	Business ethics, compliance, and corporate governance, etc.	Internal and external training courses
Suppliers / Contractors	Announcements, liaison letters	Announcements, liaison letters	Irregular	Company system and procurement policies	E-mail or phone notifications
	Document distribution (e.g. code of conduct)	Document distribution (e.g. code of conduct)	Irregular	Corporate culture, values, and regulations, etc.	Distribution of code of conduct
Government Agencies	Questionnaires and surveys	Questionnaires and surveys	Annually	Integrity management	Supplier management
	Phone calls, correspondence	Phone calls, correspondence	Irregular	Labor, occupational safety, environmental protection, and regulations	Phone calls, correspondence
	Email, phone liaison	Email, phone liaison	Irregular	Business performance	Email, phone liaison
	E-mail or phone	E-mail or phone	Irregular	Environment, labor, and legal compliance	E-mail or phone
Community / NGOs	E-mail or phone	E-mail or phone	Irregular	Industry trends	E-mail or phone
Media	Phone calls, correspondence	Phone calls, correspondence	Irregular	Labor, occupational safety, environmental protection, and regulations	Phone calls, correspondence
	Email, phone liaison	Email, phone liaison	Irregular	Business performance	Email, phone liaison
	E-mail or phone	E-mail or phone	Irregular	Environment, labor, and legal compliance	E-mail or phone

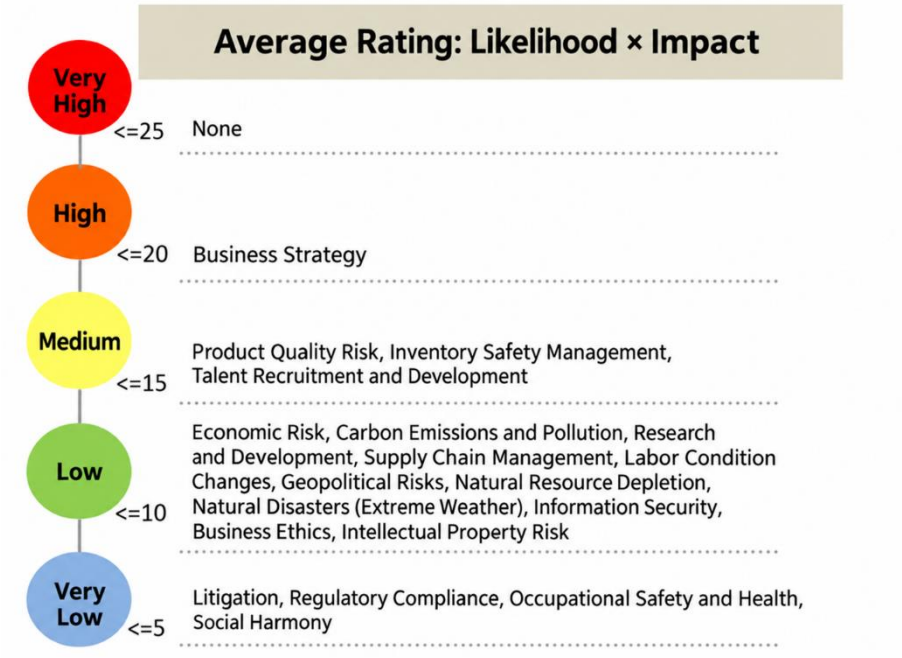
3.02 Process for Determining Material Topics

The company refers to the four accountability principles of AA1000: materiality, inclusiveness, responsiveness, and impact, and follows GRI 3: Material Topics 2021 to further assess the significance of impacts of material topics on the economy, environment, human rights, and other aspects. The implementation steps are as follows:

1. Understand the organizational context

Considering the key operational items of the Company, core operational resources, critical points for continuous business operations, and all links in the supply chain and value chain, while also paying attention to international sustainability trends and the issues of concern to foreign investment rating agencies regarding the industry, and referring to the results of the annual risk management topic questionnaire issued by the Board Secretariat, a total of 15 sustainability topics were ultimately compiled. Details are explained in the table below.

Risk Management Survey Results



15 Sustainability Issues:

Item	Topic	Explanation
1	Operational Performance	Explain the economic benefits generated from operations or investments, and how the economic benefits are utilized.
2	In response to regulatory changes	In response to the increasingly strict requirements of various laws and regulations related to operations both domestically and internationally, or in response to known new policies
3	Marketing Development	The sales potential of the products and services offered by the Company in the market, and the methods of maintaining customer relationships
4	Research and development capability	Patents, intellectual property, certifications owned or planned to be acquired by the Company, and the potential for research and development of new products
5	Product Quality Management	The company's methods for managing and continuously improving product quality, and customer satisfaction surveys
6	Supply Chain Management	Procurement standards for suppliers, supplier due diligence, and maintaining supply chain stability
7	Labor employment / labor-management relations	Including the compensation, benefits, and reward systems provided by the Company to employees, as well as the channels for communication with employees
8	Talent Management	Regarding employee performance evaluation, employee training, and development, etc.
9	Human rights equality	Contents such as gender equality, diverse ethnic groups, and young workers
10	Ongoing operations	The company's emergency response strategies for potential natural or man-made disasters

Item	Topic	Explanation
11	Occupational Safety and Health	Company's Measures for the Prevention and Management of Man-made Disasters and Occupational Diseases
12	Green Manufacturing	The company is promoting environmentally friendly production and resource recycling, which helps improve resource utilization efficiency and reduce environmental pollution.
13	Greenhouse Gas Management	The company's greenhouse gas emissions and reduction implementation status
14	Information and Communication Security	In response to information and communication interruptions, network attacks, or virus control
15	Social participation	Such as industry-academia collaboration, social welfare activities, community building, social relationships, etc.

2. Identify impacts and assess significance

Based on the list of sustainability issues identified in the previous step, the Company further assesses the actual and potential positive and negative impacts of each sustainability issue:

1. Actual or potential positive impacts may occur when a company has relevant management policies for the sustainability issue and effectively implements them.

During good or significant performance, it generates positive impacts on sustainable development in the economy, environment, and society.

2. Actual or potential negative impacts may occur when a company does not implement or inadequately manages the relevant sustainability issues.

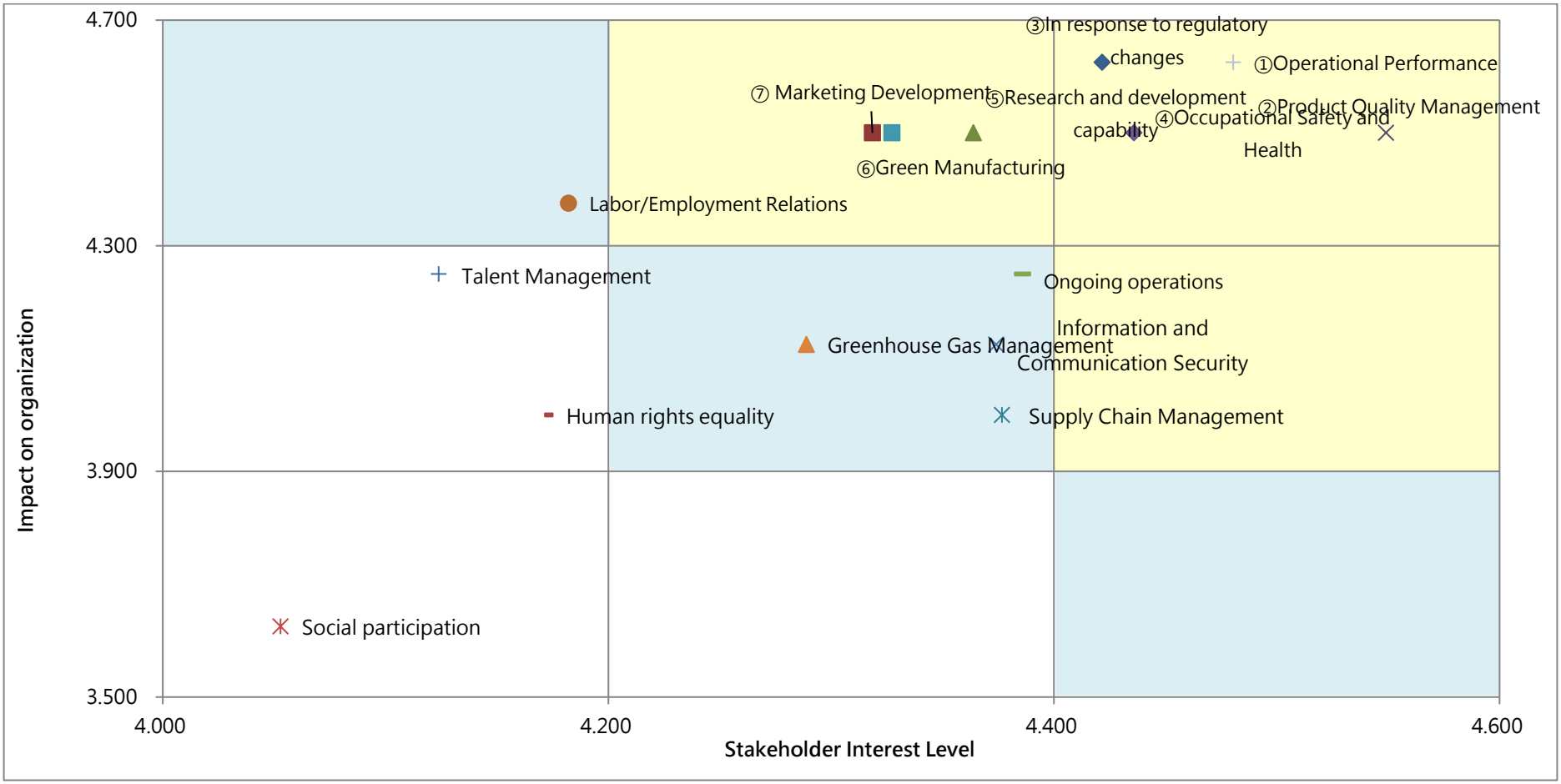
The negative impacts of a company's overall operations on the external economy, environment, and society.

3. Schedule impact priorities and identify major topics

The company sends questionnaires to stakeholders, with the assistance of various departments to distribute sustainability issue concern surveys and for each department to score the importance weighting of each stakeholder. A total of 115 valid questionnaires were collected, including 15 questionnaires from internal senior management. After statistical analysis and integration of internal and external results, based on two dimensions, 'stakeholder concern level' and 'impact on the organization,' a high, medium, and low intensity analysis was conducted, identifying seven high-intensity material issues. The company will formulate corresponding policies and objectives for these material topics and plan practical action response programs.

2025 Major Theme List	ESG Orientation/Impact	Score
① Business Performance	Governance Orientation / Negative Impact	High stakeholder concern / High organizational impact
② Product Quality Management	Governance Orientation/Positive Impact	High stakeholder concern / High organizational impact
③ In response to regulatory changes	Governance Orientation / Negative Impact	High stakeholder concern / High organizational impact
④Occupational Safety and Health	Social Aspects/Negative Impacts	High stakeholder concern / High organizational impact
⑤ R&D capability	Environmental Aspect/Positive Impact	Stakeholder concern: moderate / Impact on organization: moderate
⑥ Green Manufacturing	Environmental Aspect/Positive Impact	Stakeholder concern: moderate / Impact on organization: moderate
⑦ Marketing Development	Governance Orientation/Positive Impact	Stakeholder concern: moderate / Impact on organization: moderate

Materiality Matrix



Impact on the organization = Total impact score of all valid questionnaires / Number of valid questionnaires collected.

Stakeholder attention level = total attention score of all valid questionnaires * stakeholder weight / number of valid questionnaires collected.

3.03 List and Management of Material Topics

According to the process of the analysis method, the sustainability team consolidated the significance of the impact of sustainability issues on the organization and the level of stakeholder concern, summarizing seven major topics. Compared to the previous year, one major topic was added and three major topics were removed in 2025.

Each responsible unit of the Company, based on its scope of business, regularly communicates and coordinates with relevant stakeholders, extensively collecting their opinions and suggestions, and feeds the obtained information back to the internal responsible units and management for discussion, serving as a basis for sustainable development strategies. Additionally, internal management review meetings are held monthly, and annual strategy meetings are organized, presided over by the chairman, to review the Company's medium- and long-term goals and corresponding strategies on a rolling basis, and to set annual sustainable performance objectives.

All material issues are fully disclosed in this report to meet the expectations of stakeholders regarding the Company. In the future, the Company will continue to review various material issues and consider stakeholders' feedback on the report to ensure that the report's content is transparent, reasonable, and balanced.

Our company formulates corresponding policies and management actions based on the impact nature of each major topic. Dedicated units are responsible for tracking the effectiveness of policy and strategy implementation, setting indicator targets, and regularly reviewing the achievement rate of these targets. The following explains the management measures for each major topic respectively:

List of Major Topics:

2025 Major Theme List	List of Major Themes from the Previous Year	Changes / Countermeasure Explanation
① Business Performance	Business strategy	Explained in Chapter 4: Governance
② Product Quality Management	Quality Risk	Explanation in Section 4.09 Product Quality Management
③ In response to regulatory changes		Add major topics, explanation of section 4.04.3 on regulatory compliance
④Occupational Safety and Health	Occupational Safety and Health	Explanation in Section 5.02 on Occupational Safety and Health
⑤ R&D capability	Research and development capability	Explanation in the chapter on Innovation R&D Management and Outlook in 4.07.7
⑥ Green Manufacturing	Green Manufacturing	Explanation in Section 4.07.6 on Green Manufacturing
⑦ Marketing Development	Marketing Development	Explanation in section 4.07.5 on Marketing Development
	Inventory Safety Management	Explanation in Section 4.09 Product Quality Management
	Operate with integrity	4.02 Explanation of the Chapter on Honest Business Practices
	Talent Recruitment and Development	Explanation in Section 5.01 on Human Resource Development

4. Governance

Material Issue: Business Performance Management Policy	
1. Policy:	Our company is committed to creating long-term and stable financial value, and through the development of green and low-carbon products, internalizing sustainable transformation into our core competitiveness while balancing the interests of shareholders, employees, and society.
2. Responsibility:	Each department discusses and decides at the annual target meeting and monthly business review meetings, with the management supervising and assisting in the achievement of performance, and incorporates business and sustainability goals into the performance evaluation and compensation of management.
3. Resources:	All company resources are invested, with the expectation of achieving performance goals.
4. Specific Action:	1. Develop new environmentally-friendly products, create value and profit, and meet customer needs. 2. Adjust production and sales strategies flexibly according to market supply and demand changes, and manage inventory levels. 3. Pay attention to international oil price fluctuations, seize the opportunity to purchase raw materials, and reduce costs. 4. Diversified markets, overseas expansion, and strategic cooperation.
5. Goals and Commitments:	Short-term: Stable operations and laying the foundation for sustainability ⟶ Medium-term: Structural transformation and intelligent carbon reduction ⟶ Long-term: Leading a low-carbon economy and sustainable co-prosperity, creating profits, sharing with stakeholders, and sustainable management.
6. Appeal mechanism:	1. Company website: service@acelon.com.tw 2. Investor mailbox: cmh@acelon.com.tw
7. Performance Evaluation Methods and Results:	Regular meetings to evaluate performance reviews, including monthly operational review meetings and annual target meetings.

4.01 Economic Performance

Operational Performance

With the growth slowing in 2025, trade frictions, easing inflation pressures, geopolitical uncertainties, and policy changes have become the main challenges. The company's total revenue was NT$ 1.89 billion, declining compared to 2024. For other financial performance explanations and analyses, please refer to the Company's financial report.

FINANCIAL PERFORMANCE: UNIT: THOUSAND NT DOLLARS

Item	Fiscal Year 2025	Year 2024	Year 2023
Total Assets	2,737,478	2,638,840	2,499,522
Total Liabilities	1,191,233	1,176,054	1,055,952
Total Shareholders' Equity	1,546,245	1,462,786	1,443,570
Operating Revenue	1,893,500	2,354,360	1,965,587
Net Profit (Loss) After Tax	(119,032)	16,042	(151,349)

Direct economic value generated in 2025	
Operating Revenue	1,893,500
Operating Costs	1,862,561
Employee Compensation and Benefits	204,684

Corporate Governance and Transparency

• The finance department regularly reports performance and budget execution to the board of directors.
•Each department head reviews operational indicators and strategy implementation monthly
•Continuously appoint independent accountants to audit financial statements and internal control systems
• Regularly review the independence and competence of the certified public accountant to ensure the accuracy of information

TAKEN FROM GOVERNMENT FINANCIAL ASSISTANCE

In 2025, our company received a total of NT$13,050 in financial assistance from the government, mainly used for research and development of product recycling innovations, extending to sustainability-related initiatives.

Annual	Project Plan Name	Subsidy Amount	Subsidary nature
2025	Ministry of Economic Affairs Industry Alliance Program for Enhancing Industrial Competitiveness through R&D Transformation Support	13,050	Project Subsidy

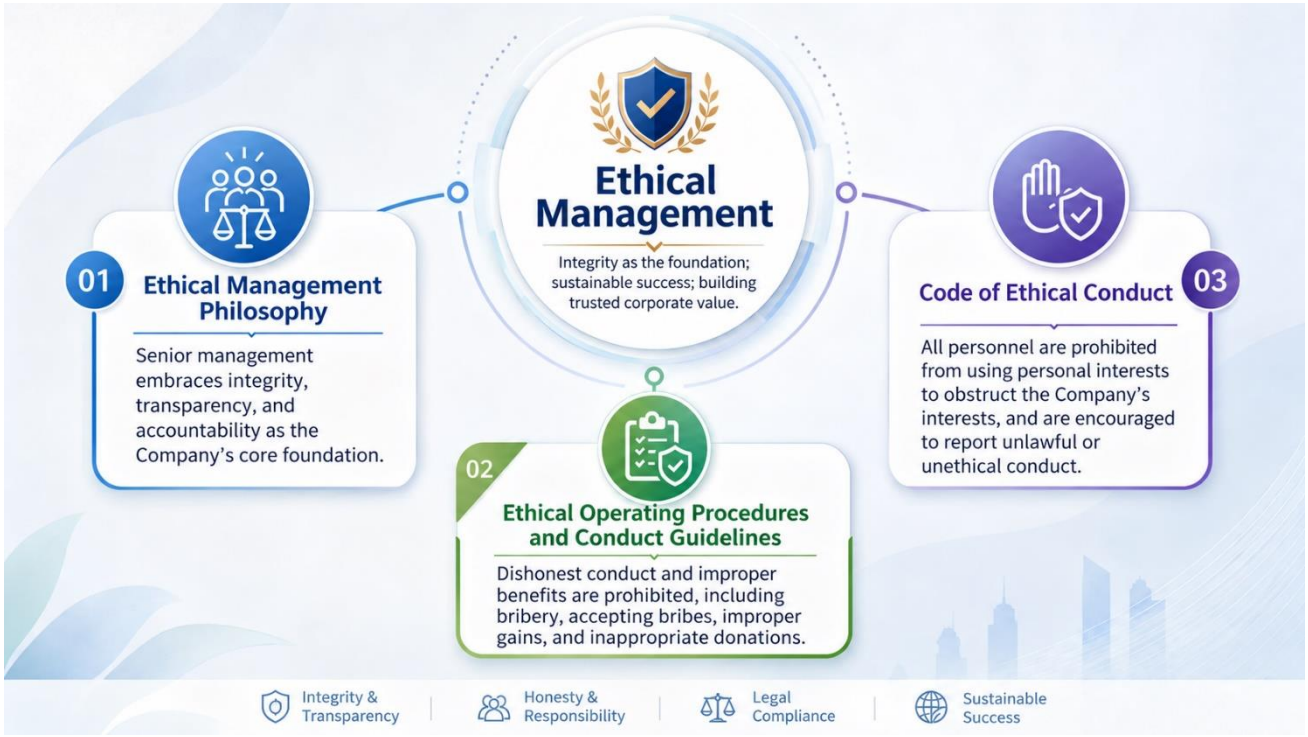
4.02 Ethical Management

4.02.1 Ethical Management Philosophy, Policies and Codes of Conduct

Our company, adhering to the business philosophy of 'Integrity as the Essence,' deeply ingrains the spirit of anti-corruption and transparency into our corporate culture, strengthens regulatory compliance, formulates policies based on integrity, and establishes sound corporate governance and risk control mechanisms as well as a comprehensive audit system, in order to create a sustainable business environment.

