

2022

Sustainability Report of SINGTEX Industrial Co., Ltd.



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SING A LOVELY TEXTILE SONG

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About This Report

Preparation Process

This report is the first sustainability report issued by SINGTEX Industrial Co., Ltd. (referred to as the SINGTEX Group or the Group hereafter). The data and information in this report were provided by various departments and factories of the headquarters, compiled and edited by the Sustainability Report Compilation Team, reviewed and revised by the heads of the various promotion centers of the Sustainable Development Committee, and finalized for publication after review by the CEO and Chairman. In 2022, the company acquired G-FUN INDUSTRIAL CORPORATION. The scope of disclosure includes environmental, social, and economic data for SINGTEX Industrial Co., Ltd., Guanyin Plant, G-FUN INDUSTRIAL CORPORATION, and Magictex Apparel Corporation. Financial data and consolidated financial reports are disclosed consistently. All financial figures in the report are presented in New Taiwan Dollars. Information outside of this scope will be indicated in the report.

Report Structure

The content structure of this report follows the GRI 2021 Standards issued by the Global Reporting Initiative (GRI), adhering to the 8 Reporting Principles of GRI 2021: Accuracy, Balance, Clarity, Comparability, Completeness, Materiality, Timeliness, and Verifiability. It also corresponds to the sustainability accounting standards (SASB) for the Apparel, Accessories & Footwear industry, and aligns with the United Nations Sustainable Development Goals (SDGs) and climate-related information disclosure for listed companies. The report aims to cover significant issues of concern to stakeholders and showcase the company's sustainability efforts in its operations.

While not externally verified by third parties, the Group ensures the accuracy of all financial, environmental, and social data through rigorous internal control and auditing mechanisms.

Scope and Principles

The data disclosed in this report covers the period from January 1, 2022, to December 31, 2022. The Group will continue to communicate relevant information regarding corporate social responsibility and sustainable operations to stakeholders annually through report releases. This year's report presents SINGTEX's efforts and achievements in corporate governance, economy, environment, and social aspects to stakeholders, under the themes Commitment to Sustainability • Weaving Sustainable Value, Integrity Governance • Connecting Diverse Perspectives, Innovative Design • Driving Infinite Possibilities, Environmental Stewardship • Towards a Green Future, and Uniting Strength • Creating a Happy Workplace.

Publication Overview

This is the first sustainability report compiled by SINGTEX Industrial Co., Ltd. The Group will issue a "Sustainability Report" regularly each year.

- Previous edition: The current year is the inaugural edition, and no report was issued in the previous year.
- Current edition: Published in June 2023.

Contact Information

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SINGTEX Website

Message from the Chairman

Staying True to Our Roots

Warming People's hearts by Echoing Sustainable Values and Singing a Joyful Textile Song

From the end of 2019 to the beginning of 2023, a span of over three years, we have faced the dual impacts of the pandemic and extreme climate events. It has been a time for reflection and foresight, as various sectors have shown heightened interest in corporate sustainability. ESG has transformed from a global trend into a new opportunity for companies to enhance competitiveness and profitability, align with international standards, and actively pursue sustainable development. In recent years, our focus has been on digital transformation, green investment, talent cultivation, and community and environmental care. Through a sustainability value model, we continue to explore high-precision textile industry markets.

From 2019 to 2023, SINGTEX Group quickly responded to the COVID-19 pandemic by manufacturing medical protective suits. We promptly obtained Good Manufacturing Practice (GMP) certification from Taiwan's Ministry of Health and Welfare, as well as licenses for medical protective suit manufacturing, first-class medical device manufacturing, and medical device sales from the same authority. During the pandemic, we joined the national epidemic prevention team, supplying medical isolation and protective suits to major hospitals and government institutions, with donations exceeding NT\$10 million in value. Internationally, SINGTEX Group collaborated with the Taiwan Chamber of Commerce in Vietnam to donate P3 medical protective suits to Yen An Hospital and An Phuoc Hospital in Vietnam for international aid.