Internally, the Company has established the 'Integrity Operation Procedures and Code of Conduct' and the 'Code of Ethical Conduct' for all directors, managers, and employees to follow. Additionally, a 'Whistleblowing Incentive Procedure' and a complaint hotline have been set up to establish a whistleblower system. All company directors and senior managers have signed statements declaring that they have not engaged in any conduct that violates principles of integrity and support these integrity principles, refraining from profiting through insider information, as a foundation for the Company's sustainable operations. All company directors have signed this statement, with a signing rate of 100%.

All Acelon employees are required to comply with the terms specified in the Company's 'Employee Code of Conduct.' Anyone who leaks significant internal information or operational secrets of the Company for unauthorized gain, if the circumstances are serious, will be dismissed, and related integrity policies are regularly promoted through education and training.



Independent communication channel

The company has an independent communication channel and a dedicated mailbox (service@acelon.com.tw). When employees, suppliers, or other stakeholders discover someone suspected of violating ethical business practices, they can report anonymously through the above channel; or if there are questions regarding the Company's ethical business standards, they can also raise inquiries through the same channel. After receiving a question, the responsible unit must handle it according to the standard procedure and regularly report the handling status to the complainant or inquirer. If it is a reporting incident, an investigation should be conducted on the reported content and related evidence. If the reported matter involves a director or manager, it should be reported to the independent directors.

Standard Procedure for Handling Complaint Cases:

- Acceptance: After receiving a complaint or report, the responsible unit will verify the completeness of the information and file a case.
- Investigation: Form an independent investigation team to conduct a detailed investigation of complaints or reported incidents, including collecting evidence and interviewing relevant personnel.
- Handling: If the investigation results show that the reported person has indeed violated laws or the Company's integrity management policies and regulations, penalties will be imposed according to the severity of the situation, such as termination of employment contracts, business contracts, etc.
- Improvement: Develop and implement corrective measures based on the causes of the event to prevent similar incidents from occurring again.
- Reporting: The investigation results and handling situation will be regularly reported to the complainant or inquirer, and reported to the board of directors.

4.02.2 Anti-corruption Mechanisms

1. Anti-Corruption Risk Assessment

The company has established the 'Internal Audit Implementation Rules' and the 'Measures for Encouraging Employees to Report Misconduct.' The audit unit conducts regular inspections of operational activities and reporting channels according to these measures to ensure legality and compliance, and the consolidated audit results are reported to the board of directors to prevent and reduce the occurrence of corruption.

2. Handling of Corruption Cases

In 2025, the results of the Company's internal audits and the contents of the reporting channels did not reveal any incidents of corruption.

3. Anti-Corruption Education and Training

In October 2025, our company provided the "Integrity Management" compliance training materials through the E-learning platform and internal systems, with a total of 101 participants, a training duration of 0.5 hours, and a 100% pass rate for the completion test. The presentation files of the course were sent to all directors, managers, and employees for reference, with the aim of enabling all "Acelon personnel" to adhere to ethical and moral standards and embody the spirit of "the essence of integrity." Our company discloses information related to integrity management in the prospectus and on the Company website, and promptly discloses significant information, fulfilling the Company's responsibilities and obligations for information disclosure in order to protect the rights and interests of investors and other stakeholders.

4.03 Communication Channels and Grievance Mechanisms

Independent communication channels and grievance mechanisms

In order to immediately mitigate the impact of negative effects on stakeholders or company operations, the Company has established a complaint mechanism for various issues. When stakeholders identify potential or actual negative impact events, they can report them to the responsible units. Upon receiving a complaint case, the responsible unit should promptly handle it and formulate corresponding response measures.

To establish an honest and transparent corporate culture and promote sound management, the Company has formulated the 'Measures for Encouraging Employees to Report Misconduct,' which also apply to subsidiaries. The company encourages employees and related parties to report through the reporting email mailbox or other channels. Reports can be made against both internal employees and external personnel, regarding illegal or improper conduct. To ensure the fairness and transparency of the investigation process, the Company has established an independent investigation unit and publishes relevant information on the Company's website to facilitate external parties in reporting related matters.

The company's grievance mechanisms for stakeholders are as follows:

Stakeholder Category	Communication channel	2025 Communication Achievements
Shareholders / Media / Regulatory Authorities	Company Spokesperson: Vice President Lai Ming-Yi Email: jason@acelon-yarn.com Acting Spokesperson: Director Zhang Mei-Hong Email: cmh@acelon-yarn.com Phone: 04-7638869#3213	•Hold a shareholders' meeting •Hold an investor conference •Hold six board meetings •Occasionally respond to investors' and media's calls and inquiries
Customer/Partner Vendor	Business Department: Director Huang, Chian-Chiu Email: sandy@acelon-yarn.com Material Group: Senior Specialist Liang Sheng-xian Email: eric@acelon-yarn.com Phone: 04-7638869#5311	•Sales personnel visit customers 2-3 times per week •Contact clients and suppliers intermittently by phone and email •Conduct a customer satisfaction survey every year •Hold tender coordination meetings from time to time •Conduct supplier evaluations every quarter
Employees/Community Neighborhood	HR Department: Senior Specialist Chen Shuyan Email: hannah@acelon-yarn.com Management Section: Section Chief Chen	•Hold four staff welfare meetings •Engage in collective bargaining with the union

Stakeholder Category	Communication channel	2025 Communication Achievements
	Yihua Email: eawa@acelon-yarn.com Phone: 04-8652321#1235	•Launch the reserve personnel succession plan •Complete performance evaluation and assessment tasks •Handle related internal and external training operations, total •Held 12 business review meetings and monthly meetings for discussion •Conduct employee health check-ups in October •Gifting neighborhood presents and sending regards during the festive season •Two fire inspections

4.04 Risk Management

4.04.1 Risk Management Mechanism

Our company has established the 'Risk Management Measures,' and the risk management policy is designed to effectively identify, analyze and assess, control and handle, and continuously monitor various risks. The internal audit department conducts regular and irregular audits to enhance the risk awareness of all employees, with the aim of keeping risks within an acceptable level and ensuring the integrity, effectiveness, and optimal benefit of risk management.

Risk Identification	Our company conducts comprehensive identification of risk aspects, covering strategic, operational, financial, hazard event, and regulatory compliance areas, ensuring that risks at all levels are included within the management scope.
Risk Assessment	According to the nature of the business, each functional unit and regional authority unit is responsible for defining risk management within their applicable scope, and for analyzing and assessing risk events. This process includes: 1. Analyze the likelihood and impact of risk events, and assess the potential impact on the Company's operations if they occur. 2. Assess the factors that increase or decrease specific risks and the corresponding countermeasures, and review possible response plans to ensure timely handling.
Risk Control and Supervision	Our company divides risk control and supervision into two parts: the ISO system and business risk. 1. Risk Assessment and External Audit of the ISO System: Our company, within the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 9001 Quality Management System, analyzes and evaluates threats and risks arising from external environmental impacts, as well as opportunities generated from responding to those risks, controlling major risks, and taking action plans accordingly. 2. Risk assessment of company operations: The Board Secretary's Office issues an annual risk management questionnaire every year, which is completed by key executives from each department to assess the threats and risks arising from external environmental impacts, as well as the opportunities generated in response to those risks, and then policies and action plans are formulated accordingly. For risks related to the daily operational activities of each unit, risk control is carried out by each unit.

	Conduct specialized risk assessments within high-risk departments or for significant interdepartmental crisis events, and have the CEO or a person designated by them be responsible for coordination and supervision. Address deficiencies in the risk control process, make immediate corrections, and ensure that its management measures comply with regulations.
Risk Communication	The implementation of risk management is regularly reported to the Board of Directors by the Chief Sustainability Officer at least once a year, ensuring transparency of risk information and promoting effective decision-making.

4.04.2 The Company's Material Risks for 2026

Our company analyzes and evaluates the threats and risks arising from external environmental impacts, as well as the opportunities generated in response to these risks. The assessment and analysis for 2026 are as follows:



Response strategy

Despite the global market still facing risks and challenges such as geopolitical risks, trade wars, and fluctuations in raw material prices, the Company's operations team actively takes responsive measures:

- **Raw Material Procurement Optimization:** Reducing Costs and Supply Risks
- **Production Line Automation and Energy Efficiency Improvement:** Enhancing Operational Efficiency
- **Market Demand Reassessment:** Exploring Opportunities for New Products and Services Expansion
- **Cost Control:** Strengthen Financial Discipline
- **Supply chain collaboration:** Work closely with upstream and downstream partners to reduce risks

4.04.3 Regulatory Compliance

In 2025, our company had no major violations of relevant regulations. The definition of a major event follows the verification and public disclosure procedures for significant information of listed companies, with a single event considered major if the accumulated fines reach NT$1 million or more.

The major themes of current regulatory changes mainly focus on three core directions: sustainable development, climate change, and information security, covering climate strategy and risk management, resource regeneration and circular economy, as well as

information security and privacy protection.

The company's management policy on the significant theme of 'regulatory changes' mainly focuses on three core areas: compliance risk identification, policy adjustment and implementation, and cross-departmental communication and supervision.

Material Issue: Regulatory Change Management Policy	
1. Policy:	Ensure that the Company's operations fully comply with domestic and international regulations
2. Responsibility:	Establish a proactive compliance mechanism, internalize regulatory requirements into corporate governance and daily operational standards, reduce the risk of violations, and maintain corporate reputation.
3. Resources:	Establish a cross-departmental ESG project team, with members covering legal, Environment, Health and Safety (EHS), finance, and supply chain departments, responsible for tracking the latest regulations, assessing operational impacts, and promoting various improvement measures.
4. Specific Action:	◆Regulation Identification and Early Warning: Establish a system for regular review of regulations, subscribe to information from competent authorities and professional organizations, and promptly grasp the legislative process and implementation schedule of domestic and international regulations (such as carbon fee collection and climate information disclosure). ◆Impact Assessment and Response: Conduct gap analysis on various regulatory changes and formulate short-, medium-, and long-term response strategies (such as greenhouse gas inventory, carbon reduction pathway planning, and human rights due diligence). ◆Process Optimization and Implementation: Update internal operational procedures and management regulations to ensure that the Company's internal controls and risk management mechanisms fully cover the latest regulatory requirements.
5. Goals and Commitments:	Ensure that business operations fully comply with domestic and international regulations, moving towards sustainable management.
6. Appeal mechanism:	1. Company website: service@acelon.com.tw 2. Investor mailbox: cmh@acelon.com.tw
7. Performance Evaluation Methods and Results:	Performance Indicators (KPIs): Set specific evaluation indicators. Supervision and Improvement Mechanism: Through internal audits and external third-party verification, regularly review the effectiveness of compliance and the implementation of management policies, and carry out rolling corrections based on the audit results.

4.05 Information Security and Customer Privacy Protection

4.05.1 Information Security Management

◉ 1. Information Security Management Policy and Commitment

Our company fully understands that information security is the cornerstone of sustainable business operations and maintaining customer trust. Our information security vision is to 'build a tight and effective information security defense network and steadily enhance the maturity of information security governance.' To implement this commitment, the Company has dedicated network and information security management personnel who coordinate the formulation of information security systems and regulatory compliance. We take information security management requirements as the construction benchmark, and gradually introduce the ISO 27001 information security management system as a reference standard, continuously optimizing internal information security policies according to actual operational needs and the latest regulations.

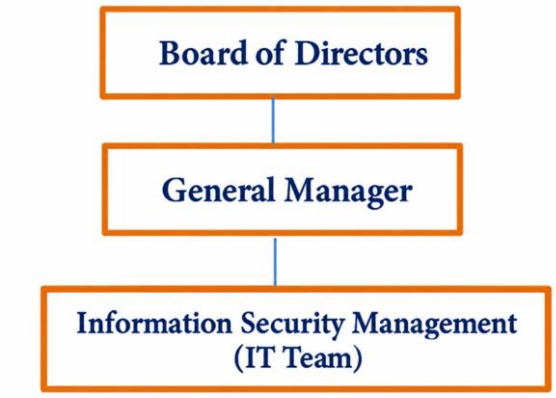
With the full support and resource investment from the management team, we are committed to ensuring the confidentiality, integrity, and availability of information. In the process of digital transformation, we place particular emphasis on protecting personal privacy, transaction data, and core business secrets, comprehensively preventing operational risks such as data theft, alteration, or loss.

2. Information Security Management Governance Framework and Strategic Objectives

The company has established an information security promotion organization as shown in the figure below. The organization allocates appropriate human, material, and financial resources, regularly reviews the Company's information and communications policies, and conducts information and communications operations inspections annually by internal audit officers. It regularly reviews the information and communications policies and reports to the board of directors.

The company has one Chief Information Security Officer, one network engineer, and two other IT team members to facilitate mutual support. They are mainly responsible for the Company's network architecture and equipment security, formulating the Company's information security policies and planning information security measures, as well as executing related information security operations. Work review meetings are held twice a month (24 times annually) to discuss potential information and communication risks and issues within the Company organization and propose corrective and preventive measures.

Our company follows international and domestic authorities' standards and compliance requirements related to information and communication security policies, deploys innovative cybersecurity protection technologies, creates a safe and resilient information environment, and thereby enhances the overall quality of information and communication security services.



3. Information Security Protection and Implementation Framework

To effectively identify and manage information security risks, our company implements information security management operations from four major aspects: 'access control, threat defense, continuous monitoring, and infrastructure upgrades.'

1. Deepen Identity and Access Management (IAM)

- Strengthen password regulations: Implement strict password complexity requirements (including length and a mix of letters and numbers), and explicitly prohibit the use of personal information that can be easily guessed as passwords. For customers with special security control needs, customized settings will be implemented in accordance with their regulations.
- Mobile Devices and Data Leakage Protection: Carefully assess the risks of mobile devices accessing company resources, and implement appropriate remote email access controls for new employees (e.g., restricting applications within the first three months of employment) to prevent unauthorized data synchronization and leakage.

2. Strengthen Endpoint and Network Security (Network & Endpoint Security)

- Network Segmentation: For IoT devices with weaker protection capabilities (such as IoT, IP CAM), implement physical or logical network segment isolation to limit the lateral movement range of potential threats.
- Advanced Endpoint Protection: Gradually phase out the system's built-in antivirus software, fully implement enterprise-level paid protection systems, ensure real-time updates of virus signatures, and enjoy professional technical support.
- Vulnerability Management and Patching: Regularly perform internal system vulnerability scans, proactively inventory and patch potential system vulnerabilities.

3. Promote proactive monitoring and threat detection (Monitoring & Threat Detection)

- Alert and Log Management: Actively evaluate the implementation of a centralized log collection and analysis system, and establish an abnormal behavior alert mechanism to implement the operational procedures of log management.
  - ➢ Implement manual/scheduled log backups: For servers, firewalls, and core applications (such as ERP), set up daily or weekly log export and archiving mechanisms to ensure historical retention of system status.
  - ➢ Standardized checks and trail retention: Develop manual log review checklists to regularly review login failure logs, abnormal permission changes, and data access tracks to meet the essential trace retention requirements for verification.
  - ➢ Abnormal Incident Reporting Process: If an abnormality is discovered in the logs, immediately activate the response plan, clarify the scope of the incident, notify supervisors, and record the handling process as internal audit evidence.
- Implement Advanced Threat Protection: Evaluate and plan the implementation of an MDR (Threat Detection and Response) security solution to block unknown threats and malicious attacks through automated mechanisms.

4. Information Infrastructure Modernization (Infrastructure Modernization)

To comply with the latest cybersecurity management regulations, the Company has budgeted to gradually replace outdated hardware and software that have reached their end of life (EOL):

- Border protection upgrade: Update the next-generation firewall (NGFW), strengthen policy settings, connection log backup management, and cybersecurity audit analysis capabilities.
- Core Server Replacement: Replace end-of-life infrastructure (such as AD domain servers, Exchange mail servers, and spam protection systems) to eliminate security vulnerabilities of outdated operating systems and lay the foundation for future implementation of advanced security architectures such as multi-factor authentication (MFA).

◉ 4. Cybersecurity Awareness and Cultural Shaping

Hardware defense and personnel literacy are both indispensable. Our company requires all employees to comply with the information management regulations and to instill cybersecurity awareness into the corporate culture through the following measures:

- Regularly hold company-wide information security awareness promotion and training sessions.
- Entrust professional external organizations to conduct cybersecurity exercises such as social engineering, using practical tests to examine and enhance colleagues' awareness of phishing emails and social engineering attacks.

In October 2025, the Company conducted courses on 'Information and Communication Risk' through an E-learning online platform for all level 1 and level 2 managers and administrative staff, totaling 101 participants. The relevant information was also made available on the Company's network for employees to study. On November 11, 2025, the implementation of the annual education and training was reported to the Board of Directors. The company has joined the Taiwan Computer Network Emergency Response Team/Coordination Center (TWCERT), continuously monitoring domestic and international cybersecurity issues, and provides relevant information security updates to employees in real time to more comprehensively defend against evolving cybersecurity threats.

4.05.2 Customer Privacy Protection

To protect customers' online privacy and comply with Taiwan's "Personal Data Protection Act" regarding the collection, processing, or use of personal data, our company has issued the "Personal Data Protection Management Measures" for relevant units to follow.

4.06 Participation in Associations and Organizations

Our company continuously participates in business-related associations and organizations, exchanging industry knowledge, information, and practical experience with peers and professionals to acquire new industry and technical insights. We also establish strong cooperative relationships with enterprises and institutions in related fields to jointly promote sustainable industrial development.

◉ Participation in industry-related associations and organizations:

Serial Number	Name of the Association	Position
1	Taiwan Man-Made Fiber Manufacturing Association	Director
2	Textile Industry Comprehensive Research Institute - Tnet Global Textile Information Network	Member
3	Taiwan District Silk Weaving Industry Association	Member
4	Taiwan Knitwear Industry Association	Member
5	Taiwan Textile Industry Association	Member
6	Taiwan Industrial Textiles Association	Member
7	National Biotechnology and Medical Care Industry Promotion Association	Member
8	Chinese National Association of Business Managers (General Association)	Member
9	Taichung City Business Managers Association	Member

4.07 Product and Service Management

Our company insists on producing in Taiwan. In the era of globalization, costs are difficult to compete with those of China and Southeast Asian countries. Therefore, our company continuously develops new products, moving towards customization, high value, and small-quantity diverse directions, avoiding price competition in the red ocean market, choosing the blue ocean market, and striving for sustainable operations.