SINGTEX Group is gradually moving towards a low-carbon production capacity and a circular economy with recycling capabilities. In 2023, we will publish an ESG sustainability report, aiming to achieve the Group's carbon neutrality goal by 2050. In January 2022, we initiated the construction of a high-end precision dyeing and finishing plant at our Guanyin plant, introducing automation and big data technologies. Beyond achieving a green environment through smart technology, we are implementing various measures to improve air quality and reduce carbon emissions. We are also establishing artificial intelligence strategies for smart factories, covering production, sales, and research and development. Furthermore, we are actively promoting energy transition, including the use of 100% natural gas, developing low-carbon processes, and employing water-saving dyeing equipment, all in line with the Ministry of Economic Affairs' "Start with Low Carbon, Then Zero Carbon" approach.

For our green energy initiative, we have deployed over 2,000 square meters of solar panels, contributing to Taiwan's sustainable environment. We value our employees' growth and have established the SINGTEX Group Innovation Center, providing comprehensive career development and training to help employees realize their full potential and grow together with the company.

On our journey towards sustainability, SINGTEX Group leverages integration and influence to focus on various social projects. Starting in 2021, we purchased over NT\$250,000 worth of Future Children and Future Youth magazines to provide reading materials to rural elementary schools. We also donated fabric

inventory to the Gaia Foundation to create sports bags, participate in running events to aid underprivileged children's after-school programs, assisted organic rice cultivation for 12 years with Yilan rice farmers, sponsored Azure Alliance to clean up ocean debris, and collaborated with Taishan Enterprise for the Changhua Tianzhong Marathon event to promote clothing recycling. Bravely pursuing our dreams, we continue to infuse society with more warmth and happiness.

In environmental protection, we initiated a waste pallet recycling project within our Guanyin plant, recycling and repurposing old wooden pallets into building materials. This project is designed within the confines of the SINGTEX headquarters to contribute to the environment and the Earth.

Looking ahead, change is the only constant. While savoring a cup of coffee, doing good can "warm hearts, drink it, wear it, love it." We remain steadfast in "staying true to our initial aspiration, warming hearts," echoing sustainable values and singing a joyful textile song. Amid the global transformation driven by the pandemic, we continue to learn and improve, embracing new challenges in ESG. We aspire to exert maximum influence, collaborate along the value chain, and work towards sustainability, aiming to create a brighter future for the next generation.

Note 1:

Hospital Units: National Taiwan University Hospital donated 1,000 P2 medical protective suits and 1,000 P3 medical protective suits; Taipei Veterans General Hospital donated 2,000 medical protective suits; Tri-Service General Hospital of the National Defense Medical Center donated 2,000 medical protective suits; Linkou Chang Gung Memorial Hospital donated 2,000 medical protective suits; Mackay Memorial Hospital donated 1,000 medical protective suits; Fu Jen Catholic University Hospital donated 1,800 P3 medical protective suits; Taipei Adventist Hospital donated 200 medical protective suits.

Government Units: Taiwan's Ministry of the Interior donated 5,000 isolation suits and 1,000 medical protective suits; Taipei City Government awarded certificates of appreciation for donating 3,000 medical protective suits and epidemic prevention supplies to Taipei City Police Department; Taipei City Government Economic Development Bureau donated 1,000 isolation suits and medical protective suits; Taoyuan City Government donated 5,000 isolation suits and P3 medical protective suits.











興采集團董事長




陳國欽



Practicing the United Nations Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) consist of 17 goals and 169 specific targets. These will serve as the global focal points for development from 2016 to 2030. SINGTEX aligns its efforts with sustainability, echoing 13 of the SDGs' objectives.

	SDGs	Actions Taken by SINGTEX Group in 2022
	Eradicate hunger, achieve food security, improve nutrition, and promote sustainable agriculture.	<ul style="list-style-type: none"> The group adopts an organic farmland adoption program, collaborating with local rice farmers to cultivate rice using organic methods. This approach restores the healthiest ecological balance to the land and supports non-continuous cultivation, ensuring stable income for farmers. At the Guanyin and GFUN factories, a catering company is engaged to operate in-house kitchens, promoting healthy eating habits. The quality of food and environmental cleanliness are carefully monitored. Additionally, nutritionists from the catering company control the daily calorie intake of meals.
	Ensure inclusive and equitable quality education, and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> The group periodically invites external experts to conduct training sessions as part of internal education initiatives. External professionals impart specialized knowledge and experiences to inspire employee creativity and innovation, contributing to both work and personal life. The company also organizes seminars on various topics like health, humanities, and fire safety to enhance employee satisfaction and well-being. Each year, scholarship program information is provided to major universities, offering scholarships of 100,000 NTD for undergraduate students and 150,000 NTD for master's students. This fosters talent in the textile industry, establishes connections between students and the company, and supports economically disadvantaged families.
	Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> The company has achieved 29% female representation on its board of directors. Lactation rooms are established in both the company and factories, equipped with amenities such as sofas, refrigerators, storage shelves, air conditioning, restrooms, and access control systems. These rooms provide employees with comfortable and private spaces. SINGTEX Group has been honored with the "Healthy Workplace Certification – Health Promotion Mark" by the National Health Insurance Administration, Ministry of Health and Welfare. To enhance employee welfare and address childcare needs, the company collaborates with nearby qualified private childcare facilities and provides special childcare benefits for SINGTEX employees' children.