The company's future operational development will continue to focus on innovation and research and development, grasping market environmental trends, meeting customer needs, creating products that satisfy customers, entering brand supply chains, co-prospering and co-existing with customers, not competing through price cuts, continuously creating profit-sharing relationships with stakeholders, and pursuing sustainable development.

4.07.1 Customer Health and Safety

In order to prevent potential hazards of products to personal safety, health, and the environment, our company regulates the use of chemicals. Before purchasing chemicals, we request a Safety Data Sheet (SDS) from the supplier, because it serves as the chemical's identification, a manual for the chemical substance, and a basic tool for chemical management. Additionally, we label chemicals in accordance with the regulations of hazardous chemical labeling and general knowledge rules, allowing workers to understand hazardous substances, recognize the hazards, and ultimately prevent the occurrence of harm.

Acelon Chemicals & Fiber Co., Ltd.

Our company determines whether a chemical is a controlled chemical under domestic regulations or a Substance of Very High Concern (SVHC) under EU regulations based on the SDS. If it is, we avoid using it and replace it with a non-hazardous substance. During production, we follow the chemical management regulations of Part D of the GRS standard to provide products that are safe for customers and consumers. Since 2004, our products have been annually tested and certified with Oeko-Tex 100, proving they are harmless to the human body. Therefore, our company has not violated regulations related to health and safety, customer labeling, product and service information and labeling, or marketing communications.

The impact of the product on health

Since 2004, our company's products have been awarded the OEKO TEX Standard 100 ecological textile label every year (certified by TESTEX AG, Swiss Textile Testing Institute), passing harmful substance tests and posing no harm to the human body.



Acelon Chemicals & Fiber Corp.
No.94, Fan Chin Rd.,
Puyan Township, 516015 Changhua County
Taiwan

TESTEX AG, Swiss Textile Testing Institute
Gotthardstrasse 61
8002 Zurich
Switzerland

OEKO TEX®

Certificate

OEKO-TEX® STANDARD 100

Acelon Chemicals & Fiber Corp.

is granted the OEKO-TEX® STANDARD 100 certification and the right to use the trademark.

SCOPE
100% Nylon 6 filament and textured yarns, raw white, dope-dyed in black;
100% Polyester textured yarns, dope-dyed in black and khaki;
100% Polypropylene textured yarns, dope-dyed in optical white and black;
AceStatic Polyester antistatic carbon yarns, dope-dyed in black;
produced using components partly pre-certified according to OEKO-TEX® STANDARD 100

PRODUCT CLASS
I (baby articles) - Annex 6

OEKO TEX® STANDARD 100 HKYO 039120 TESTEX

This certificate HKYO 039120 is valid until 15.07.2026.

SUPPORTING DOCUMENTS
- ✓ Test report : TP005 263684.1
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

Matz Bachmann
Managing Director

Janine Kuchelmeister
Ecology Team Leader

Zurich, 2025-07-11

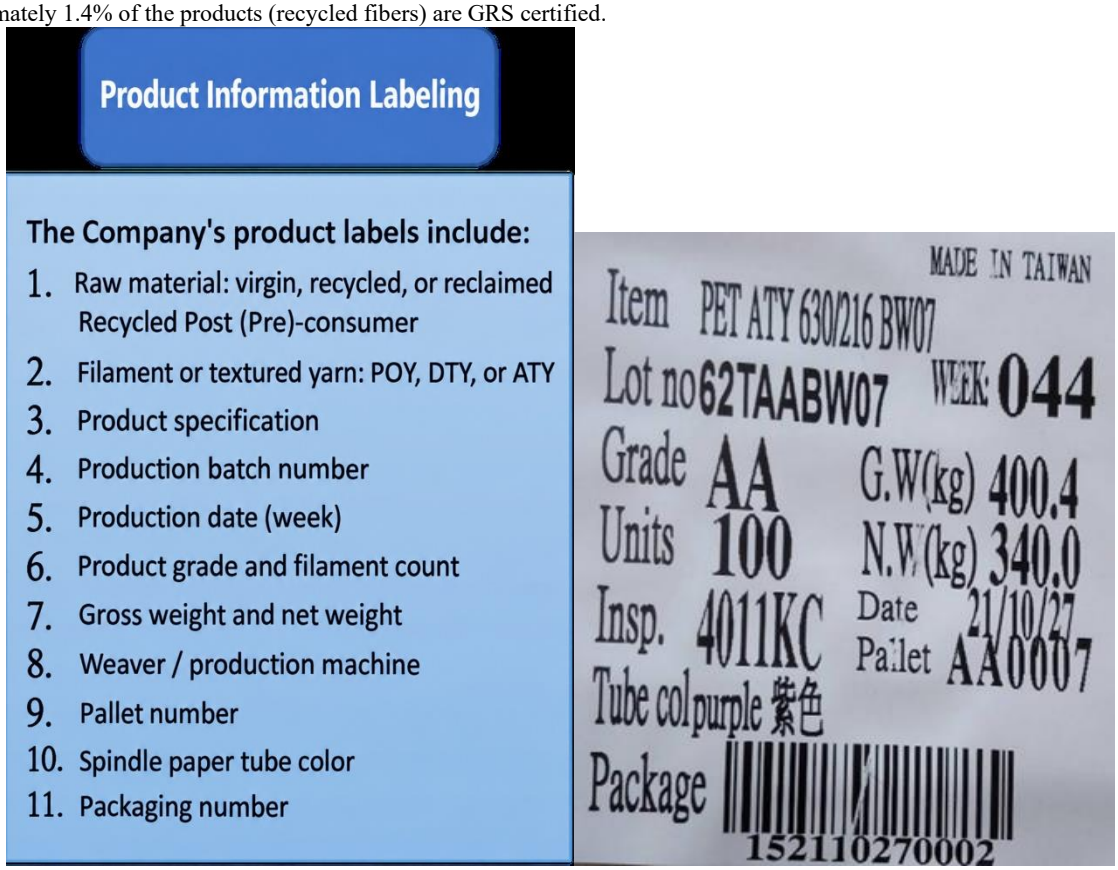
Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

OEKO-TEX Service GmbH Genferstrasse 23, CH-8002 Zurich

4.07.2 Marketing and Labeling

The labeling of our company's products complies with relevant laws, GRS, ISO 9001, and other regulations. In addition to being identifiable by customers, the products must also be traceable and meet the labeling requirements of the internal management system (ERP). Therefore, the product labeling is as shown in the illustration below (mainly covering raw material ingredients, specifications, color, functionality, grade, weight, batch, production time, production machine number, warehouse personnel, packaging number, reel tube color, packaging number). Among them, 100% of the products are produced following ISO 9001 standards, while approximately 1.4% of the products (recycled fibers) are GRS certified.



4.07.3 Activities, Brands, Products and Services

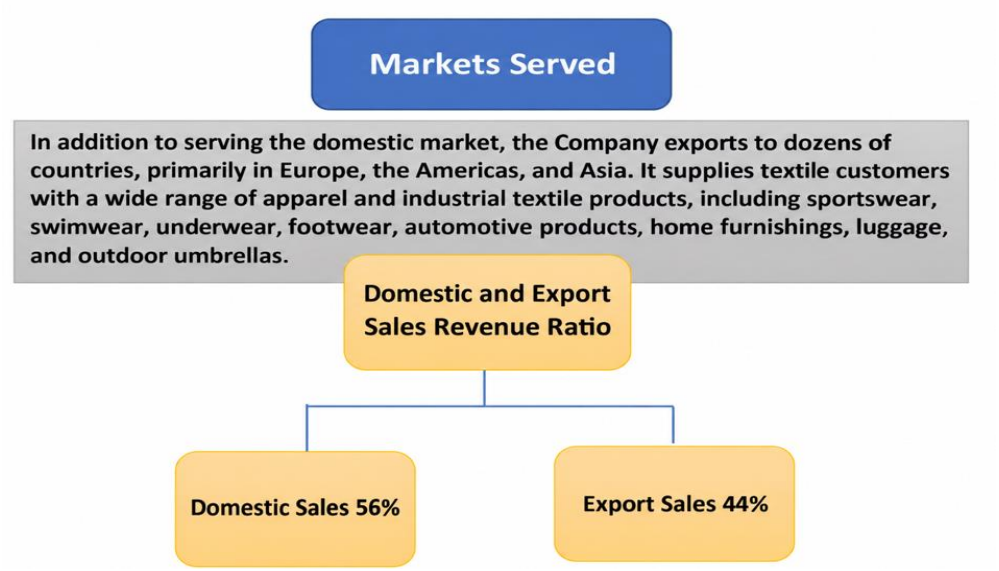
Our company offers a small quantity of diverse products and continuously develops new products to meet customer needs.

Product	Species	Features
Nylon fiber	◆ Original silk ◆ fake thread ◆ Imitation cotton silk	◆ Soft, strong, and highly absorbent
Polyester fiber	◆ fake thread ◆ Imitation cotton silk	◆ Lightweight, quick-drying, and not easy to wrinkle
Polypropylene fiber	◆ fake thread ◆ Imitation cotton silk	◆ Lightweight and warm

Eco-friendly fiber	◆ Recycled fibers ◆ Dope-dyed fiber ◆ Bio-based nylon fiber	◆ Save energy & reduce carbon emissions ◆ Save water resources & reduce wastewater discharge ◆ Environmentally friendly
Functional fiber	◆ Flame-retardant fiber ◆ Moisture-wicking fiber ◆ Anti-static fiber ◆ Durable fiber	◆ Flame retardant, ◆ Sweat-wicking, cool, ◆ Functions such as reducing static electricity adsorption ◆ Reduce clothing wear

4.07.4 Markets Served

Our company belongs to the middle and upper stream of the textile supply chain, and our products are sold to middle and lower stream manufacturers, with markets spanning both domestic and overseas.



4.07.5 Marketing Development

Our company firmly believes that research and development innovation as well as effective marketing are key to stable growth. We establish strategic partnerships with brands and clients, focusing not only on raw material research and development but also on continuously advancing process technologies and innovative products. We also strictly require ourselves to comply with local regulations and brand standards. Therefore, in 2025, there were no incidents of our company's product information, labeling, or marketing communications violating relevant regulations. We are also committed to environmental and resource protection, continuously innovating and developing products that combine functionality and trends with sustainability, thereby marketing and promoting products that are competitive in the market and creating industry value.

1) Promote environmentally friendly yarn fibers that are gentle on the Earth

a. Dope-dyed fibers (NY6/PET/P.P) - reduce wastewater, save energy, and lower carbon emissions.

b. Eco-friendly recycled fibers (NY6/PET) - are made using pre-consumer and post-consumer recycled materials, reducing the consumption of petrochemical resources.

c. Recycled raw liquid dyed fibers – combining the advantages of both.

d. Other eco-friendly yarns.

*Bio-based nylon (contains 100% bio-based) - low carbon emissions.

Functional products cover all aspects

Our company is equipped with advanced equipment required for textile research and development, utilizing the 'Guiyi Laboratory' to conduct characteristic analysis on newly developed products, and even unknown substances, such as: nano-size analysis, thermal analysis, rheological analysis, elemental analysis, optical analysis… and so on, to accelerate development. We aim to transform into a leader in high-end, high-value fiber products, differentiating ourselves in the market, with a focus on quickly responding to market trends and customer needs, in order to enhance the Company's competitiveness. Examples include insulation, moisture-wicking, cooling, antibacterial, antistatic, flame-retardant, and comfort, all of which are high-value promotional items.

2) **Digital Marketing**

1. Create a video introduction of sustainable products to align with the brand and continue the Company's operations.
2. Through managing social media platforms, corporate image videos, multifunctional exhibition spaces, and news media promotion, share the Company's dedication and efforts in sustainable operations.

Material Issue: Marketing Development Management Policy	
1. Policy:	1. Promotion of sustainable products and new material development, establishing strong brand differentiation. 2. Digitalize marketing and optimize consumer interaction pathways.
2. Responsibility:	Draft annual marketing plans and goals, promote green products and honest communication, and implement corporate social responsibility.
3. Goals and Commitments:	Short-term: Marketing compliance and integrity certification ⟶ Medium-term: Green premium and joint brand development ⟶ Long-term: Leading the global circular ecosystem market, actively developing high-quality/eco-friendly/diverse products and growing together with downstream customers.
4. Appeal mechanism:	Monitor the customer's production status, provide technical support at any time, and report the results to management and production units to facilitate continuous improvement and maintain good relationships.
5. Performance Evaluation Methods and Results:	1. Meet and communicate monthly with R&D and sales, and continuously promote new products through regular reviews. 2. Review and set annual development indicators every year, and through regular reviews, propose improvements to continuously enhance marketing quality.

4.07.6 Green Manufacturing

Our company aims to follow laws and regulations as an environmental protection goal, believing that environmental protection and sustainable industry operation can develop simultaneously. In response to the United Nations' call for the SDGs, we continuously promote relevant management system certifications, including ISO 14001 (Environmental Management System), ISO 14064-1 (Greenhouse Gas Inventory), and ISO 14067 (Product Carbon Footprint), fostering habits that value environmental protection and contributing our part to the Earth.

In the pursuit of a circular economy and climate friendliness, our company is committed to using more recycled raw materials, reusing waste, and reducing the burden on the Earth.

Environmentally friendly products

Our company continues to expand its existing core capabilities, increasing the production and sales of environmentally friendly products each year, actively protecting the environment; this includes producing eco-friendly yarns (GRS) using recycled materials, and producing solution-dyed fibers (colored yarns), as explained below:

Recycled Eco-friendly Yarn (GRS): Products made using recycled waste as raw materials, classified as "circular economy" products. Recycled waste includes: discarded PET bottles, discarded fishing nets, process waste, recycled fabrics, etc., environmentally friendly to reduce pollution and prevent ecological damage.

Dope-dyed fibers (colored yarn): Color masterbatch is added during yarn production to produce colored yarn, eliminating the severe water pollution caused by downstream supply chain dyeing processes, which is beneficial for environmental protection.

Sales Volume and Ratio of Eco-friendly Products Unit: Metric Tons

Environmentally friendly products	2025		2024		Year 2023	
	Sales Weight	Proportion	Sales Weight	Proportion	Sales Weight	Proportion
Recycled Environmental Yarn (GRS)	319	1.45%	470	1.90%	477	1.95%
Dope-dyed fibers (colored yarn)	3,025	13.73%	2,005	8.12%	2,875	11.77%
Other fibers	18,690	84.82%	22,219	89.98%	20,844	86.28%
Total	22,034	100.00%	24,695	100.0%	24,196	100%

Note: Proportion = Environmental yarn shipment volume / Total shipment volume * 100%

Material Issue: Green Manufacturing Management Policy	
1. Policy:	Follow the principle of 'reduce, reuse, recycle,' and integrate environmental protection into daily production.
2. Responsibility:	Supervised by the senior management team, committed to continuously reducing greenhouse gas emissions and resource consumption, with planning by management and efforts from all employees.
3. Resources:	◆All company resources are fully committed. ◆Use government energy-saving subsidy resources to replace inefficient equipment.
4. Specific Action:	1. Increase the sales of GRS products, colored yarns, bio-based nylon, biodegradable yarns, and other yarns. 2. Continuously recycle and reuse packaging materials. 3. Process Optimization: Introduce energy-saving equipment and intelligent energy monitoring systems to improve the efficiency of electricity and water resource usage. 4. Pollution prevention and control: Implement proper treatment and reduction of waste gas, wastewater, and industrial waste, ensuring emissions remain below legal standards. 5. Green Procurement: Give priority to raw materials and suppliers that are environmentally friendly, have low carbon emissions, and possess recyclable characteristics.
5. Goals and Commitments:	Continuous increase sales of green products.
6. Appeal mechanism:	Company website: service@acelon.com.tw Investor mailbox: cmh@acelon.com.tw
7. Performance Evaluation Methods and Results:	Reviewed at the monthly business review meeting and at the year-end meeting every year.

1.1 Global Macroeconomic and Geopolitical Challenges

Entering 2025 and 2026, the global textile and fiber industry is facing unprecedented structural changes. With the ongoing Russia-Ukraine war, intensified geopolitical conflicts in the Middle East, and inflationary pressures brought about by the global supply chain restructuring, overall market volatility has significantly increased. In addition, the full implementation of the European Union's Carbon Border Adjustment Mechanism (CBAM) and the strict requirements of various countries on corporate sustainability information disclosure (such as ISSB standards) are forcing the traditional textile industry to accelerate its transformation from a "linear economy" to a "circular economy." Consumer purchasing habits are also gradually changing, with the emphasis on product functionality, environmental attributes, and transparency of the production process now exceeding simple price consideration.

1.2 Company Strategy Transformation and Core Directions

Faced with fierce and unprofitable competition in the general specification product market, our company actively promotes a transformation strategy of 'product differentiation' and 'high quality.' In recent years, our research and development direction has been fully focused on the development of functional products from existing materials, product recycling and reuse, and research on new materials and new processes. Through the parallel development of multiple forward-looking fields, we provide strong technical support for factory production, aiming to develop new textile products with high added value, in line with the circular economy, and featuring diverse characteristics, thereby strengthening the Company's market competitiveness and exploring the unlimited potential for sustainable development.

Material Issue: Research and Development Capability Management Policy	
1. Policy:	Based on core technologies and connected to the international market, implement the development of high value-added and differentiated new products and promote green research and development, in line with R&D concepts of environmental protection and circular economy, reducing the negative impact of the product life cycle.
2. Responsibility:	Provide real-time support for process upgrades across various plants, lead diversified product lines to enhance overall market competitiveness, and improve digitalization and low-carbon transformation capabilities.
3. Resources:	Ensure that research and development expenses account for more than 1% of revenue, and increase investment in innovative technologies and the recruitment and cultivation of interdisciplinary R&D talent with a growth rate exceeding 10%.
4. Specific Action:	Closely aligned with the spirit of the UN SDGs, fully accelerating the research and development of environmentally friendly, low-carbon, and recycled yarn projects.
5. Goals and Commitments:	1. The net sales volume of the new product reached over 10%. 2. The net sales of the new product reached over 10%. 3. The net sales gross margin of the new product reaches over 15%. 4. The completion rate of new product samples requested by the customer is above 90%.
6. Appeal mechanism:	Establish cross-department communication channels to ensure that client feedback can be promptly conveyed back to the R&D team.
7. Performance Evaluation Methods and Results:	Hold monthly R&D and business review meetings, dynamically tracking the achievement and effectiveness of various KPI indicators.

R&D Goals and Achievements in the Past Three Years

Serial Number	KPI.	unit	2025 Achievements	2024 Achievements	2023 Achievements
1	The net sales volume of the new product needs to reach over 10%	%	2.1%	3.6%	7.2%
2	The net sales of new products need to reach more than 10%.	%	1.1%	5.3%	9.8%
3	The net sales gross margin of the new product must reach over 15%.	%	16.1%	9.65%	5.2%
4	New Product Completion Rate	%	94.2%	86.8%	92.5%

R&D Expenses in the Past Three Years

Annual	2025	2024	2023
R&D Expenses (Thousand NT$)	31,359	38,295	36,831
Increase (Decrease) %	(18.11)	3.97	(3.62)
Percentage of Revenue (%)	1.65	1.63	1.87

4.08 Supplier Management

1. The Organization's Supply Chain

The company's suppliers are categorized into main raw materials, primary packaging materials, main auxiliary materials (filling materials, processing oils, and additives), and others (outsourced finished products, product transportation, instrument calibration, finished product inspection, and basic facility equipment), covering suppliers of related products and services transactions.

2. Local Procurement Policy

Our company selects suppliers based on their quality, price, delivery time, stable supply quantity, and attention to our expectations, ensuring that the products and services they provide meet the Company's requirements, so that the Company's operations can run smoothly.

- When selecting suppliers, require suppliers to pay attention to environmental/social impact, human rights, and employee safety and hygiene.
- Environment: Comply with relevant environmental protection regulations, reduce the use of non-renewable resources, use resources efficiently, and minimize environmental impact.
- Occupational Safety and Health: Provide a safe working environment, appropriate education and



- Through supplier interviews, on-site evaluations, and market data collection, understand the quality of suppliers' deliveries.
- Raw materials are supplied by multiple manufacturers to maintain flexibility in supply and stability in quantity.
- Choosing local and reputable suppliers ensures timely delivery and the effectiveness of shortened

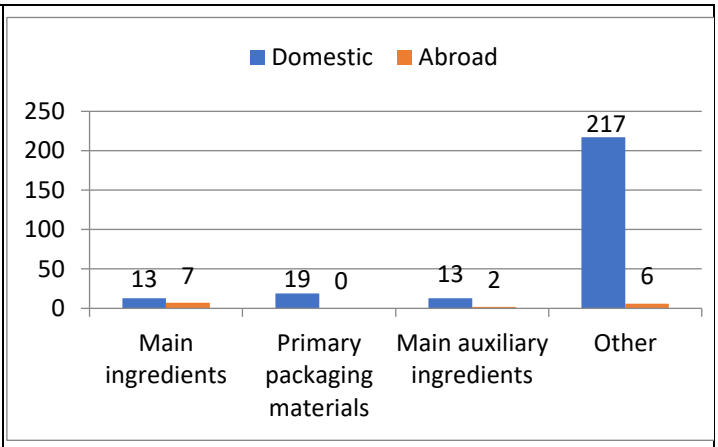
training, protection for hazardous equipment, and compliance with occupational safety and health-related regulations. ◆ It is necessary to have more flexible procurement skills, as well as the ability to respond more quickly to changes in market prices, in order to reduce procurement costs while meeting quality standards.		lead times.

3. Proportion of Procurement Expenditure

2025 Major Domestic and Foreign Suppliers (Type/Number) Statistics

Procurement Vendor Count Statistics Table

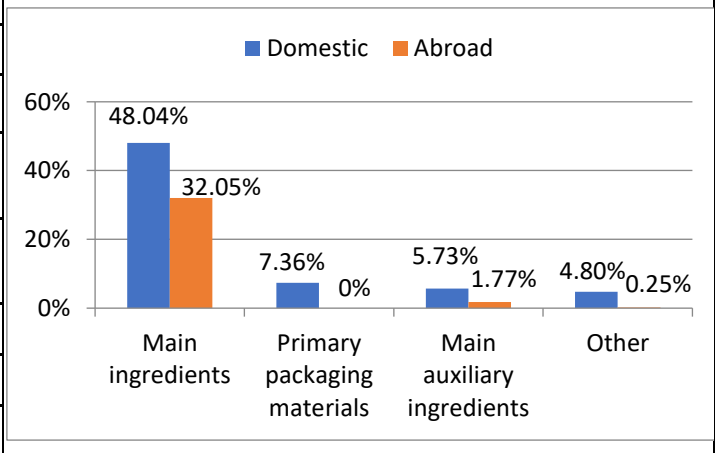
Item	Domestic	Abroad	Total
Main ingredients	13	7	20
Primary packaging materials	19	0	19
Main auxiliary ingredients	13	2	15
Other	217	6	223
Proportion	94.58%	5.42%	100.00%



Number of households

Procurement Amount Proportion Statistics Table

Item	Domestic	Abroad	Total
Main ingredients	48.04%	32.05%	80.09%
Primary packaging materials	7.36%	0%	7.36%
Main auxiliary ingredients	5.73%	1.77%	7.50%
Other	4.80%	0.25%	5.05%
Proportion	65.93%	34.07%	100.00%



Note: Local definitions: Domestic refers to Taiwan, foreign refers to imported

4. Supplier Selection Criteria and ESG Responsibility Management Due Diligence

The Company evaluates suppliers of main raw materials, purchased finished products, fillers, packaging materials, process oils,

additives, and basic infrastructure equipment in accordance with company regulations. The company conducts supplier assessments for new and qualified suppliers, records the results in the Company ERP system for management, and requires non-compliant suppliers to make improvements. By 2025, all supplier assessments are expected to be qualified. The evaluation criteria include whether the supplier has obtained relevant quality certifications, price reasonableness, supply cooperation, production capacity, and signing of supplier commitment letters.

Major suppliers with an annual transaction amount of over 10 million NT dollars for domestic raw and auxiliary materials and packaging materials are audited according to the prescribed conditions (in 2025, two manufacturers were audited and both qualified) to effectively ensure that the suppliers' material sources meet the Company's requirements, allowing the Company's operations to run normally.

In 2025, our company will cooperate with suppliers on corporate social responsibility, signing the 'Supplier Commitment Letter' with a total of 16 major suppliers.

5. COLLABORATION WITH SUPPLIERS ON CARBON REDUCTION ACTIONS - PACKAGING MATERIAL RECYCLING

ACELON collaborates with domestic sales customers to recover perforated boards and pallets and has established a dedicated department for repair and reuse. In addition, we also start with ourselves, proactively returning suppliers' packaging materials to them via return trucks for recycling. Our pallet recovery rate is nearly 100% every year, and the perforated board recovery rate is expected to be above 80% by 2025. We strive for excellence, regularly reviewing recovery rates through the management department, and continuously seeking new sources for recycling, aiming to fully reuse resources and reduce packaging costs.

4.09 Product Quality Management

Material Issue: Product Quality Management Policy	
1. Policy:	Adhering to quality and pursuing excellence, committed to providing high-standard, stable, and sustainable chemical fiber products.
2. Responsibility:	1. Total Quality Management. 2. Quality is made, not inspected. 3. Strictly comply with domestic and international chemical and textile regulations
3. Resources:	Everyone participates.
4. Specific Action:	◆International Standard Certification: Fully implement and maintain the ISO 9001 quality management system. ◆Green Environmental Commitment: Promote the development of green products, obtain Global Recycle Standard (GRS) and OEKO-TEX® Standard 100 eco-textile certification, and ensure that products have no harmful substance residues.
5. Goals and Commitments:	Short-term: Optimize basic quality and systems ——▶ Mid-term: Green quality and digital transformation ——▶ Long-term: Leading comprehensively in net zero and circular economy
6. Appeal mechanism:	Standardize the customer complaint handling procedure: propose improvement measures within 72 hours after receiving quality anomaly feedback, and feed the analysis results back into process optimization.
7. Performance Evaluation Methods and Results:	A monthly quality review meeting is held for review, an annual customer satisfaction survey is conducted, and the factory reviews and improves in response to customer-reported issues.

In order to provide customers with satisfactory quality and service, our company adheres to the quality policy of 'Insist on quality, pursue excellence,' and is committed to providing customers with excellent products and services to ensure customer satisfaction. Therefore, our company has established and implemented the ISO 9001 quality management system, holds monthly quality review meetings, actively carries out various quality management activities, conducts annual customer satisfaction surveys, and actively improves and implements various improvement plans and preventive measures for issues and shortcomings reported by

customers to ensure that customers receive satisfactory quality and the best service.

To implement the Company's quality policy of 'Insist on Quality, Pursue Excellence,' the Company officially launched the QIT Quality Improvement Initiative in November 2022. This initiative is guided by a management consulting company, with project teams formed from each factory. By applying QC methods combined with QC-STORY steps, and aiming to stabilize quality, reduce costs, and improve efficiency, continuous quality improvement activities are carried out. In 2024, TPM management activities will be promoted simultaneously to enhance the Company’s economic benefits, fully utilize the production potential of equipment, and establish a good quality and social image for the enterprise.

In terms of inventory management, the Company reviews inventory status every month, striving to improve cost control, turnover rate optimization, and other improvement efforts, reducing financial losses caused by storage space, product damage, and write-offs.



5. Social Dimension

5.01 Human Resource Development

5.01.1 Human Rights Policy and Commitment

1. Human Rights Policy

Our company firmly believes that respecting human rights is a core value for sustainable corporate development. To fulfill our corporate social responsibility and protect the fundamental human rights of all employees, customers, and stakeholders, the Company adheres to the principles set forth in the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labour Organization, as well as other international human rights conventions. We respect internationally recognized fundamental human rights, including freedom of association, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment and occupational discrimination, and comply with the labor laws of the countries where the Company operates.

2. Scope of Application

The company's human rights policy applies to all employees of the Company and its subsidiaries, and, to the extent reasonably practicable, includes customers, suppliers, and the local communities where operations are located. In 2025, the Company's manufacturing sites did not experience any cases of forced labor or the use of child labor.

3. Education and Training

To enhance all colleagues' awareness of human rights protection, the Company conducts human rights protection-related education and training every year, extending it to all business partners to reduce the occurrence of human rights incidents. In 2025, human rights protection training was conducted, with a total of 196 participants attending the courses, amounting to 196 training hours; in addition, the Company has incorporated human rights policies into supplier management and documents for new employees to sign, ensuring the implementation of the policies.

4. Communication Platforms, Mitigation and Compensation Measures

To ensure the full implementation of human rights commitments, the Company has also established the 'Employee Opinion and Complaint Handling Measures' and the 'Workplace Sexual Harassment Prevention, Complaint, and Disciplinary Measures.' These clearly define the complaint process and handling procedures and propose corresponding mitigation and compensation measures for potential human rights incidents that employees may face. No human rights violations occurred in 2025.

All policies are publicly disclosed on the Company's official website: Corporate Social Responsibility / Company Rules and Regulations / 20. Human Rights Policy.pdf and in the Sustainability Report.

ACELON Human Rights Policy Implementation Guidelines

Item	Specific approach	Affected parties
Provide a safe and healthy working environment Implement occupational disease prevention and promote employees' physical health	Taking 'job security for gig workers' as the management goal	All staff
	Promote rigorous hardware facility standards and safety and hygiene operating procedures	
	Promote continuous improvement projects	
	Based on health check results and work-related factor data analysis, conduct tiered follow-up management for specific groups to prevent potential health risks	All staff & occupational-induced hearing loss management subjects
	Employee needs-oriented, promoting health promotion activities and employee assistance programs, encouraging employees to participate autonomously, and implementing a healthy lifestyle. Record whether there are occupational diseases caused by chemical exposure or the work environment. In October 2025, a group employee health check was conducted: general health check: 253 people, special health check (noise): 155 people.	

	The entire group promotes ISO 45001 to prevent occupational accidents and diseases, and provides all employees with a safe and healthy working environment.	
	Firefighting Training/Promotion (Twice a Year on a Regular Basis)	All staff
	Workplace Health Promotion Seminar (twice a year at each factory)	All staff
Eliminate illegal discrimination to ensure equal employment opportunities	The Company strictly complies with applicable local labor laws, international standards, and the Company's Human Rights Policy, implements relevant internal regulations, and enforces internal control procedures. The principle of non-discrimination is disclosed in 'the Company's Salary and Personnel Procedures' ensuring that no discrimination is made based on race, class, language, thought, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, or physical and mental disabilities. According to findings from internal control audits, necessary adjustments are made. In internal interview notifications, interviewers are reminded not to inquire about applicants' personal information unrelated to the job during the interview. New employees are briefed on this human rights policy upon appointment and provided with smooth promotion channels and training mechanisms. Eliminate gender discrimination in the workplace and actively create a gender-friendly work environment, with smooth promotion channels, increasing the proportion of female managers, reaching 30.61% of female managers by 2025.	Since its recruitment began, the Company has carried out the employment process in accordance with the law, preventing illegal discrimination issues.
Prohibit forced labor	Strictly comply with local government labor laws, international standards, and the Company Human Rights Policy, and do not force or coerce any unwilling personnel to perform labor. In addition to controlling working hours through internal systems, we also promote and review this through the Company's complaint channels and factory communication meetings, and conduct monthly inspections and control of factory working hours. If forced labor is found, necessary corrective actions will be taken with management, and employees will be restored their rightful benefits.	None
Human Rights Protection Training	Provide relevant regulatory compliance education in new employee training, sexual harassment prevention advocacy, and workplace bullying prevention advocacy (in the year 2025, conduct irregular video and on-site sessions at group plant locations, totaling 196 participants/times), to strengthen employees' awareness of regulations and human rights values.	All staff
Gender equality	There is a complaint channel for unlawful harassment in the workplace regarding gender equality.	All staff
Assist employees in maintaining physical and mental health and work-life balance	Provide diverse activities, such as annual employee trips, hiking activities, and parent-child interactions. Employees are also encouraged to expand their interpersonal interactions through participation in clubs, enriching the concept of "work-life balance," implementing the leave system, and encouraging colleagues to pay attention to the balance between work and life. The company has complaint channels and regular communication in place, allowing employees to provide feedback at any time. In 2025, the	All staff

	Company did not have any human rights-related complaints, and all production sites passed customer audits regarding human rights and labor conditions. Regularly send out letters each season regarding environmental safety and health, and labor rights, as well as arranging employee training.	

5.01.2 Human Composition

5.01.2.1 Employee Structure

The company is committed to fostering a corporate spirit of inclusion and mutual benefit, creating a diverse and inclusive workplace for all employees. In 2025, the total number of employees is 324 (190 domestic employees and 134 foreign employees), all of whom are regular full-time staff. The overall human resources structure shows that the age group of 30–50 years is the largest; among them, there are 49 management positions and 275 non-management positions. Domestic employees account for 58.64% of the workforce, and all senior management positions are filled by domestic employees.

◉ Employee Headcount by Position Level and Gender

Year	Job grade	Male		Female		Total	
		Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
2025	Supervisor	34	14.47%	15	16.85%	49	15.12%
	Non-supervisor	201	85.53%	74	83.15%	275	84.88%
2024	Supervisor	33	13.75%	7	8.64%	40	12.46%
	Non-supervisor	207	86.25%	74	91.36%	281	87.54%
2023	Supervisor	27	11.74%	6	7.69%	33	10.71%
	Non-supervisor	203	88.26%	72	92.31%	275	89.29%

◉ Number of employees by rank and age

Year	Job grade	Employee Age			Total
		Under 29 years old	30-50 years old	Aged 51 and above	
2025	Supervisor	0	22	27	49
	Non-supervisor	70	155	50	275
2024	Supervisor	0	17	23	40
	Non-supervisor	69	169	44	281
2023	Supervisor	0	14	19	33
	Non-supervisor	61	174	40	275

2025 Employee Structure Statistics by Employment Type Unit: Persons

Region		Taiwan region			
Employment Type		Age	Full-time	Part-time job	Total
Male	Domestic	Under 29 years old	12	0	12
		30-50 years old	50	0	50
		Aged 51 and above	44	0	44
	Foreign national	Under 29 years old	50	0	50
		30-50 years old	78	0	78
		Aged 51 and above	1	0	1
Female	Domestic	Under 29 years old	5	0	5
		30-50 years old	47	0	47
		Aged 51 and above	32	0	32
	Foreign national	Under 29 years old	3	0	3
		30-50 years old	2	0	2
		Aged 51 and above	0	0	0

2025 Employee Nationality Structure Statistics Table Unit: People

Nationality/Gender	Male	Female	Total	
Domestic employees	106	84	190	58.64%
Foreign employees	129	5	134	41.36%
Total	235	89	324	100.00%

5.01.2.2 Employee Gender Equality and Diversity Policy

Our company employs staff based on the principle of equality of human rights, without being influenced by factors such as race, age, political affiliation, gender, physical or mental disabilities, marital status, pregnancy, or sexual orientation. We ensure a diverse workforce and, in accordance with the Rights of Persons with Disabilities Act, comply with relevant government regulations and respect international human rights standards, aiming to implement equal work opportunities and a friendly work environment that is diverse and inclusive.

In addition, our company has established the "Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Procedures" to prevent improper behavior in the workplace. We also have relevant complaint mechanisms in place, and through top-down implementation, we strive to ensure that every employee can work in an environment of equality, respect, and safety. On November 11, 2025, gender equality education and awareness training was provided to all directors, managers, and employees.

In order to provide and ensure equal employment opportunities for disadvantaged groups, our company actively employs people with physical and mental disabilities, and by 2025, in accordance with

The fixed employment quota of 1% specified in Article 38 of the 'Protection of the Rights and Interests of Persons with Disabilities Act' meets the legal requirement by adequately employing 2 employees with disabilities.

Regarding the care for foreign employees, our company not only provides essential measures for their daily needs such as food, clothing, housing, and transportation, but also has dormitory managers to assist with daily chores. At work, foreign team leaders and instructors are assigned to help them become familiar with job-related matters. To ensure smooth communication, translators are stationed in the factory at all times to serve as a communication bridge. Depending on management needs, regular or irregular meetings with foreign employees are held to facilitate the exchange of opinions between labor and management, listen to employees' thoughts and suggestions, and actively work to establish harmonious labor-management relations, creating a friendly and warm workplace environment.

Employee Ethnicity Indicator		
Nationality	Percentage of total employees (%)	Proportion in management positions (%)
Chinese nationality	0.4%	0.0%
Republic of China nationality	59.3%	82.1%
Indonesian	0.2%	0.0%
Thai nationality	4.0%	3.6%
Vietnamese nationality	34.8%	14.3%
Paraguayan	1.3%	0.0%

Age & Gender Distribution Indicators		
Age Range (Years)	Male Percentage (%)	Female Percentage (%)
20-29	20.7%	3.0%
30-49	40.5%	16.3%
50-69	10.6%	8.7%
70-79	0.2%	0.0%

Managerial Positions & Gender Distribution Indicators		
Position	Male Percentage (%)	Female Percentage (%)
First- and second-level supervisors	65.2%	34.8%

[Note]: Proportion = Number of female managers at level 2 (inclusive) or above / Total number of managers at level 2 (inclusive) or above.

5.01.2.4 New Employees and Departing Employees

Our company values talent retention and stable organizational development, continuously monitoring employee turnover through human resource management mechanisms.

And disclose the new hires and separations of employees in the past two years by gender and age, as a reference for human resource management and talent development basis.