	<p>Ensure availability and sustainable management of water and sanitation for all.</p>	<ul style="list-style-type: none"> From the inception of the facility, SINGTEX introduced environmentally friendly practices, including solvent-free dyeing processes, reduced carbon emissions through natural gas use, energy-efficient machinery, and a smart energy-saving system in collaboration with Formosa Plastics Group. Efforts were also made in wastewater treatment, water-saving dyeing machines, and waterless dyeing technology to ensure efficient water resource management. The Group's dyeing facility employs a water-saving conveyor-belt dyeing machine that can save up to 70% of water usage.
	<p>Ensure access to affordable, reliable, sustainable, and modern energy for all.</p>	<ul style="list-style-type: none"> The Group's dyeing facility uses low bath ratio dyeing machines for production, significantly reducing steam, water, and electricity consumption. This results in an annual carbon reduction benefit of 796.2 tons.
	<p>Promote inclusive and sustainable economic growth, full and productive employment, and decent work for all.</p>	<ul style="list-style-type: none"> Adopt sustainable production methods, develop environmentally-friendly sustainable products, promote economic growth and employment opportunities, provide dignified working environments and conditions, and collaborate with other stakeholders to drive sustainable economic development. Establish the comprehensive SINGTEX Academy, schedule annual education and training programs, and plan more in-depth training courses to cultivate talent to high standards. The Group has implemented "Total Productive Maintenance (TPM)" to improve the overall organizational health through the enhancement of both "people" and "equipment," thereby enhancing the company's sustainability and competitive edge.
	<p>Reduce inequality within and among countries.</p>	<ul style="list-style-type: none"> In 2022, the company hired 9 employees from disadvantaged groups, surpassing the legal requirement of 7 employees. Starting from 2020, in alignment with ethical and fairness standards for migrant worker employment commitment, and to prevent forced labor, we initiated the "Zero Cost Policy" to create a harmonious labor environment. Migrant workers are not required to directly or indirectly bear any costs and expenses beyond what is mandated by the laws of their home or host countries for job assurance or retention. This includes service fees charged by third-party labor intermediaries on a monthly basis during the period of migrant worker employment, all of which are covered by the company.
	<p>Ensure sustainable consumption and production patterns.</p>	<ul style="list-style-type: none"> The Group aims to achieve a more responsible production model by reducing resource consumption and waste generation. This includes increasing production efficiency, optimizing production processes, using eco-friendly materials and technologies, and implementing principles of the circular economy. The company employs energy-saving equipment to reduce water and energy consumption. It promotes the use of recycled fibers and sustainable textile materials. Waste reduction, recycling, and reusing measures are implemented. Promoting responsible consumption patterns: By offering sustainable and high-quality products, the company encourages brand partners and consumers to choose green and sustainable textiles such as S.Café®, AIRMEM®, STORMFLEECE®. The company provides brand partners with enhanced product information transparency, offering marketing resources regarding product production processes, material sourcing, environmental impacts, etc., enabling informed choices for consumers. Additionally, by promoting the concepts of sustainable fashion and circular clothing, consumers are encouraged to reduce waste, extend the lifespan of clothing, and engage in second-hand trading and donation activities. In the 2022 Taiwan's Rice Heaven Tianzhong Marathon, the Group launched the "SINGTEX® REFIT™ Garment to Garment Textile Recycling Program." It encourages runners to bring their no-longer-worn 100% polyester fiber running clothes to the event venue and hand them over to SINGTEX for transformation into brand new garments. This initiative embodies the "textile-to-textile" sustainable circular program, giving a renewed life to old clothing.