NUMBER OF NEW FULL-TIME EMPLOYEES (UNIT: PEOPLE)

Employee	Gender		Total	Age			Total
	Male	Female		Under 29 years old	30-50 years old	Aged 51 and above	
2025	5	7	12	2	10	0	12
2024	9	11	20	7	11	2	20
2023	9	8	17	4	13	0	17

New entry rate							
2025	1.54%	2.16%	3.70%	0.61%	3.09%	0%	3.70%
2024	2.80%	3.43%	6.23%	2.18%	3.43%	0.62%	6.23%
2023	2.92%	2.60%	5.52%	1.30%	4.22%	0%	5.52%

2025 Age Distribution and Workplace Allocation of New Employees (Unit: Persons)

Category	Group	Male		Female	
		Number	Percentage	Number	Percentage
Age	Under 29	0	0.00%	2	0.62%
Age	30–50	5	1.54%	5	1.54%
Age	51 and above	0	0.00%	0	0.00%
Workplace	Headquarters	4	1.23%	4	1.23%
Workplace	Puyan Plant	0	0.00%	0	0.00%
Workplace	Fangyuan Plant	1	0.31%	2	0.62%
Workplace	Douliu Plant	0	0.00%	1	0.31%
Total		5	1.54%	7	2.16%
Total Employees	12	Male-to-Female Ratio	41.67%	58.33%	

[Note 1] New employee ratio = number of new employees in each group / total year-end employees.
[Note 2] 2025 new hire rate = number of new employees / total year-end employees, i.e., 12 / 324 = 3.70%.

NUMBER OF FULL-TIME STAFF RESIGNATIONS (UNIT: PERSONS)

Employee	Gender		Total	Age			Total
	Male	Female		Under 29 years old	30-50 years old	Aged 51 and above	
2025	12	9	21	0	20	1	21
2024	6	11	17	2	14	1	17
Year 2023	12	22	34	9	21	4	34
Turnover rate							
2025	3.70%	2.78%	6.48%	0%	6.17%	0.31%	6.48%
2024	1.87%	3.43%	5.30%	0.62%	4.36%	0.32%	5.30%
Year 2023	3.90%	7.14%	11.04%	2.92%	6.82%	1.30%	11.04%

[Note]

1. Overall turnover rate = Number of employees who left during the year / Total number of employees at the end of the year.
2. Gender turnover rate = Number of employees who left by gender / Total number of employees at the end of the year.
3. In 2024, 6 men and 11 women resigned, totaling 17 people, with a year-end total staff of 321.
4. In 2025, 12 men and 9 women resigned, totaling 21 people, with a total of 324 employees at the end of the year.

AGE DISTRIBUTION AND ASSIGNED PLANT OF EMPLOYEES LEAVING IN 2025 (UNIT: PEOPLE)

Category	Group	Male		Female	
		Number	Percentage	Number	Percentage
Age	Under 29	0	0.00%	0	0.00%
	30–50	12	3.70%	8	2.47%
	51 and above	0	0.00%	1	0.31%
Workplace	Headquarters	7	2.16%	3	0.93%
	Puyan Plant	3	0.93%	0	0.00%
	Fangyuan Plant	2	0.62%	4	1.23%
	Douliu Plant	0	0.00%	2	0.62%
Total		12	3.70%	9	2.78%
Total Employees Leaving		21			
Male-to-Female Ratio		Male-to-Female Ratio	57.14%	42.86%	

TURNOVER RATE BY AGE

Age group	2024	2025
Under 29 years old	0.62%	0.00%
30–50 years old	4.36%	6.17%
Aged 51 and above	0.31%	0.31%

[Note]

1. Age-specific turnover rate = Number of employees who left in each age group / Total number of employees at the end of the year.
2. In 2024, 2 people under 29 left their jobs, 14 people aged 30–50 left their jobs, and 1 person over 51 left their job.
3. In 2025, 0 people under 29 left the job, 20 people aged 30–50 left, and 1 person over 51 left.
4. The ratios of each category are rounded to two decimal places. The sum of the turnover rates for each age group in 2024 and the overall turnover rate is because rounding produces a residual difference of 0.01 percentage points.

TRENDS AND CAUSES OF EMPLOYEE TURNOVER

(1) The overall turnover rate in 2025 was 6.48%, an increase of 1.18 percentage points compared to 5.30% in 2024. By gender, the turnover rate for men rose from 1.87% to 3.70%, while for women it decreased from 3.43% to 2.78%. By age, the majority of resignations were concentrated in the 30–50 age group, with a turnover rate rising from 4.36% to 6.17%, whereas the turnover rates for employees under 29 and over 51 remained relatively low.

(2) Upon reviewing employee turnover, the increase in the turnover rate in 2025 is mainly related to employees' personal career planning, career development, and family factors. The company continues to monitor employee mobility trends and talent retention, and will use the relevant analysis results as a reference for subsequent human resources management measures.

(3) To enhance talent retention and organizational stability, the Company continuously promotes measures such as talent development, education and training, optimization of the compensation system, career development, and employee care, creating a friendly workplace environment, increasing employees' sense of belonging and willingness to stay, and continuously strengthening human capital resilience.

5.01.2.5 Salaries of Full-Time Employees (excluding temporary or part-time employees)

◆Our company has established a 'Compensation Committee' to provide employees with competitive salaries and use a transparent and fair compensation policy.

Corporate operational performance is fed back to employees. For entry-level specialists of the same position, the employment treatment is the same, and additionally for those with relevant

For personnel with professional and work experience, their remuneration shall be determined based on their academic and work experience, expertise, and certifications, and shall not be affected by gender or ethnicity.

There is a difference.

The company's overall salary policy positions the salaries for general positions at the P40~P50 percentile of the overall salary market, while key

For positions or talent markets where there is an imbalance in supply and demand, the salary positioning will be set at an amount higher than the 75th to 90th percentile of the overall salary market.

Regularly compare employees' salaries with the market salaries, and at the same time, refer to the Company's performance analysis to adjust salary positioning, in order to ensure salaries.

competitiveness.

In 2025, the average monthly salary of general male and female employees in Taiwan is 1.5 times the local minimum wage; our company

The salary ratio of female to male employees in the same position and grade over the past five years is as follows:

SALARY RATIO OF FEMALE TO MALE EMPLOYEES IN THE SAME POSITION/GRADE OVER THE PAST FIVE YEARS

Year	-	2025	2024	2023	2022	2021
Staff Gender	Female	Male	Male	Male	Male	Male
Managerial level and above	1	2.14	1.73	1.71	1.76	1.80
First- and second-level supervisors	1	1.03	0.94	1.05	0.95	0.95
Grassroots personnel	1	1.06	1.05	1.06	1.08	1.06

2025 SALARY DISTRIBUTION INDICATORS BY POSITION

Position	Male	Female
First- and second-level supervisors	1.15	1
Professional Manager	1.12	1
Professional Engineer	1.14	1
Frontline Manager	0.00	1
Basic Technician	1.08	1

The company's employee compensation structure includes monthly salary, performance bonuses, holiday bonuses, special performance bonuses for supervisors, and various other welfare items.

Each year, depending on the Company's operational performance, profits are shared with employees. In the past five years, the average annual salary of employees, annual salary

The median and comparison summary are as follows:

AVERAGE AND MEDIAN NUMBER OF EMPLOYEES IN THE PAST FIVE YEARS, AND RELATED COMPARISONS

Item	2025(B)	2024 (A)	2023	2022	2021	Ratio C = (B) / (A)
Number of employees (people)	301	291	298	344	332	103.44%
Average Annual Salary (NT$)	639,829	610,887	570,488	604,123	650,784	104.74%
Median Annual Salary (NT$)	612,190	606,198	550,099	550,504	599,933	100.99%

[Note]: The above table contains the number of employees and salary information for those who have been reported to the stock exchange and have completed six months (inclusive) or more of service.

5.01.2.6 Full-time Employee Benefits (excluding temporary or part-time employees)

In order to provide favorable working conditions and meet employees' welfare needs, the Company Employee Welfare Committee is jointly formed by labor and management. The company's management department is responsible for assisting the Company Welfare Committee in handling various employee welfare affairs, including large-scale hiking activities for employees and their families, club recreational activities, group insurance arranged by the welfare committee, holiday welfare vouchers, birthday vouchers, subsidies for employees' weddings, funerals, and celebrations, educational scholarships for employees' children, year-end lucky draws, travel subsidies for employees, and affiliated stores.

The benefits provided by our company include: monthly performance bonuses, quarterly performance bonuses, quarterly incentive bonuses, special contribution bonuses, Dragon Boat Festival bonuses, Mid-Autumn Festival bonuses, year-end bonuses, employee stock ownership trust, contributions to the old pension system, contributions to the new pension system (6%), annual employee health checkups, year-end parties, travel accident insurance for employees on business trips, employer's liability insurance, internet fee subsidies, annual model employee selection and recognition activities, etc.

5.01.2.7 Labor-Management / Employee-Employer Relations

Our company values labor-management relations and holds labor-management meetings each quarter. In 2025, a total of four labor-management meetings were held, aimed at promoting labor-management cooperation, improving work efficiency, and enhancing employee cohesion. In addition to labor-management meetings, employees' opinions can also be expressed through the following channels:

Pipeline	Matters for Reflection
Complaints System / Complaints Hotline	When colleagues' legitimate rights and interests within the Company are infringed upon, improperly handled grievances arise, or difficulties are encountered in performing business, and a reasonable solution cannot be obtained through the administrative system, they may be raised.
the Company Trade Union	Members and colleagues can submit proposals to the union according to their requests through appropriate channels for feedback and handling.
Occupational Safety and Health Committee	Regarding safety, hygiene, environmental protection, and other matters.
Employee Welfare Committee	Regarding matters of staff welfare.
Labor Retirement Fund Supervisory Committee	Regarding matters such as the storage, utilization, and management of retirement funds
Sexual Harassment Complaint Handling Committee	Regarding complaints, investigations, and handling of cases of workplace sexual harassment or violations of the Gender Equality in Employment Act.

Our company strictly complies with domestic and international labor and human rights regulations, treats all employees fairly and with respect, and the specific practices are as follows:

☑Formulate labor conditions in accordance with relevant government labor laws and regulations.

☑Provide equal employment opportunities to all job seekers in accordance with relevant employment service laws.

☑A complaint channel is established to provide employees with a means to use when their lawful rights are infringed or improperly handled and cannot be resolved.

☑A 'Personnel Review Committee' shall be established, which conducts review procedures when employees receive major rewards or punishments.

☑Established workplace and general 'Sexual Harassment Prevention, Complaint, and Disciplinary Measures,' providing a work environment free from sexual harassment, and adopting appropriate preventive, corrective, punitive, and remedial measures.

5.01.2.8 Minimum Notice Period for Operational Changes

If our company undergoes operational changes (such as layoffs, dissolution, or departmental downsizing), notice will be given in accordance with the provisions of Article 31 of the collective agreement and the minimum notice period for terminating an employment contract stipulated in Article 16 of the Labor Standards Act. The minimum notice periods are as follows:

★Employees who have been with the Company for more than 3 months but less than 1 year must give a 10-day notice.

★Employees who have been with the Company for more than 1 month but less than 3 years must provide 20 days' notice.

★ Employees who have been with the Company for more than 3 years must give 30 days' notice.

5.01.2.9 Benefit Plans and Other Retirement Plans

The company has designed a pension system for employees, which includes a defined benefit plan based on Taiwan's 'Labor Standards Act' and a defined contribution plan based on Taiwan's 'Labor Pension Act.' In addition to making pension reserve contributions according to legal requirements, the Company also conducts annual pension reserve actuarial calculations through professional actuarial firms to safeguard employees' future pension benefits and ensure sufficient contributions.

In February 2023, our company launched a plan for settling benefits for employees retaining seniority under the old labor retirement system. This plan allows 84 employees with seniority under the old system (i.e., employees who joined before June 30, 2005, excluding appointed managers) to freely choose whether to request early retirement under the old system. In accordance with Article 11 of the Labor Pension Act, the related procedures for settling retained seniority under the old system are carried out. The 84 employees under this plan have completed the signing of the settlement agreement for old system seniority, and all pensions have been fully paid. As of December 31, 2025, the balance in the special account for accumulated old system labor retirement funds is NT$ 2,908,900.

PENSION CONTRIBUTION PRACTICES AND PREPARATION STATUS

Item	Our company's practice	Retirement Fund Preparation Status for 2025
Defined Benefit Plan (Old System Labor Retirement Reserve Fund)	1. According to the provisions of the 'Labor Standards Act' in Taiwan, retirement benefits are calculated based on the employee's years of service and the average salary of the six months prior to retirement. 2. The amount of pension contributions shall be deposited into a special account at the Bank of Taiwan in the name of the Pension Reserve Supervisory Committee.	※Monthly based on the total salary of employees retained under the old system 3% allocation to employee retirement fund. ※Up to the end of 2025, the old system labor retirement preparation The balance of the reserve account is NT$ 2,908,900.
Defined contribution plan (New Labor Retirement Preparation Fund)	Formulate employee retirement regulations in accordance with Taiwan's 'Labor Pension Act', and allocate pension funds to the individual account of the Labor Insurance Bureau.	※A monthly contribution of 6% of the employee's wages is made for refunds Rest gold.

5.01.2.10 Parental Leave and Return-to-work Rate

Our company provides substantial care and support for employees with childcare needs, including arrangements for unpaid leave, career planning, related welfare subsidies, and more. In 2025, a total of 1 employee who applied for childcare leave returned to work, with a return rate of 100%, demonstrating that our company offers a comprehensive employee care mechanism, allowing employees with childcare needs to balance family and work.

THE SITUATION OF REINSTATEMENT AND RETENTION AFTER PARENTAL LEAVE

Item	2025		2024		Year 2023	
	Male	Female	Male	Female	Male	Female
Number of people eligible to apply for parental leave	3	3	3	5	5	3
Actual number of people applying for parental leave	0	2	0	2	2	1
Number of employees eligible to return from parental leave (A)	0	1	0	1	2	1
Number of employees who should have returned to work after parental leave and returned (B)	0	1	0	1	2	1
Number of employees returning from parental leave in the previous year (C)	0	0	2	1	2	0
Number of people who returned to work after parental leave and remained employed for at least one year (D)	0	0	2	1	2	0
Return-to-Position Rate After Parental Leave (B/A)	0%	100%	0%	100%	100%	100%
Maternity/Paternity Leave Retention Rate (D/C)	0%	0%	100%	100%	100%	0%

[Note]: The number of people eligible to apply for unpaid parental leave is based on those applying for maternity and paternity leave from 2023/01/01 to 2025/12/31.

5.01.2.11 Talent Training and Development

◆Average training hours per employee per year

The company has established the Education and Training Management Procedure (APP01), Professional Skills Training and Assessment Procedure (APP02), Education and Training Committee Organizational Charter (AGSE5), Implementation Measures of the Education and Training Committee (AGSE6), Employee External Education and Training Measures (APP63), Internal Instructor Management Measures (AGSD3), Implementation Rules for University New Employee Training (AGS093), Implementation Measures for Training by Hierarchical Level (APP65), New Employee Training Instructor Management Measures (APP67), and Key Position Talent Development Management Measures (AGSG6), which serve as regulations for planning, executing, evaluating, and improving education and training-related operations.

The company's employee education and training system is as follows:

1. New Employee Training: Pre-job training for new employees, including the Company's business philosophy, company history, management system, future development, and environmental awareness.
2. Functional Development Training: Divided into three levels of frontline/mid-level/senior management, an annual education and training program planned each year targeting gaps in core, managerial, and professional competencies.
3. Internal Instructor Training Plan: Various training sessions led by internal instructors.
4. Project Training: Education and training implemented according to the characteristics of the project.
5. Self-development Plan: Including on-the-job training, reading books, project participation, and consulting… etc.

2025 Employee Education and Training Achievements

Item	Internal training						External training						Total
Job grade	First-level supervisor		Secondary Supervisor		General staff		First-level supervisor		Secondary Supervisor		General staff		
Gender	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
person-times	20	12	56	20	193	108	9	4	26	7	49	18	
Number of People (Total)	32		76		301		13		33		67		522
New Employee Training Course (Session)	2						0						2
Core Competency Course (Session)	2						0						2
Management Functions Course (Class)	0						2						2
Professional Competency Course (Class)	40						87						127
Total number of shifts	44						89						133
Hours	15	9	55	15	339.5	144	66	72.5	143	55	539	108.5	1,561.5

2025 Employee Training Average Hours Statistics

Gender/Position Level	First-level supervisor	Secondary Supervisor	General staff	Average hours for the whole company
Male	6.75	9.43	4.46	5.03
Female	13.58	7.78	3.51	4.64
Total	9.03	8.93	4.20	4.93

[Note]: Total average hours for the entire company = Total training hours for each job level / Total number of employees in the Company.

◆Employee Competency Enhancement and Transition Assistance Program

Since 2020, our company has started promoting a key position talent development project; through the inventory of core competencies, management competencies, and professional competencies, we define and establish benchmarks for each competency item, while assessing the current skill gaps of talents, and further plan and carry out systematic cultivation activities.

In 2021, based on the gaps identified through the competency assessment, a comprehensive training plan was launched, including core competency courses, management competency course plans, and individual development plans designed by mentors according to professional competency gaps to conduct mentoring activities. The execution rate of the plan for this year (2021) was 100%, and the results of the competency assessment after training all showed improved abilities.

◆Proportion of employees regularly receiving performance and career development interviews

★ In 2025, the proportion of employees of all genders and job levels in our company undergoing regular performance evaluations is 100%.

The company conducts regular performance evaluations for all employees every year. The annual assessment items and standards are set at the beginning of the period, reviewed and tracked mid-term, and evaluated at the end of the period. The assessment content is as follows:

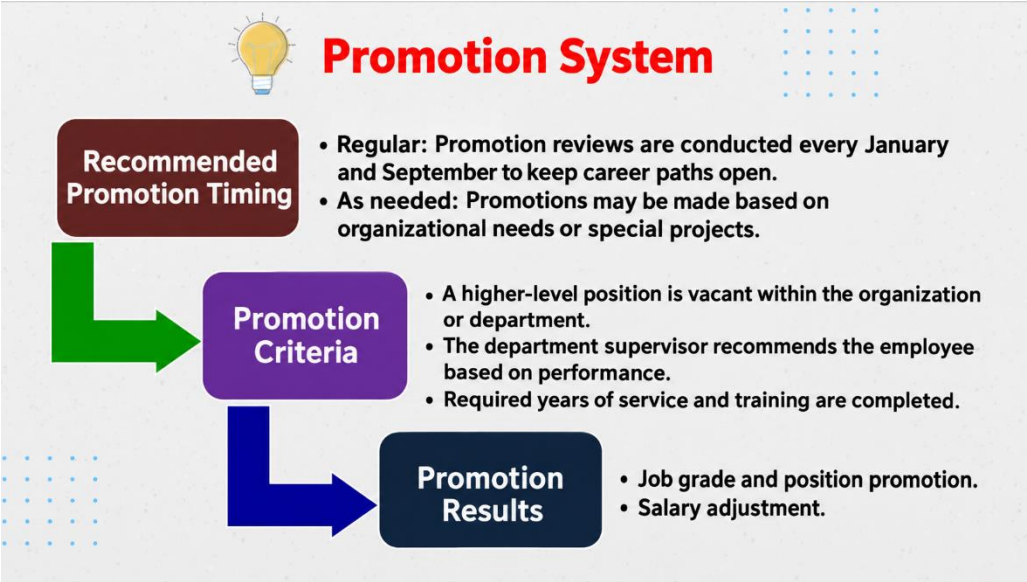
1. Production Unit: Aspects such as company KPI projects, work efficiency and quality, work cooperation, environmental tidiness, and attendance are evaluated. The supervisor sets the monthly efficiency assessment items and standards.
2. Indirect units: At the beginning of each year, based on company KPI items, key company or departmental tasks, and functional requirements, annual assessment items and standards are determined through discussion between supervisors and employees.

★In 2025, a total of 6 employees of the Company participated in career development (including promotion) interviews.