	<p>Take urgent action to combat climate change and its impacts.</p>	<ul style="list-style-type: none"> • Establish forward-looking research centers and high-precision eco-friendly dyeing and finishing research centers to develop sustainable and eco-friendly products with climate protection functions, such as sun protection, insulation, high breathability, quick-drying, etc., to meet the evolving demands under changing climate conditions. • Develop water-saving products: In 2018, SINGTEX introduced S.LEISURE® elastic fabric, which uses special yarns to replace traditional Spandex elastic fabrics. The process eliminates the need for pre-shrinking and pre-setting processes, saving 10 liters of water per kilogram of fabric. The company also promotes solution dyeing for fabrics, reducing water usage during dyeing and preventing color bleeding during washing, thus extending the lifespan of clothing. • Actively participate in climate-related activities in Taiwan, such as sponsoring and participating in the distribution of straw-decomposing fungi to farmers in Hualien Fuli District, aiming to reduce CO2 emissions by preventing straw burning and restoring fresh air. • In 2022, SINGTEX Group implemented ISO 50001:2018 at its dyeing and finishing facility located at No. 15-1, Ronggong South Road, Guanyin District, Taoyuan City. On December 14, 2022, the facility obtained the certification, marking a milestone in SINGTEX Group's Energy Management efforts and setting a template for the company's energy management. Through the implementation of Energy Management, the company aims to assess and review energy usage, formulate energy improvement plans, and achieve energy efficiency and carbon reduction goals.
	<p>Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.</p>	<ul style="list-style-type: none"> • SINGTEX Group takes action in line with SDG Goal 14 to reduce negative impacts on the oceans, promote sustainable use of marine resources, and enhance cooperation. • The group's dyeing and finishing facility has received certification from the Swiss environmental certification organization, bluesign®, and has developed eco-friendly products such as S.LEISURE®, STORMFLEECE®, STORMEGA®, etc. These products reduce water usage and wastewater discharge in the production process. The company also participates in marine protection projects and educational activities. For instance, in 2022, a beach cleanup activity was conducted in Yilan, and a collaboration with Azure Alliance to transform ocean plastics into S.Café® Ocean eco-friendly technology ocean coffee yarn, contributing to clean oceans and sustainable development. • The introduction of patented products like STORMFLEECE® and STORMEGA® 3D dimensional brushed fabrics saves energy consumption in bonding processes, conserves precious energy and water resources, and reduces the release of microfibers into water systems during laundry, thus preventing pollution of marine resources.
	<p>Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, reverse land degradation, and halt biodiversity loss.</p>	<ul style="list-style-type: none"> • GFUN has been adopting the trees around the Guanyin Industrial Area factory for eight consecutive years, and in the past two years, a large area of windbreak forest behind the factory has also been included in the adoption program. • The company has been adopting rice fields in Yilan for thirteen consecutive years. Adhering to environmental protection principles, organic farming methods are utilized for fertilization and weed control. Employees participate in activities such as planting and harvesting. The cultivation of rice not only provides food for the people but also conserves groundwater and prevents land subsidence. Since a rice harvest depends on nature, one natural disaster can negate a year's worth of hard work by farmers. Therefore, SINGTEX Group adopts a piece of land and shares the challenges faced during cultivation, demonstrating practical care for the land.

	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.	<ul style="list-style-type: none">• The company maintains open and transparent communication with various stakeholders through diverse channels, discussing and negotiating important issues, and responds to stakeholders with tangible operational results.• Mechanisms and channels for complaints are provided, and complaints can be lodged through the company's online platform.
	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	<ul style="list-style-type: none">• The company has established a supplier evaluation and management procedure, evaluating raw material and outsourced manufacturing suppliers. Key suppliers are evaluated based on compliance with regulations, social and environmental impact, and corporate social responsibility.



Highlights Of ESG Performance



Environmental
Aspect

- Renewable raw material ratio increased by 6.98%.
- Non-renewable raw material ratio decreased by 6.98%.
- Energy consumption intensity reduced by 0.12%.
- Energy consumption reduced by 509,503.8 kWh.



Social
Aspect

- Employed 9 individuals from disadvantaged groups as employees, exceeding the governmental requirement of 7.
- Occupational safety and health management committee includes 4 members, with labor representatives constituting 44% of the total.
- Total employee education and training hours reached 102 hours.
- Female directors in the company make up 29%.