◆Discrimination Incidents and Improvement Actions

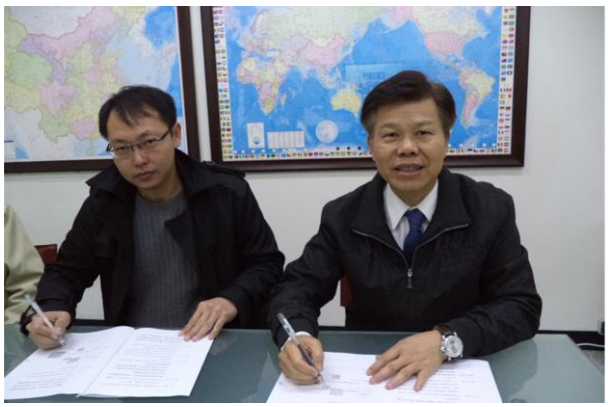
Employees are important assets of the Company. Our company has always been committed to creating a diverse and equitable workplace environment. Respecting and treating every employee fairly is a principle our company upholds, and we absolutely do not allow any acts that violate human rights or demean dignity due to differences in gender, race, nationality, age, blood type, physical or mental disabilities, religious beliefs, sexual orientation, or any other characteristics protected by relevant laws. In accordance with relevant legal regulations, our company's work rules include provisions on gender equality in the workplace and the prevention of sexual harassment. If a complaint is substantiated, a Sexual Harassment Complaint Handling Committee is convened to conduct investigations and take action in accordance with regulations. In 2025, our company did not experience any incidents of discrimination, sexual harassment, human rights violations, or socially impactful events.

◆Promotion system



5.01.2.12 Collective Bargaining Agreements

Our company places great importance on labor-management relations. To maintain smooth communication channels between labor and management, establish fair and reasonable labor conditions for both sides to follow, and develop stable and harmonious labor-management relations, our company first signed a collective agreement with the union in December 2015. Subsequently, collective agreement negotiations are conducted every three years, applicable to all union members (covering 99% of all personnel eligible for membership), marking an important milestone in harmonious labor-management relations. In 2025, the fourth-term collective agreement is still within its effective period (April 1, 2024 to March 31, 2027). The collective agreement covers topics such as bonuses, benefits, dismissal, rewards and punishments, promotion, and health and safety. It not only meets the requirements of domestic laws and international human rights conventions but also demonstrates our company's commitment to protecting employee rights, because we firmly believe that only by actively showing care and concern for employees can the Company inspire employees to extend the same consideration to others.



Sign a collective agreement with the union



Changhua County Awards - Changhua County's First Collective Agreement Signed

5.01.2.13 Employee Satisfaction Survey

Our company values employee opinions and work experiences. To understand employees' feelings toward the work environment, management systems, and talent development, and to use this as an important basis for continuously improving the workplace environment and enhancing organizational effectiveness, starting from 2025, we will conduct an annual employee satisfaction survey regularly.

This survey was conducted anonymously through the Company's E-learning system via an online questionnaire. The survey period was from December 15 to December 21, 2025. The target respondents were regular employees at or below Grade 7 who had been employed for at least three months. A total of 289 questionnaires were distributed, with 244 valid responses collected, resulting in an overall response rate of 84.4%. This indicates a high level of employee engagement in company management issues and also reflects that the Company's emphasis on employee feedback mechanisms has been recognized by the staff.

This survey covers nine major dimensions: supervisor leadership, job content, work environment, compensation and benefits, talent development, cooperation and communication, corporate sustainability, overall satisfaction, and engagement, totaling 40 questions. The survey results show that employees gave higher ratings to supervisor leadership (4.13 points), corporate sustainability (4.09 points), and engagement (4.04 points), reflecting that the Company has established a solid foundation in supervisor leadership, promotion of sustainable business concepts, and employee organizational identification. On the other hand, compensation and benefits (3.69 points), talent development (3.73 points), and overall satisfaction (3.79 points) are also important areas for the Company to continue improving and optimizing in the future.

Based on the survey results, our company has incorporated the related improvement measures into the key human resources management tasks for 2026, continuously promoting the optimization of the talent development system, strengthening education and training as well as career development mechanisms, enhancing cross-departmental collaboration efficiency, and regularly reviewing the compensation and benefits system and market competitiveness to reinforce measures for retaining outstanding talent. In the future, our company will conduct employee satisfaction surveys on a regular annual basis, continuously improving through the PDCA (Plan-Do-Check-Act) cycle, listening to employee feedback, and continuously refining various human resources management measures to create a friendly, happy, and cohesive workplace environment.

◆ ACELON EMPLOYEE SATISFACTION SURVEY AND IMPROVEMENT MECHANISM

1. Purpose of the Survey

Our company, in order to continuously understand employees' overall feelings about the work environment, management system, and organizational operations, and to serve as an important basis for corporate governance and human resource management improvement, will conduct an employee satisfaction survey for the year 2025, to be used as a reference for planning subsequent management improvement measures and tracking their effectiveness.

2. Survey Subjects and Implementation Status

Item	Content
Object	Regular employees at grade 7 or below who have been in service for at least three months
Title	Nine dimensions including supervisor leadership, job content, work environment, salary and benefits, talent development, collaboration and communication, corporate sustainability, overall satisfaction, and engagement, with a total of 39 quantitative questions and 1 open-ended feedback question.
Number of respondents	289 people (244 valid responses received, response rate 84.4%)
Coverage	100%
Responsible Investigation Unit	Human Resources Department
Survey Frequency	Once a year
During the investigation	2025/1/1~2025/12/31
Overall Satisfaction	3.79 points (using a 5-point Likert scale, minimum 1 point, maximum 5 points)
Survey Results	In the fiscal year 2025, our company conducted its first systematic employee satisfaction survey. With full coverage of eligible employees and a high response rate, the overall satisfaction score reached 3.79 out of 5, which is considered above average. The survey results indicate that employees have a certain degree of recognition of the Company's overall operational direction and organizational operations. These results will serve as a benchmark for the subsequent optimization of management systems and effectiveness tracking.

Item	Content
Enhancement Improvement Plan	Based on the results of this survey, our company plans to continue promoting the following areas of improvement and will continuously review the effectiveness of their implementation. (1) Systematic Optimization of Talent Development System 1. Strengthen educational training and competency development planning to respond to the actual needs of the organization and departments. 2. Continuously review and optimize career development paths, and expand diverse development opportunities. 3. Review the promotion system and related operational procedures to enhance the transparency and fairness of the system. (2) Strengthening Cross-Unit Collaboration and Communication Mechanisms 1. Promote cross-departmental goal alignment and enhance overall organizational collaboration efficiency. 2. Establish regular communication and consensus platforms to reduce communication barriers between departments. (3) Transparency in the Compensation System and Improvement of Talent Retention Mechanisms 1. Regularly review the compensation structure and internal fairness to enhance the rationality of the system. 2. Continuously optimize performance feedback and retention mechanisms to strengthen incentives for retaining high-performing talent. 3. Pay attention to market salary trends and periodically review salary adjustments and related supporting measures.

5.02 Occupational Safety and Health

5.02.1 Occupational Safety and Health Policy

Our company voluntarily established the ISO 45001 Occupational Health and Safety Management System and obtained certification in 2023, with a validity period from April 17, 2023, to April 17, 2026. The system provides safe and healthy working conditions, complies with occupational safety and health laws and related requirements, eliminates hazards and reduces occupational safety and health risks, promotes workers' occupational safety and health consultation and participation, clearly defines employees' rights and obligations regarding safety, hygiene, and health, achieves occupational safety and health management objectives, and enhances the level of occupational safety and health management.

1. Occupational Safety and Health Management System

The scope of the Occupational Health and Safety Management System includes Acelon Puyan Plant, Acelon Fangyuan Plant, and Acelon Douliu Plant. Before conducting external audits at each of the Company's production sites annually, internal audits are first carried out to self-assess the effectiveness of environmental, safety, and health measures. Through the management cycle, various work plans are implemented to achieve continuous improvement and reduce occupational hazards. As of 2025, all have obtained ISO 45001 certification.

Occupational safety and health management has become an important part of our company's corporate value system, reflecting the business philosophy of 'professionalism, cooperation, innovation, and excellence.' Our company will continue to pay attention to the needs of stakeholders and, by promoting environmental, safety, and health management, is committed to establishing a safe, healthy, and comfortable working environment.

Workers covered by the occupational safety and health management system

1. Worker: refers to a person who is employed to engage in work and receives wages.
2. Other workers who are not employees: refers to people who perform labor under the direction or supervision of the workplace person in charge, other than the aforementioned employees. For example: those who have no employment relationship with the business entity but work at its workplace, or engage in labor for the purpose of learning skills or receiving vocational training, such as dispatched workers, student workers, and other personnel of similar nature. However, when services such as "equipment repair," "cleaning," and "security" are outsourced to external vendors through contracting, the personnel do not perform labor under the direction or supervision of the Company's workplace person in charge, and therefore are not included in the headcount of "other workers who are not employees."

Hazard Identification, Risk Assessment, and Accident Investigation

(1) The company classifies risk levels according to severity and frequency of occurrence, focusing management on high-risk operations, such as enhancing protective equipment, implementing specialized safety inspections, and conducting regular training, while assigning middle and senior managers to supervise and link performance evaluations, with regular reporting at monthly operation meetings. For medium- and low-risk items, regular reviews are conducted, and employees are encouraged to propose optimizations and improvements, jointly establishing risk mitigation measures. Each year, a comprehensive hazard identification, risk, and opportunity assessment is systematically implemented. Each unit is responsible for conducting hazard identification and risk assessment, carried out by personnel who have received relevant risk assessment training, and developing action plans and measures for significant risks.

HAZARD IDENTIFICATION AND RISK ASSESSMENT PROCESS:



(2) Safety Performance Indicators: including both proactive and reactive indicators. Proactive indicators include occupational safety regulation identification and the completion rate of special health examinations, while reactive indicators cover penalties from competent authorities, safety and health inspections, and the frequency of disabling injuries.

(3) Safety Work Regulations: Employees are clearly required to follow the safety work regulations when performing their duties. If they detect an imminent danger, they may stop work and retreat to a safe location on their own, provided that it does not endanger the safety of other workers, and immediately report to the representative responsible for the workplace.

Each operational site regularly holds safety and health-related meetings in accordance with regulations, and reviews the applicability of hazard identification and risk assessment through internal and external audits, conducting discussions and revisions in a timely manner. All operational sites comply with regulations and certification requirements such as ISO 45001, implementing risk assessment processes to achieve the goal of zero accidents and zero incidents.

In the new employee training, the Company emphasizes the employees' obligations regarding safety and health as well as the importance of self-protection. Our company complies with occupational safety and health-related regulations and informs all employees that if they encounter situations posing an imminent danger during work, they may not only report it immediately, but also move to a safe location on their own. In 2025, the Company had no records of employees being penalized for reporting safety concerns or for moving to a safe location due to safety concerns.

Worker participation, consultation, and communication on occupational health and safety

The Vice General Manager of the Production Department chairs the Occupational Safety and Health Committee. Members include occupational safety and health personnel, department heads, supervisors, personnel responsible for directing or supervising work, engineering and technical personnel, and labor representatives. Labor representatives account for 40% of all committee members. The Committee meets quarterly to review occupational safety and health issues and management performance, including education and training, health management, occupational disease prevention, improvement measures, and proposals submitted by business units and workers. It also sets objectives and resolves strategic, operational, and technical issues. Meeting results are communicated throughout the Company.

Occupational Health and Safety Education and Training

Our company strictly complies with government regulations and provides new employees with necessary occupational safety and health education and training. We regularly hold related courses, such as electrical safety, the use and management of hazardous chemicals, and first aid training. In addition, regarding fire safety, our company conducts fire drills twice a year to help employees enhance the necessary fire awareness and response capabilities.

Item	Number of trainees in 2025
New Employee Training	14 people
Internal Employee Training	221 people
Statutory License Initial Training Course	9 people
Statutory License Refresher Course	46 people

Occupational Health Services and Health Promotion

(1) In 2025, continue to promote workplace health initiatives, holding multiple health events at Puyan Plant, Fangyuan Plant, and Douliu Plant.

Lectures and promotional activities cover topics including oral health screening and promotion, metabolic syndrome prevention, hearing protection, stress management, first aid training, prevention of workplace illegal harms, and pain relief and relaxation, continuously strengthening employees' health awareness and workplace safety protection capabilities. At the same time, designated nurses are stationed at various operation sites, and according to the personnel at each operation site

Deploy emergency medical personnel to provide professional medical assistance to employees. In the training of new employees, the Company will promote information related to health services, medical assistance, and occupational disease prevention.

(2) Conduct interviews and health education for high-risk health groups.

Health promotion activities

	2025	2024	Year 2023
Annual routine health check-up	253	228 people	184 people
Special Hazard Work Health Check	155 people	179 people	184 people
Number of people assessed for resuming work	0 people	1 person	2 people

Healthy Workplace Certification Mark		
Factory area	Category	Expiration date
Puyan Plant	Health Promotion Label	2023.01.01-2025.12.31
Fangyuan Plant	Health Promotion Label	2023.01.01-2025.12.31
Douliu Plant	Health Promotion Label	2023.01.01-2025.12.31

Material Issue: Occupational Safety and Health Management Policy

1. Policy:	Our company adheres to the principle of 'safety first, employee health foremost,' committing to building a safe and dignified work environment with zero occupational accidents and zero occupational diseases.
2. Responsibility:	Strictly comply with domestic and international laws and regulations such as the Occupational Safety and Health Act.
3. Resources:	Fully implement and maintain the ISO 45001 Occupational Health and Safety Management System.
4. Specific Action:	1. Provide employees with health checkups that exceed legal requirements. 2. Hazard identification and risk assessment. 3. Handling of accidents and regularly conducting disaster prevention drills.
5. Goals and Commitments:	1. Aiming for zero accidents. 2. Committed to being people-oriented, striving to enhance a friendly work environment, and caring about employees' health. 3. Committed to eliminating hazards, reducing risks, and continuously improving, dedicated to creating a safe working environment. 4. Workplace Health Upgrade: Promote employee health programs such as musculoskeletal hazard prevention (e.g., automation to reduce lifting) and workplace stress relief by obtaining 'Healthy Workplace Certification' and regularly implementing these initiatives.
6. Appeal mechanism:	1. Reflect suggestions on various safety and health management issues in the Safety and Health Committee, and discuss improvements promptly. 2. Contracted medical staff regularly visit the factory to provide employees with professional medical guidance or consultation.
7. Performance Evaluation Methods a Results:	Quantitatively evaluate deficiencies, the occurrence of accidents, and education and training, and report the results at the Occupational Safety and Health Committee meeting.

5.02.2 Occupational Injuries

The total working hours of our company in 2025 are 668,498 hours, with 0 occupational injury incidents occurring. The company strives to maintain this.

OCCUPATIONAL INJURY ANALYSIS FROM 2023 TO 2025

Object	Employee		
Year / Item	2025	2024	2023
Total Working Hours (hours)	668,498	594,179	617,656
Frequency of Disabling Injuries (F.R)	0	1.68	4.86
Severity Rate of Disabling Injuries (S.R.)	0	150	81

[Note 1]: Occupational injury refers to any disease, injury, disability, or death of a worker caused by buildings, machinery, equipment, raw materials, materials, chemicals, gases, steam, dust, or operational activities in the workplace, as well as other work-related reasons.

【Note 2】: Disabling Injury Frequency Rate (F.R.): The total number of occurrences of disabling injuries per one million working hours. Formula: Total number of occurrences of disabling injuries × 1,000,000 ÷ Total hours worked.

[Note 3]: Disabling Injury Severity Rate (S.R.): The total lost days due to disabling injuries per one million work hours. Formula: Total lost days due to disabling injuries × 1,000,000 ÷ Total hours worked.

5.02.3 Occupational Diseases

According to the "Regulations on the Implementation of Workplace Environment Monitoring," Acelon entrusts qualified workplace environment monitoring agencies to regularly conduct workplace environment monitoring and assess whether the measurement results comply with legal requirements, in order to protect the health of personnel. In 2025, a total of 213 monitoring points (including areas and personnel) were completed, all tested according to the plan. The testing items included noise and carbon dioxide, with an additional test for potassium dichromate at one location (used as a reagent for COD in wastewater testing). All test results met the regulations. Health checks are also conducted annually.

5.03 Community Participation

5.03.1 Local Community Services

Social inclusion and shared well-being

As a corporate citizen, upholding the concept of 'taking from society and giving back to society,' our company actively participates in social activities, gives back to the community, exerts a positive social impact, continuously establishes partnerships with local communities, government, industry, and academia stakeholders, and invests relevant resources and volunteers to enhance overall social development and create social value.

Our company actively responds to the "United Nations Sustainable Development Goals" (SDGs) and the "Taiwan Sustainable Development Goals" formulated by the National Sustainability Development Committee of the Executive Yuan with concrete goals and actions. The related actions are as follows:

1. Participate in the Changhua Family Support Foundation's Infinity Generation Fair, offering the Company's self-made terminal products for charity sales, with the related proceeds donated to the Family Support Foundation. (1,060 items of materials & financial sponsorship)
2. Donate to the Community Development Association of Hexing Village, Ershui Township, Changhua County, where our company is located, to jointly promote the adoption and greening of the abandoned railway within the village by planting vegetation, in order to promote the development of community characteristics and thereby drive the overall prosperity of the community. (Funding sponsorship)
3. Together with the Changhua County Southwest Rotary Club, jointly held the 'Happy Blood Donation, Let Love Soar' blood donation event, responding to blood donation for public welfare and helping those in urgent need of life-saving assistance. (Donated 300 boxes of masks)
4. Assist the local elementary school—Yongle Elementary School in Puyan Township, Changhua County—in establishing a library, cultivating reading habits among children in remote areas, and also opening it to community members for book borrowing, aiming to become a 'community reading center'.
5. Sponsoring local community associations (e.g., Puyan/Fangyuan fire brigades, Puyan community associations) in their activities. (Company-produced towel products and other supplies)
6. Provide book vouchers to nearby local elementary schools, such as Puyan Elementary School and Macuo Elementary School, benefiting many students and encouraging their diligence in learning (41 copies)
7. Provide annual fixed sponsorship for Changhua's 'Ershui International Water-Splashing Festival' with funds and materials, supporting local activities to enhance Taiwan's international visibility (this year providing financial sponsorship of 50,000 NTD & 1,000 cooling towels)
8. Adopt the coastline of Mailiao Township, Yunlin County, and jointly protect the marine environment. (Participate in beach cleanup activities)
9. Support local social welfare organizations in Changhua County.

THE COMPANY'S FULFILLMENT OF CORPORATE SOCIAL RESPONSIBILITY FOR THE YEAR 2025 IS AS FOLLOWS:

Content of Participation and Unit Name		
Puyan/Fangyuan Volunteer Fire Brigade	Funding sponsorship	Funding sponsorship
Yongle Community Development Association	2025 Elderly Shared Meal Service Plan	Funding sponsorship
	Respecting the Elderly on Double Ninth Festival	Material Sponsorship
Puyan Senior Citizens' Association	Dragon Boat Festival Care Activity	Material Sponsorship
	Chongyang Evening Party	Material Sponsorship
Yongle Elementary School	Student Graduation Ceremony	Material Sponsorship
Macuo Elementary School	Student Graduation Ceremony	Material Sponsorship
Tiansheng Elementary School	Student Graduation Ceremony	Material Sponsorship
Changhua Family Support Center	2025 Year-End Winter 'Cherishing Changhua Family Support Children' Charity Fair	Funding sponsorship
Corporate volunteers cleaning the beach	Qingshui Wetland Beach Cleanup Activity	Staff participation
Corporate volunteer service	Volunteer Services at Changhua Tzu Ai Orphanage	Staff participation
Hexing Community Development Association, Ershui Township, Changhua County	Old Railway Greening	Funding sponsorship
Ershui Township Office	2025 Ershui International Water Running Festival	Funding and Material Sponsorship

5.03.2 Industry-Academia Collaboration

1. Starting in 2021, participated in the Ministry of Education's 'Industry-Academia Collaboration Program – Special Class in Textile Fiber Technology,' jointly initiating industry-academia cooperation projects with the Textile Department of Shalu Senior High School and the Department of Chemical Materials at Chinyi University of Technology. A total of 6 participants have been involved. The latest collaborative special class lasts 4 years (until August 2028) and imparts knowledge and skills in the textile industry, allowing practical experience to complement theoretical learning, while cultivating corporate R&D potential and talent, enhancing product added value and management service performance, and building a platform for academic and practical exchange.
2. In 2025, an off-campus internship agreement was signed with Taiwan Tech, with a total of 6 participants so far, assisting young people in developing according to their talents and aptitudes, providing students with career exploration opportunities, and establishing correct professional values.

Library of Love

Chairman Mr. Wen-Tung Chou supports the Taiwan Reading Foundation's concept of 'shared reading, wisdom circulation,' and since 2013, has continuously supported local schools in Changhua County with the 'Library of Love' book box renewal project. This project has circulated a total of more than 1.04 million books, with total reading sessions exceeding 57.9 million.

Weaving Sufficiency Program - Art Meets Public Welfare (Qicong Huiming School)

Since 2016, materials have been provided by the Company, combining manufacturing with public welfare activities. Through beautiful 'threads,' children slowly weave each year's themed works with their 'hearts,' creating the 'Weaving Foot Project Special Exhibition,' transforming education for the disabled and providing companionship and love. It has helped over 500 students build a blueprint for happy dreams.

Zhushan Rose Ability Development Training Center

Helping underprivileged children with developmental delays in rural areas to acquire a skill can reduce the financial burden on their families and also add meaning to their lives through the joy of learning.

6. Environmental Dimension

6.01 Climate Change

1. Climate Monitoring, Governance Framework, and Strategy

ENVIRONMENTAL PROTECTION MANAGEMENT POLICY:

We are confident that environmental protection and sustainable industrial operation can develop simultaneously. Providing a safe production environment and developing together with society is the responsibility of the enterprise. Offering high-quality products and ensuring the safety of employees is the social responsibility of the enterprise, as well as the driving force for its sustainable development. All colleagues must constantly enhance their professional skills, uphold safety, health, and environmental protection as their work principles, and contributing to the well-being of the earth is our mission.

Our company has established the 'Environmental Protection Management Measures,' committed to reducing energy and water consumption, continuously improving and minimizing process water usage. The sources of water are tap water and recycled water, and we have developed and promoted stock dyeing processes, which can significantly reduce water usage in downstream customers' dyeing and finishing processes.

Through external verification bodies, establish the ISO14001 environmental management system and ISO14064-1 organizational greenhouse gas inventory guidance, obtain certification for the carbon footprint of nine major product categories, and ISO50001 energy management system certification, promote ESG-related work, and regularly carry out climate risk and opportunity assessments under the TCFD framework. For identified risks and opportunities, report progress to the board of directors on a quarterly basis. The board is responsible for supervising implementation and coordinating relevant departments to conduct operational risk assessments in accordance with the Paris Agreement, the 2050 net-zero emission target, and the requirements of the competent authority's Climate Change Response Act.

Since 2021, our company has conducted greenhouse gas emissions, water usage, and total waste inventories for the three factories of the parent company (Puyan Factory, Fangyuan Factory, Douliu Factory) and set targets. Relevant environmental management is carried out in accordance with environmental protection laws and regulations, and all pollution discharge permits are obtained in accordance with the law.

2. Identification, Assessment, and Management of Climate-Related Risks

The company has established a [Risk Management Policy and Procedures], which, according to the three major ESG categories, identifies significant risk factors based on the average risk exposure calculated from 'likelihood of occurrence' and 'impact severity.' The impact of climate risks on the Company is assessed from three perspectives: 'operational,' 'financial,' and 'human resources,' and corresponding measures are proposed, with regular tracking conducted according to the established review points. By adopting the TCFD framework, the Company analyzes climate change risks and opportunities, explaining global risk trends and climate change, including the current development status of TCFD, the climate change risk and opportunity assessment framework recommended by TCFD, climate change scenario setting, and derived risks and opportunities. This enhances employees' awareness of global risk trends and climate change. Each department evaluates the climate change risks and opportunities encountered during operations, further discussing strategies and target indicators for high-risk and high-impact risks and opportunities, serving as concrete measures for climate management.

Evaluation process:

Step 1: Set the climate change scenario

Step 2: Assess the impact of the operating environment

Step 3: Identify climate risks and opportunities

Situation Analysis

In view of the frequent impact of extreme weather caused by climate change, which affects the stability and liquidity of operational funds, and in order to maintain financial balance and control risks, due to the increased financial expenditure costs from carbon reduction and net-zero transformation actions, the Company has formulated strategies for managing climate change-related risks and opportunities, and the following countermeasures are proposed:



Risk Analysis:

1. The frequency and severity of typhoons are increasing

Countermeasures:

① The production line is equipped with an uninterruptible power supply system.

② Strengthen the drainage and clearing of ditches.

③ Regularly maintain the equipment in the machine room and purchase relevant commercial insurance.

2. Increased Cost Expenditure of Low-Carbon Transition

Countermeasures:

①Gradually promote energy-saving and carbon-reduction plans

② Optimize product structure and produce environmentally friendly products

③ Reduce environmental pollution and minimize waste.

3. Increase in sustainability-related requirements and regulations

Countermeasures:

①Gradually promote energy-saving and carbon-reduction plans

② Install solar panels in the factory area for self-use

③Construct energy storage system

4. Average temperature rises

Countermeasures:

① Implement closing doors promptly and use indoor air circulation.

② Install sprinklers on the exterior walls to reduce temperature.

③ Use thermal insulation materials to reduce heat transfer.

④ Install solar panels to absorb thermal energy

⑤ Develop products that can regulate temperature and cool down

⑥ The office and production line replace energy-saving and power-saving products.

Opportunity Analysis:

Estimated revenue from green products will grow year by year, developing low-carbon products to increase market share.

Reduce resource consumption, recycle and reuse, reduce water usage and improve wastewater recycling rate, lowering operational costs.

In line with company policy, gradually phase out old equipment to reduce energy consumption and improve production efficiency.

Assessment of climate change-related indicators and target implementation:

<table>
<tr><th>Item</th><th>Implementation situation</th></tr>
<tr><td>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</td><td>The company has established a Sustainability Development Committee, which has an "Sustainable Environment" team under it. In accordance with the regulations of the competent authorities, it promotes relevant policies, holds regular meetings on domestic and international climate-related issues to oversee the Company's sustainable development, and tracks the execution of goals annually and reports to the Board of Directors.</td></tr>
<tr><td>2. Explain how the identified climate risks and opportunities affect the Company's business, strategy, and finances (short-term, medium-term, long-term).</td><td>Our company refers to the guidelines issued by the Task Force on Climate-related Financial Disclosures (TCFD) and, based on the duration and impact of risk factors, formulates response measures and strategies. The impacts are listed as follows: (1) Climate risk
<table>
<tr><th>Sort</th><th>Potential Risk Impact</th><th>period</th><th>Countermeasures</th></tr>
<tr><td>1</td><td>Due to flooding caused by extreme weather, resulting in business disruption and damage to finished goods inventory, reducing operational profits or decreasing assets</td><td>Short-term and mid-term</td><td>◆The production line is equipped with emergency response measures such as an uninterruptible power system.
◆Strengthen the drainage and clearing of ditches.
◆Regularly inspect and maintain data center equipment
◆Purchase commercial insurance</td></tr>
<tr><td>2</td><td>Increased costs of low-carbon transition</td><td>medium and long term</td><td>◆Gradually promote energy-saving and carbon-reduction plans
◆Optimize product structure and produce environmentally friendly products
◆Improve from the source of the production process and reduce the amount of waste</td></tr>
<tr><td>3</td><td>Sustainability-related demands and regulations have increased, generating additional carbon reduction costs.</td><td>medium and long term</td><td>◆Continuously monitor trends in domestic and international carbon taxes and carbon-related regulations</td></tr>
<tr><td>4</td><td>The rise in average temperature leads to an increase in electricity costs.</td><td>Mid-term</td><td>◆Implement closing doors promptly and use indoor circulation
◆Use insulating building materials to reduce heat transfer
◆Procure and use energy-saving and electricity-saving products
◆Implement ISO 50001 Energy Management System</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td>(2) Climate Opportunities
<table>
<tr><th>Sort</th><th>Potential Opportunity Impact</th><th>period</th><th>Countermeasures</th></tr>
<tr><td>1</td><td>Support low-carbon sustainable products through green procurement and supplier management, reducing operational costs</td><td>Mid-term</td><td>◆Conduct relevant audits before transactions with suppliers
◆Engage in larger contract procurement with suppliers who have obtained environmental certifications</td></tr>
<tr><td>2</td><td>Develop low-carbon products and increase revenue</td><td>medium and long term</td><td>◆Product Carbon Footprint Inventory Operations
◆Expand market share and enhance the level of core technology
◆Develop products that can regulate temperature and provide cooling.
Meet market and customer needs.</td></tr>
<tr><td>3</td><td>Natural disaster crisis management, avoiding operational interruption risks, increasing customer trust, and reducing business losses</td><td>Long-term</td><td>◆Formulate effective adaptation measures to provide stable services in various operations and processes.
◆Establish a Business Continuity Plan
◆Regularly carry out disaster emergency response measures</td></tr>
</table></td></tr>
<tr><td>3. Explain the impact of extreme weather events and transition actions on finance.</td><td>For the financial impacts arising from operational disruptions caused by extreme weather, low-carbon transition actions, and compliance with sustainability-related regulations, please provide details in Item 2.</td></tr>
<tr><td>4. Explain how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.</td><td>The Company, at the 11th meeting of the 12th Board of Directors, approved the [Risk Management Policy and Procedures]. Based on the three ESG categories, it identifies significant risk factors by calculating the average value of risk exposure using 'probability of occurrence' and 'impact severity,' and evaluates the impact of climate risks on the Company from three perspectives: 'operational,' 'financial,' and 'human resources.' Corresponding measures are proposed, and regular tracking is conducted according to the review points specified.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience in the face of climate change risks, the scenarios, parameters, assumptions, analytical factors, and key financial impacts used should be explained.</td><td>The company has not yet used scenario analysis to conduct climate change risk assessments.</td></tr>
<tr><td>6. If there are transition plans in response to managing climate-related risks, describe the content of such plans, as well as the indicators and targets used to identify and manage physical and transition risks.</td><td>The company does not yet have a concrete transformation plan to manage climate-related risks, but it has independently conducted greenhouse gas emissions and product carbon footprint inventories, and has replaced outdated equipment and purchased energy-saving products.</td></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.</td><td>The company has not yet used internal carbon pricing as a planning tool.</td></tr>
</table>

8. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the annual achievement progress should be provided; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant targets, the source and quantity of the offset emission reductions or the quantity of RECs should be specified.	1. The company, based on the three factory areas of the parent company, aims to reduce carbon emissions by 30% (including: Scope 1 and Scope 2) from the base year of 2021 to 2030, with an annual carbon reduction target of 3.3%. In 2022, the establishment of the ISO 14001 Environmental Management System and ISO 14064-1 Organizational Greenhouse Gas Inventory were guided through external verification units. In the same year, carbon footprint certification for nine major product categories was obtained, and in 2023, the ISO 50001 Energy Management System certification was promoted simultaneously. ●From 2021 to 2025, the Company reduced its total Scope 1 and Scope 2 carbon emissions by 34.97%. 2. The company has not yet utilized carbon offsets or renewable energy certificates.

6.02 Greenhouse Gas Management

6.02.1 Strategies, Methods, and Goals for Greenhouse Gas Management

1. Greenhouse Gas Management and Reduction Targets

Our company is committed to promoting the effective management and reduction of greenhouse gases, and has formulated specific strategies and targets. In 2021, we conducted our first carbon inventory and set the results of that year as the baseline for our carbon reduction. At the same time, we invested funds to improve energy efficiency, introduce renewable energy, and optimize production processes, with the aim of gradually reducing greenhouse gas emissions to achieve the target of reducing Scope 1 and Scope 2 emissions by 30% compared to the baseline year by 2030, with an annual carbon reduction target of 3.3%.

In terms of Category 1 reductions, our company refers to the government's energy-saving and carbon reduction policy of 'using high-efficiency power equipment and accelerating the replacement of old equipment,' and considers the future trend of domestic carbon pricing regulations being implemented and the carbon credit market becoming increasingly mature. When expanding new equipment, we give priority to using low-carbon-emission equipment to reduce the greenhouse gases emitted by the product manufacturing process.

In addition to reducing greenhouse gas emissions related to capital goods, the Company also focuses on carbon reduction measures in products and processes. For example, in the main yarn products, the Company has implemented various technological improvements aimed at reducing the overall carbon footprint and increasing energy efficiency.

2. Greenhouse Gas Strategy and Specific Action Plan

The company plans to conduct a carbon emission inventory of subsidiaries disclosed in the consolidated financial statements in 2026, and plans to carry out external verification of greenhouse gas emissions for the group companies in 2028.

2025 Carbon Reduction Plan

Grid-connected power generation from renewable energy, replacement with high-efficiency air conditioning equipment, replacement of LED lighting, energy efficiency of existing air compression systems

Upgrade and replace with high-efficiency air compressors, introduce variable speed control for fans/pumps, and control the number of units.

•Main Promotion Measures:

①Gradually replace energy-saving office equipment

②Replacement of old public facility air compressors and establishment of ISO 50001 energy management system

③Independently set up solar panels

④Process improvement reduces carbon emissions (developing recycling and regenerating processes, using bio-based materials to replace the proportion of petrochemical raw materials)

⑤The factory's diesel forklifts have been completely converted to electric ones.

⑥Digitize forms to reduce paper usage

Item	Implementation situation
The base year and its data for greenhouse gas reduction, reduction targets, strategies, and specific action plans.	1. The company, based on the three factory areas of the parent company, aims to reduce carbon emissions by 30% (including: Scope 1 and Scope 2) from the base year of 2021 to 2030, with an annual carbon reduction target of 3.3%. 2. In 2022, the Company engaged an external verification body to establish an ISO 14001 environmental management system and conduct an ISO 14064-1 organizational greenhouse gas inventory. In the same year, the Company obtained carbon footprint certification for nine major product categories. In 2023, the Company implemented the ISO 50001 energy management system and has continued to undergo annual verification. 3. Since 2022, the Company has conducted carbon emissions inventories and self-declarations for all plants of the parent company. It is planned to conduct carbon emissions inventories for subsidiaries disclosed in the consolidated financial statements in 2026, and to carry out external verification of greenhouse gas emissions for the group company in 2028.

6.02.2 Greenhouse Gas Emissions

In accordance with the ISO 14064-1:2018 Greenhouse Gas Inventory Standard, our company has conducted carbon emission inventories and self-declarations for all our plants starting from the year 2021, set 2021 as the base year, with carbon emissions amounting to 52,393.36 metric tons of CO_2e, in order to calculate greenhouse gas emission reductions and to undergo verification.

The 2025 inventory results are 974.01 tCO_2e for Scope 1 and 33,092.97 tCO_2e for Scope 2, with an emission intensity of 17.99 tCO_2e per million NT dollars of revenue. From 2021 to 2025, carbon emissions have decreased by 34.97%.

GREENHOUSE GAS EMISSIONS ANALYSIS TABLE

<table>
<tr><th>Item</th><th>Implementation situation</th></tr>
<tr><td>Greenhouse gas emissions for the past two years (metric tons CO2e), intensity (metric tons CO2e per million dollars), and data coverage.</td><td>Since 2024 and 2025, our company has conducted independent greenhouse gas inventories for three plants (Puyan Plant, Fangyuan Plant, Douliu Plant), and the combined statistical data are shown as follows:
<table>
<tr><th>Annual</th><th>2024</th><th>2025</th></tr>
<tr><td>Scope 1 Emissions (Metric Tons CO2e)</td><td>965.14</td><td>974.01</td></tr>
<tr><td>Scope 2 Emissions (Metric Tons CO2e)</td><td>38,365.75</td><td>33,092.97</td></tr>
<tr><td>Total Emissions of Scope 1 + 2 (metric tons CO2e)</td><td>39,330.89</td><td>34,066.98</td></tr>
<tr><td>Category 1 Carbon Intensity (metric tons CO2e/million dollars)</td><td>0.41</td><td>0.51</td></tr>
<tr><td>Category 2 Carbon Intensity (tons CO2e per million NT$)</td><td>16.13</td><td>17.48</td></tr>
<tr><td>Total greenhouse gas intensity (tons CO2e per million NT$)</td><td>16.54</td><td>17.99</td></tr>
</table>
According to the planning of the sustainable development roadmap for listed companies, our company does not yet need to conduct assurance of greenhouse gas inventory.</td></tr>
</table>

6.03 Energy Management

6.03.1 Energy Use Policy

An important core value in our company's operational strategy—maintaining environmental sustainability and improving energy use efficiency—facing the pressure of global greenhouse effects, we will strive to save energy and reduce carbon emissions, establish an energy management system according to the ISO 50001 international standard, and have the energy management authority unit responsible for integrating the energy usage status of all operation sites, understanding the major types of energy in each area, in order to formulate energy-saving improvement plans and short, medium, and long-term goals, and commit to:

1. Comply with energy-related regulations and prioritize the procurement of energy-saving products.
2. Improve energy use efficiency and continuously enhance energy performance.
3. Review energy target objectives to ensure access to information resources.
4. Implement an energy management system, with all employees participating in energy saving and carbon reduction. Create corporate energy value and build a sustainable corporate culture.

Our company systematically manages electrical equipment. First, we investigate the power consumption status of equipment in the factory, then rank the equipment according to their power consumption. Equipment with high power consumption is prioritized for improvement. At the beginning of each year, we propose an energy-saving plan, and after approval, we prepare the budget for implementation and review the execution status monthly.

In addition to internally evaluating and proposing energy-saving solutions, our company also invites external energy-saving experts (consulting firms) to assess and systematically diagnose and provide improvement suggestions. Then, based on budget and overall plant energy management considerations, energy-saving solutions are proposed. Before major equipment purchases, the energy efficiency of new equipment must be evaluated, and equipment with high energy efficiency should be selected to achieve the annual electricity-saving targets.

6.03.2 Energy Usage Situation

Our company is a high electricity-consuming energy production company, relying entirely on Taipower for electricity. In 2025, the total energy consumption of our company will be 253,408 GJ, of which purchased electricity accounts for 99.326% and renewable energy accounts for 0.674%.