Corporate
Governance
Aspect

- 8 categories of stakeholders.
- 10 significant topics addressed.
- Annual revenue of NTD 3,217,811,000.
- Earnings per share of 2.51 NTD.
- Directors collectively completed 60 hours of further education.

01

Commitment to Sustainability

Weaving Sustainable Value

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1.1 Sustainable Commitment

SINGTEX Group's focus on the "Environmental Sustainability" issue centers on the influence exerted by core product development and functions. The company remains committed to green product design, green manufacturing, and the promotion of a green supply chain. Guided by the central value of creating a "heartwarming business," SINGTEX Group actively takes measures to address the impact of climate change on human survival. It has obtained certifications from OEKO-TEX®, Global Recycled Standard (GRS), and the stringent Swiss environmental certification organization, bluesign®, as a testament to its dedication to environmental policies. Through audit assessments to ensure compliance with standards and supplier management, potential and adverse sustainability impacts are preemptively prevented, addressed, remedied, or controlled.

Data reveals that in 2019, global plastic consumption amounted to approximately 460 million tons, with plastic waste nearly doubling from two decades ago to over 350 million tons, of which less than 10% were recycled. Since the 1950s, humans have produced about 8.3 billion tons of plastic products, 60% of which has been buried, incinerated, or directly disposed of in lakes and oceans. The linear economic model of "extracting raw materials, manufacturing products, using, and discarding" has led to excessive waste generation. This unsustainable pattern of behavior implies that growth is bound to reach the limits of space and resources at some point. It has caused the contradiction of both "resource scarcity" and "waste" in today's society. SINGTEX Group believes that if this production-consumption model is not changed, it will not only fail to leave a sustainable future for the next generation but also expose businesses to operational risks due to resource scarcity and price fluctuations. In its pursuit of sustainable operations, SINGTEX Group adopts the circular economy approach. By repurposing discarded coffee grounds and PET bottles, these materials are transformed into clothing. Old garments are then recycled using advanced technologies, extending the lifecycle of textiles from "cradle to grave" to "cradle to cradle." This forms a circular model of "resources, products, and recycled resources," achieving maximum resource efficiency and fostering new business strategies. It evolves into a core operational strategy.

To establish a goal of protecting the environment, human rights, safety, health, and sustainable development, SINGTEX demands that its group and its subsidiaries enhance management to prevent, address, remedy, or control potential and adverse sustainability impacts. Apart from supplier contracts and annual supplier assessments, the company initiated a supplier self-assessment questionnaire in 2023. This includes economic, environmental, and social criteria, ensuring suppliers follow local laws and adhere to environmental, health, safety risks, prohibition of child labor, labor management, eradication of all forms of forced labor, no harm to labor's fundamental rights, basic human rights, moral guidelines, and ethical business practices. This aims to meet the requirements and expectations of sustainability.

1.2 Stakeholders

1.2.1 Stakeholder Engagement

In order to actualize the goals and visions of sustainable operations, SINGTEX follows the ESG (Environmental, Social, Governance) framework, focusing on the three dimensions: Environmental Protection, Social Responsibility, and Corporate Governance. Adhering to the GRI Standards 2021 Stakeholders Identification Criteria, external experts assess the actual or potential positive or negative impacts of the company on the economic environment and various populations (including human rights). They consider stakeholder types relevant to the industry and engage with on-site colleagues to collectively review and confirm the relationships between different types of stakeholders and SINGTEX.

Based on the results of external expert identification and discussions with the company, the stakeholders for 2022 have been identified as shareholders and other investors, employees and other workers, financial institutions, suppliers, business partners, local communities, customers, and government, totaling 8 categories.



1.2.2 Stakeholder Communication Channels

The Group values the input of stakeholders and offers a range of diverse communication mechanisms and interactions. Through various channels, the company aims to understand stakeholders' needs, expectations of the company, and areas of concern regarding sustainable development issues. Beyond providing immediate responses, the company also utilizes stakeholders' opinions and outcomes as reference points to drive corporate social responsibility and sustainable development initiatives. The various Stakeholder Communication Channels and their frequencies are outlined in the table below:

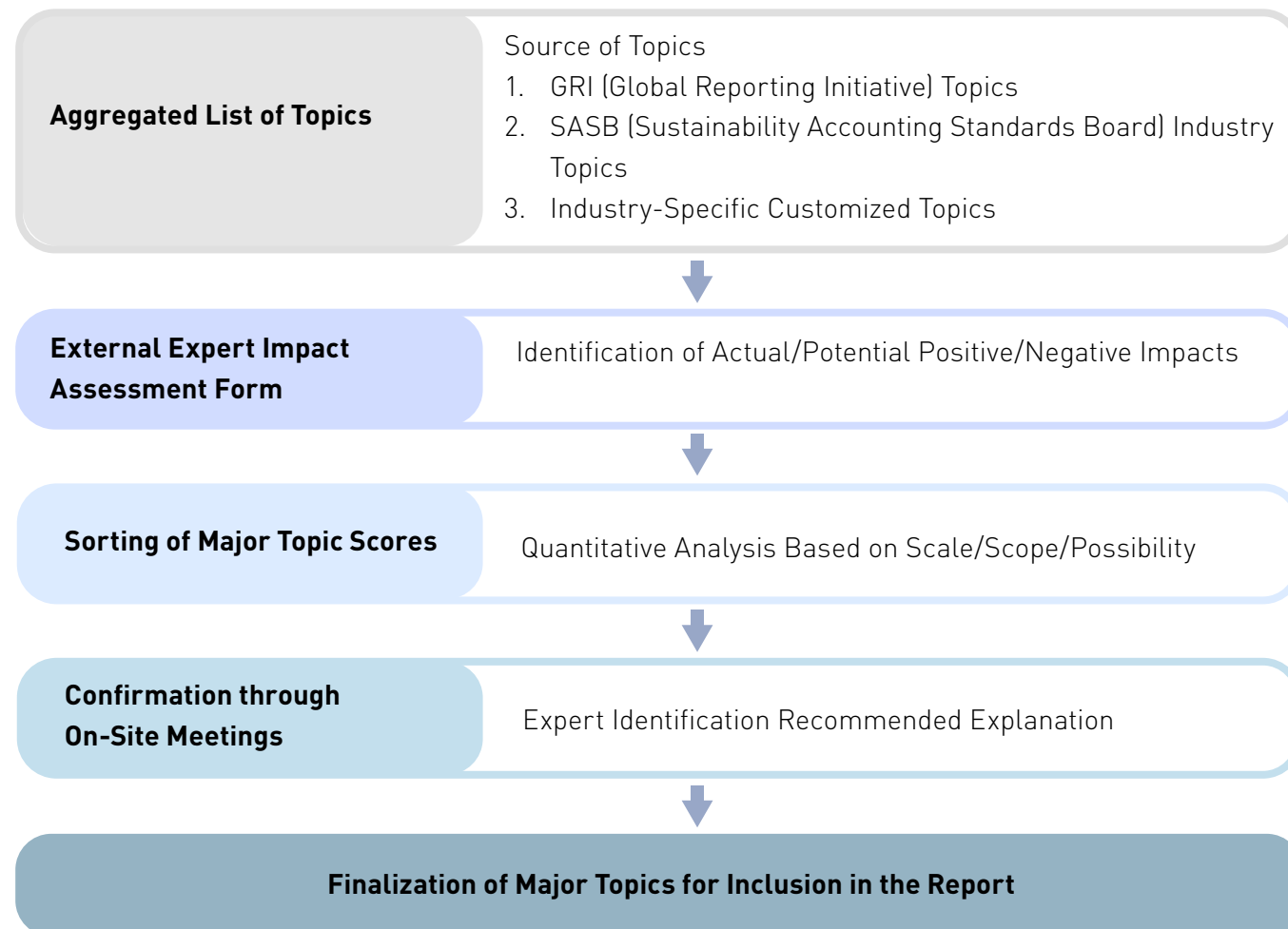
Stakeholders	The Significance of Stakeholders for SINGTEX	Communication Channels	Frequency	Communication Effectiveness
Shareholders and other investors	Shareholders are the foundation of SINGTEX, holding the highest authority in determining the direction of the company's development.	<ul style="list-style-type: none"> Shareholders' Meetings Annual Reports Company Website Public Information Observation Platform 	<ul style="list-style-type: none"> Annually Annually As needed As needed 	<ul style="list-style-type: none"> Held an extraordinary shareholder meeting on March 1, 2022, and an annual shareholder meeting on May 27 of the same year. Disclosed information and significant announcements in accordance with regulatory authorities' requirements.
Employees and other workers	The support and cohesion of employees are the driving force behind SINGTEX's pursuit of sustainable operations.	<ul style="list-style-type: none"> Labor-Management Meeting Employee Welfare Committee Occupational Health and Safety Committee Employee Suggestion Box 	<ul style="list-style-type: none"> Quarterly Monthly Quarterly As needed 	<ul style="list-style-type: none"> Conducted four Labor-Management Meetings. Held Employee Welfare Committee meetings monthly. Convened Occupational Health and Safety Committee meetings quarterly.
Financial institutions	Their attention to SINGTEX's financial performance and assistance in capital operations contribute to the company's financial stability.	<ul style="list-style-type: none"> Telephone Communication Business Visit Company Website Company Annual Report and Financial Statements 	<ul style="list-style-type: none"> As needed As needed As needed Quarterly 	<ul style="list-style-type: none"> Provided audited annual financial reports for the year 2022 and quarterly reports reviewed by auditors. Fully supported the group after risk assessment by financial institutions.
Suppliers	Suppliers: Suppliers, by consistently providing upstream materials, are not only the backbone of SINGTEX but also its most critical partners.	<ul style="list-style-type: none"> Supplier Evaluation Suppliers Signing Corporate Social Responsibility Self-Assessment Forms Business Visit Telephone Communication Company Profile 	<ul style="list-style-type: none"> Annually Annually As needed As needed Established during the first transaction, reviewed annually 	<ul style="list-style-type: none"> Started gradually promoting sustainability in procurement from 2023, enhancing Suppliers' awareness and commitment to sustainability through signing Corporate Social Responsibility self-assessment forms. Evaluated the top 20 suppliers in terms of sustainability in 2023, achieving a 100% compliance rate. Maintained a dedicated department to monitor product progress and quality at all times. Established a database containing suppliers' capital information.

Stakeholders	The Significance of Stakeholders for SINGTEX	Communication Channels	Frequency	Communication Effectiveness
Business Partners	Business partners engage in collaborative relationships with SINGTEX, jointly innovating industry value and enhancing sustainable competitiveness.	<ul style="list-style-type: none"> • Business Visit • Telephone Communication • Company Profile 	<ul style="list-style-type: none"> • As needed • As needed • Established during the first transaction, reviewed annually 	<ul style="list-style-type: none"> • Updated the website with ESG-related information for the year 2022. • Created a database of essential customer information.
Local Communities	Fulfilling social responsibilities, SINGTEX takes from society, gives back to society, and creates a positive impact.	<ul style="list-style-type: none"> • Social Media • Community Leader's Office 	<ul style="list-style-type: none"> • As needed • As needed 	<ul style="list-style-type: none"> • Addressed 0 petitions from residents in the community. • Provided 12 meals daily to elderly residents living alone in the community.
Customers	Building long-term trust and cooperation with customers are central to enhancing SINGTEX's products and services.	<ul style="list-style-type: none"> • Satisfaction Survey Questionnaire • Business Visit • Telephone Communication • Customer Complaint Inbox 	<ul style="list-style-type: none"> • Semi-annually to annually • As needed • As needed • As needed 	<ul style="list-style-type: none"> • Achieved a customer satisfaction survey score of 90%.
Government	As setters of sustainability regulations, the government's regulations serve as the foundation for SINGTEX's operations.	<ul style="list-style-type: none"> • Official Document Exchange • Company Website • Public Information Disclosure Platform 	<ul style="list-style-type: none"> • As needed • As needed • As needed 	<ul style="list-style-type: none"> • Complied with tax regulations in 2022 without incidents of penalties or fines. • Adhered to the regulations of the Financial Supervisory