- **Expand renewable energy:**

Actively support government policies, follow the Ministry of Economic Affairs Energy Bureau's policy for major electricity users to reduce electricity consumption by 1%, use renewable energy, and install solar panels at the Fangyuan plant to replace previously purchased electricity, generating a total of 1,707 GJ for self-use in 2025.

2023~2025 Energy Usage Statistics:

Puyan Plant GJ: Gigajoule MWH: Megawatt-hour

Annual	2025		2024		2023	
Unit of energy	GJ	MWH	GJ	MWH	GJ	MWH
Purchased electricity	35,729	9,924.8	34,738	9,649.6	35,791	9,942
Total energy use	35,729	9,924.8	34,738	9,649.6	35,791	9,942

Fangyuan Plant

Annual	2025		2024		2023	
Unit of energy	GJ	MWH	GJ	MWH	GJ	MWH
Purchased electricity	142,404	39,556.8	169,219	47,005.2	147,346.6	40,929.6
Renewable energy	1,707	474.4	1,779.8	494.39		
Total energy use	144,111	40,031.2	170,998.8	47,499.59	147,346.6	40,929.6

Douliu Plant

Annual	2025		2024		2023	
Unit of energy	GJ	MWH	GJ	MWH	GJ	MWH
Purchased electricity	73,568.1	20,435.6	87,497.3	24,304.8	97,346.9	27,040.8
Total energy use	73,568.1	20,435.6	87,497.3	24,304.8	97,346.9	27,040.8

Total of three factories

Annual	2025		2024		2023	
Unit of energy	GJ	MWH	GJ	MWH	GJ	MWH
Purchased electricity	251,701	69,917	291,454	80,960	280,485	77,912
Renewable energy	1,707	474	1,780	494	0	0
Total energy use	253,408	70,392	293,234	81,454	280,485	77,912

ENERGY INTENSITY IN 2025:

Item	Puyan Plant	Fangyuan Plant	Douliu Plant	Total
Electricity Consumption (kWh)	9,924,800	39,456,000	20,435,588	69,816,388
Output (tons)	2,979.58	23,929.51	8,191.14	35,100.23
Electricity consumption per ton of capacity (kWh)	3,330.94	1,648.84	2,494.84	1,989.06

ENERGY CONSUMPTION ANALYSIS TABLE:

✶Electricity efficiency per ton of production capacity: The total for the three plants in the year 2025 (ROC calendar) decreased by 1.05% compared with 2024, failing to reach the reduction target.

Energy consumption project	2025	2024	Year 2023
Electricity consumption per ton of capacity (kWh)	1,989.06	2,010.25	2,084.22

ANALYSIS OF ENERGY-SAVING PERFORMANCE OF EACH FACTORY:

Factory Three has proposed a total of 166 improvement projects, saving a total of 31,065.3 thousand kWh.

Puyan Plant

	Cumulative amount (2015~2022)	2023	Cumulative amount (2015~2023)	Ongoing	Total
Number of Improvements	34	5	39	2	41
Energy-saving electricity (kWh)	6,717	433	7,150	205	7,355
Investment Amount (10,000 NT dollars)	1,890	23.3	1,913.3	67.7	1,981

Fangyuan Plant

	Cumulative amount (2014~2024)	2025	Cumulative amount (2014~2025)	Ongoing (2026)	Total
Number of Improvements	52	12	64	11	75
Energy-saving electricity (kWh)	14,855.65	1,111.83	15,967.48	973.89	16,941.37
Investment Amount (10,000 NT dollars)	16,181.70	434.20	16,615.90	1,164.35	17,780.25

Douliu Plant

	Cumulative Amount (2018~2024)	2025	Cumulative Amount (2018~2025)	Ongoing (2026)	Total
Number of Improvements	43	7	50	0	50
Energy-saving electricity (kWh)	6,443.60	132.70	6,576.30	193.00	6,769.30
Investment Amount (10,000 NT dollars)	2,113.00	125.20	2,238.20	-	2,238.20

6.04 Water Resource Management

6.04.1 Water Resource Management and Reduction Targets

1. Water Resource Management

The company regularly assesses and reviews the impacts on water resources and drainage-related effects. Based on the results of risk and impact pathway evaluations of water resources, it formulates corresponding management policies and objectives to reduce the water resource risks at various sites and the extent of their impact on the environment or society.

Weight loss goal:

Using 2021 as the base year, the Company aims to increase its reclaimed water reuse rate by 3.3% annually through 2030.

• Main measures: Recycling and reuse of ice water systems, daily water conservation promotion①②

2. Discharge Water Management

The process wastewater generated at each of the Company's factories is properly treated according to the characteristics of the wastewater generation sources through appropriately planned wastewater treatment facilities, so that it can be discharged into rivers or connected to the industrial area wastewater treatment plant, ensuring that the discharged water quality meets the national effluent standards. According to the Water Pollution Control Act and the locations of the respective factories, the Puyan plant discharges into the township boundary small drainage, eventually flowing into the Old Zhuoshui River, while the other two factories discharge into the industrial area wastewater treatment plant through pipeline connections.

6.04.2 Water Usage Situation

The company's water sources include tap water and groundwater, and the groundwater used is obtained with legal groundwater rights.

In 2025, the total water intake was 174,275 metric tons, the waste (sewage) discharge was 111,032.90 metric tons, the total water consumption was 63,242.1 metric tons, and the water intensity was 92.0385 metric tons per million NT dollars of revenue.

WATER RESOURCES WITHDRAWAL AND CONSUMPTION

Unit: metric ton

Item	2025
Total Water Intake	174,275
Total water discharge	111,032.90
Total Water Consumption (Note 1)	63,242.1

Note 1: Total water consumption = Total water intake - Total water discharge

2025 DISCHARGE WATER VOLUME

Unit: metric ton

Factory	Water volume	
	Permitted Amount CMD	Annual emissions
Puyan Plant	120	18,794.5
Fangyuan Plant	250	40,791.4
Douliu Plant	180	51,447
Total of three factories		111,032.90

6.04.3 Recycled and Reused Water

The water recycling rate in 2025 has declined compared to the actual performance in 2024, and our company will continue to make efforts.

Unit: metric ton

Annual	2025	2024	Year 2023
Total Water Usage	174,275	189,199	185,535
Recycled Water Volume	28,226	33,059	30,590
Recycling rate	16.20%	17.47%	16.49%

6.05 Waste Management

6.05.1 Waste Management or Reduction Targets

The company has established a dedicated management unit in accordance with the ISO 14001 management procedures to effectively monitor the sources, generation, and management measures of waste, and conducts detailed analysis and responses to the actual and potential impacts related to waste.

Our company's waste management policy: The reduction target is a 30% decrease in waste from the 2021 baseline year by 2030. The company has established a comprehensive waste classification and recycling system to maximize resource recovery efficiency, reduce dependence on natural resources, and optimize waste management processes.

Our company, in accordance with government regulations on waste disposal, implements waste disposal plans approved by the competent authorities at each of our plants and selects qualified waste transportation and treatment vendors with valid environmental licenses to undertake the work. We accurately track the types, quantities, flow, storage, utilization, and disposal of hazardous waste outsourced for treatment to ensure legal compliance. In 2025, no abnormal disposal operations by waste transport vendors were observed.

In terms of data management, the Company has established a complete waste data collection and monitoring process, setting up recording systems starting from the points of waste generation to accurately track the amount, type, and disposal method of waste. Internal audits are conducted monthly to ensure the accuracy and consistency of the data, and management reports are generated quarterly to analyze the trends of different types of waste, serving as a basis for improving waste management strategies.

In terms of value chain cooperation, the Company works with suppliers that have sound waste management standards and promotes industrial symbiosis projects, converting production by-products into raw materials for other organizations. At the same time, it participates in the extension and improvement of product life cycles, establishes a product recycling mechanism, and ensures waste is properly managed. In addition, to effectively manage waste, the Company has established a product recovery system and promotes reverse logistics to ensure waste is effectively collected and reused.

6.05.2 Waste Generation Situation

The total amount of waste generated by our company in 2025 was 158.86 metric tons, all of which were non-hazardous industrial waste. The waste intensity was 0.0839 metric tons per million NT dollars of revenue, a reduction of 34.47% in total amount compared to 2024, and a decrease of 17.66% in intensity.

Methods of waste disposal include incineration, physical treatment, and reuse of waste.

2025 Waste Disposal Situation Unit: Metric Tons

Factory	General Waste Treatment Volume (tons)					
	Incineration	Percentage	Physical treatment	Percentage	Reuse	Percentage
Puyan Plant	11.21	27.62%			29.37	72.38%
Fangyuan Plant	14.91	56.2%	11.62	43.8%		
Douliu Plant	22.12	24.11%			69.63	75.89%

Source: Environmental Protection Administration, Executive Yuan – Business Waste Declaration and Management Information System

6.05.3 Serious Leakage

No relevant circumstances

6.05.4 Waste Transportation

Our company does not import or export related hazardous waste, so this indicator is not applicable.

6.06 Violation of environmental protection regulations

Our company had no violations of environmental regulations in 2025.

6.07 Using Recycled Material Policy

Waste Reduction and Resource Recycling

Our company examines the life cycle of its products and implements relevant measures to reduce waste generation. In material selection and product design, we prioritize using long-lasting and repairable materials and gradually replace harmful materials. In addition, by procuring recycled materials, we reduce dependence on limited resources.

Implement Policy:

1. Use recycled pallets, pegboards, and yarn tubes for packaging to reduce material consumption.

Our company collaborates with domestic customers to collect our packaging materials: corrugated boards and pallets, and has established a dedicated department for repair and reuse. In addition, we also take the initiative ourselves by returning suppliers' packaging materials through their return trucks. We strive for excellence, regularly reviewing the recycling rate through the management department, and continuously seeking sources for recycling, aiming for full reuse of resources, reducing packaging costs, and practicing the concept of a circular economy.

In order to avoid excessive packaging, our company requires customers to switch from small sesame cakes to large sesame cakes, and from small packages to large packages, reducing the consumption of packaging materials. Moreover, our company values the recycling and reuse of packaging materials. For a long time, besides recycling and reusing paper cores within the Company, we also offer incentives, and through continuous communication and coordination, we collect our company's packaging materials (pallets, corrugated boards) from customers for repair and reuse. Our company has established a good recycling management system, and at the same time organizes and stores suppliers' packaging materials, cooperating with suppliers to use return trips for reuse.

2. In product development, move towards a circular economy and continuously increase the proportion of recycled materials used.

For product proportions, see 4.08.6 Green Manufacturing.

3. Optimize traditional product design to increase the proportion of stock dyeing (pre-dyeing), allowing downstream customers to reduce the number of dyeing and finishing processes and decrease large amounts of water consumption.

For the product share, see 4.08.6 Green Manufacturing.

4. Reduce the use of photocopy paper. In order to reduce deforestation, our company is moving towards a paperless goal, starting with the implementation of electronic forms.

Digitalization not only saves paper, but also shortens process time, allowing work to be done anytime and anywhere without being limited by location or time, improving operational efficiency rate.

7. Appendices

7.01 Appendix I GRI Content Index

About the GRI Content Index

Statement of Use	Acelon has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2025.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No applicable GRI Sector Standard has been issued.

GRI Content Index

Number	Disclosure	Corresponding Section	Page	Remarks or Omissions
General disclosure				
GRI 2: General Disclosures 2021				
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2-4	Information Recompilation	Information Recompilation	6-7	
2-5	External assurance/confirmation	External Assurance/Guarantee Situation	6-7	
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2-20	Compensation Decision Process	Compensation Policy	7-18	
2-21	Annual Total Compensation Ratio	Compensation Policy	7-18	
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2-23	Policy Commitment	Policies and commitments, actions taken, performance targets and indicators implementation status	7-9	
2-24	Incorporate into policy commitments	Policies and commitments, actions taken, performance targets and indicators implementation status	7-9	
2-25	Procedures for mitigating negative impacts	Measures to Remedy Negative Impacts and Their Implementation Effectiveness	7-18	
2-26	Mechanism for seeking advice and raising concerns	Integrity-based business philosophy, policies, and code of conduct	7-18	
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2-30	Collective Agreement	Collective Agreement	58	
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3-2	List of major topics	List of major topics	19-25	
3-3	Material Topic Management	Policies and commitments, actions taken, performance targets and indicators implementation status	19-25	
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201-2	Financial impacts of climate change and other risks and opportunities	The risks and opportunities posed by climate change to the Company and the measures the Company has taken in response	64-66	

Number	Disclosure	Corresponding Section	Page	Remarks or Omissions
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201-4	Taken from government financial assistance	Economic performance	26	
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205-3	Confirmed Corruption Cases and Actions Taken	Integrity Governance		None
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Number	Disclosure	Corresponding Section	Page	Remarks or Omissions
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305-6	Emissions of ozone-depleting substances	Greenhouse gas emissions	71	
GRI 306: Waste 2020				
306-1	Generation of Waste and Significant Impacts Related to Waste	Waste management or reduction targets	76-77	
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GRI 401: Employment 2016				
401-1	New employees and departing employees	Human resources structure	46-59	
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403-1	Occupational Health and Safety Management System	Occupational Safety and Health Policy	60-64	
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403-5	Training for Workers in Occupational Safety and Health	Occupational Safety and Health Policy	60-64	
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Number	Disclosure	Corresponding Section	Page	Remarks or Omissions
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403-8	Workers covered by the occupational safety and health management system	Occupational Safety and Health Policy	60-64	
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GRI 404: Training and Education 2016				
404-1	Average training hours per employee per year	Employee training and education	56-59	
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404-3	Percentage of employees regularly undergoing performance and career development evaluations	Employee training and education	56-59	
GRI 405: Diversity and Equal Opportunity of Employees 2016				
405-1	Diversification of management units and employees	Members and Diversity	46-59	
405-2	The ratio of women's to men's basic salary and wages	Employee Rights and Benefits	46-59	
GRI 406 Non-discrimination 2016				
406-1	Discrimination incidents and improvement actions taken by the organization		46-59	
GRI 407 Freedom of Association and Collective Bargaining 2016				
407-1	Operations sites or suppliers that may face risks related to freedom of association and collective bargaining		46-59	
GRI 408 Child Labor 2016				
408-1	Significant risk of operations sites and suppliers using child labor		42-44	
GRI 409 Forced or Compulsory Labor 2016				
409-1	Operating sites and suppliers with significant risks of forced and compulsory labor			None

Number	Disclosure	Corresponding Section	Page	Remarks or Omissions
GRI 413: Local Communities 2016				
413-1	Operations of community consultations, impact assessments, and development plans	Local community	64-66	
413-2	Operational activities that have significant actual or potential negative impacts on the local community	Local community	64-66	
GRI 414: Supplier Social Assessment 2016				
414-1	Screen new suppliers using social standards	Supplier Management	42-44	
414-2	Negative social impacts in the supply chain and the actions taken	Supplier Management	42-44	
GRI 416: Customer Health and Safety 2016				
416-1	Assess the impact of product and service categories on health and safety	Customer Health and Safety	35-41	
416-2	Incidents of violations of health and safety regulations related to products and services	Customer Health and Safety	35-41	
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for Product and Service Information and Labeling	Marketing and Labeling	35-41	
417-2	Incidents of non-compliance with regulations related to product and service information and labeling	Marketing and Labeling	35-41	
417-3	Incidents of not complying with marketing communication-related regulations	Marketing and Labeling	35-41	
417-3	Incidents of not complying with marketing communication-related regulations	Marketing and Labeling	35-41	
GRI 418: Customer Privacy 2016				
418-1	Complaints confirmed to involve violations of customer privacy or loss of customer data	Customer Privacy Protection	32-34	

7.02 Appendix II Climate-related Information

Item	Content	Corresponding Section	Page
1	Clarify the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	6.01 Climate Change	67-70
2	Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finances (short-term, medium-term, long-term).	6.01 Climate Change	67-70
3	Describe the financial impacts of extreme weather events and transition actions.	6.01 Climate Change	67-70
4	Explain how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	6.01 Climate Change	67-70
5	If using scenario analysis to assess resilience in the face of climate change risks, the scenarios, parameters, assumptions, analytical factors, and main financial impacts used should be explained.	6.01 Climate Change	67-70
6	If there is a transition plan to manage climate-related risks, describe the content of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks.	6.01 Climate Change	67-70
7	If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.	6.01 Climate Change	67-70
8	If climate-related targets are set, information should be provided on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress achieved; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of the carbon reductions offset or the number of renewable energy certificates (RECs) should be specified.	6.01 Climate Change	67-70
9-1-1	Greenhouse gas inventory information for the past two years.	6.02.2 Greenhouse Gas Emissions	71
9-1-2	Confirmed greenhouse gas information for the past two years.	6.02.2 Greenhouse Gas Emissions	71
9-2	Greenhouse gas reduction targets, strategies, and specific action plans.	6.02.2 Greenhouse Gas Emissions	71

7.03 Appendix III Industry-specific Sustainability Metrics

Appendix 1-2 Sustainability Disclosure Indicators – Chemical Industry

No.	Indicator	Indicator Type	Disclosure for 2025	Unit	Remarks
1	Total energy consumption, percentage of purchased electricity, renewable energy usage rate, and total self-generated and self-used energy (Note 1)	Quantitative	Total energy consumption 253,408 Purchased electricity: 251,701, accounting for 99.326% Self-generated and self-used energy 1,707, accounting for 0.674%	Billion joules, percentage (%)	
2	Total water intake, total water consumption, and wastewater (sewage) discharge as required by regulations or voluntarily disclosed.	Quantitative	Total water intake: 174,275 Total water consumption: 63,242.1 Wastewater Discharge: 111,032.90	cubic meter (m^3)	

No.	Indicator	Indicator Type	Disclosure for 2025	Unit	Remarks
3	The total amount of hazardous waste generated from the product manufacturing process disclosed in accordance with legal requirements or voluntarily, and the recycling percentage.	Quantitative	Not applicable	Metric ton (t), percentage (%)	
4	Description of the number and rate of occupational accidents	Quantitative	0 people, 0%	Quantity, Percentage (%)	
5	Operational activities that have significant actual or potential negative impacts on the local community.	Qualitative	None	Not applicable	
6	Specific and effective mechanisms and actions taken by the Company itself and its suppliers to reduce negative impacts on the environment or society.	Qualitative	1. Foster good relations with relatives and neighbors, participate in activities sponsored by community elementary schools, the township office, volunteer fire departments, etc., and maintain good interaction with the community. 2. Implement energy-saving improvement measures every year, carry out carbon reduction operations, while also lowering costs and being environmentally friendly. 3. Conduct packaging material recycling operations with sales customers and suppliers to achieve economic circulation and be environmentally friendly. 4. In order to reduce deforestation, our company is moving towards a paperless goal, reducing paper usage. 5. Green manufacturing, researching and developing environmentally friendly recycled fibers, dope-dyed fibers, cellulose fiber long filaments, and other products, environmentally friendly.	Not applicable	
7	Product output by product category	Quantitative	Raw silk: 20,490.59 tons Processed silk: 14,609.64 tons	Depends on the product type	

Note 1: The total amount of self-generated and self-used energy is defined according to the 'Renewable Energy Development Act,' the 'Regulations for the Implementation of Renewable Energy Certificates,' or relevant subordinate regulations.