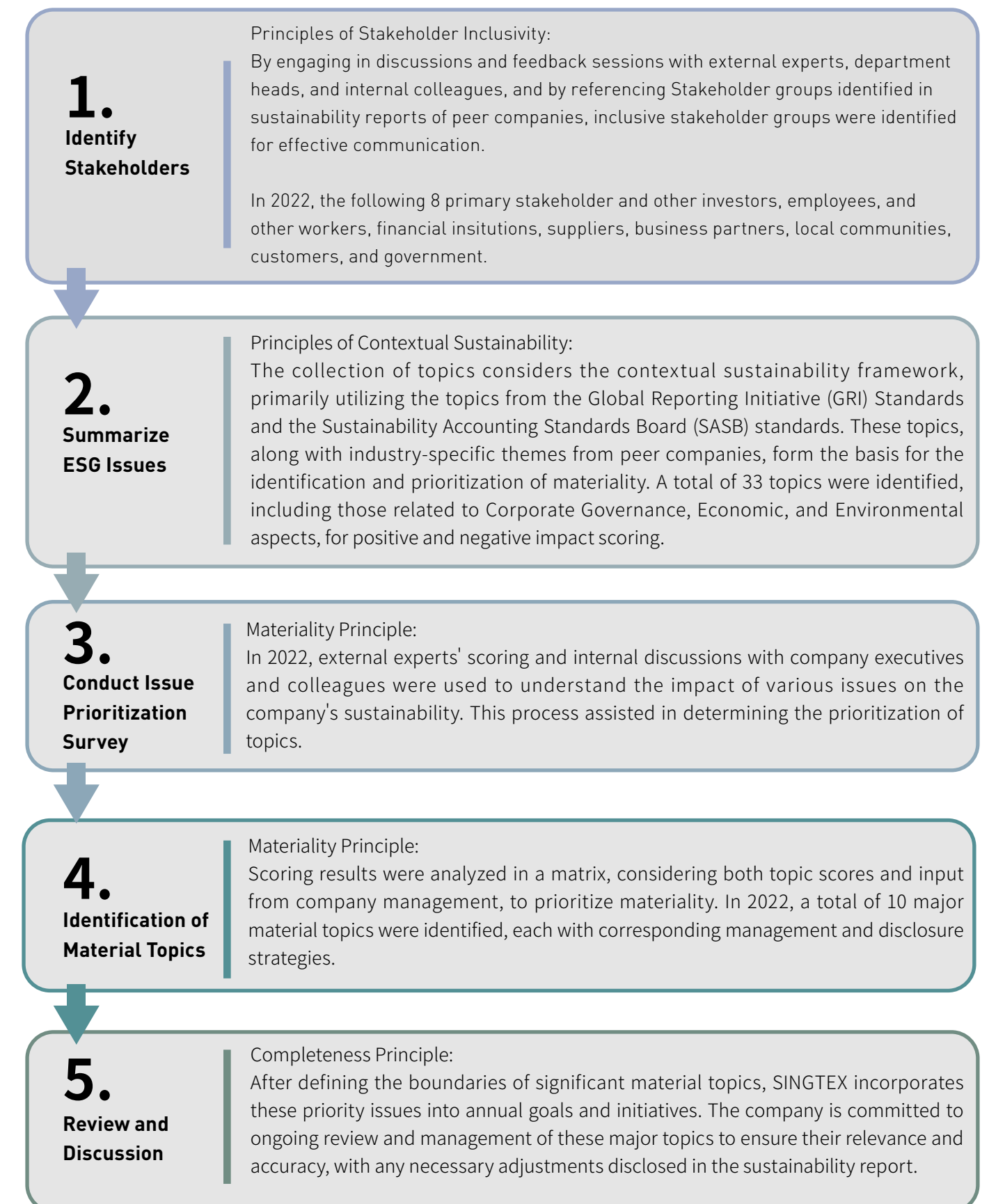


1.3 Identification of Material Topics

During the preparation of its sustainability report, SINGTEX implemented a materiality analysis process in accordance with the Sustainability Accounting Standards Board's standards for the Apparel, Accessories & Footwear sector. This process involved selecting 33 key topics, guided by the sustainability practices of peers in the industry. External experts evaluated the potential negative impacts and positive contributions of these topics on the economy, environment, and people (including human rights). Additionally, SINGTEX considered the requirements and concerns of international sustainability advocacy organizations and potential investors regarding corporate sustainability issues. Each topic was assessed based on its actual and potential negative impacts, as well as actual and potential positive contributions, across economic, environmental, and societal (including human rights) dimensions. These assessments were carried out through a scoring process. Collaborative discussions involving SINGTEX team members were conducted to determine the topics that held significant implications for the company's sustainable operations. Such topics were then used as the foundation for highlighting major themes and information disclosure in the 2022 annual report. The detailed identification process is outlined below:



Steps for ESG Materiality Analysis



1.3.1 Identification of Material Topics Outcome

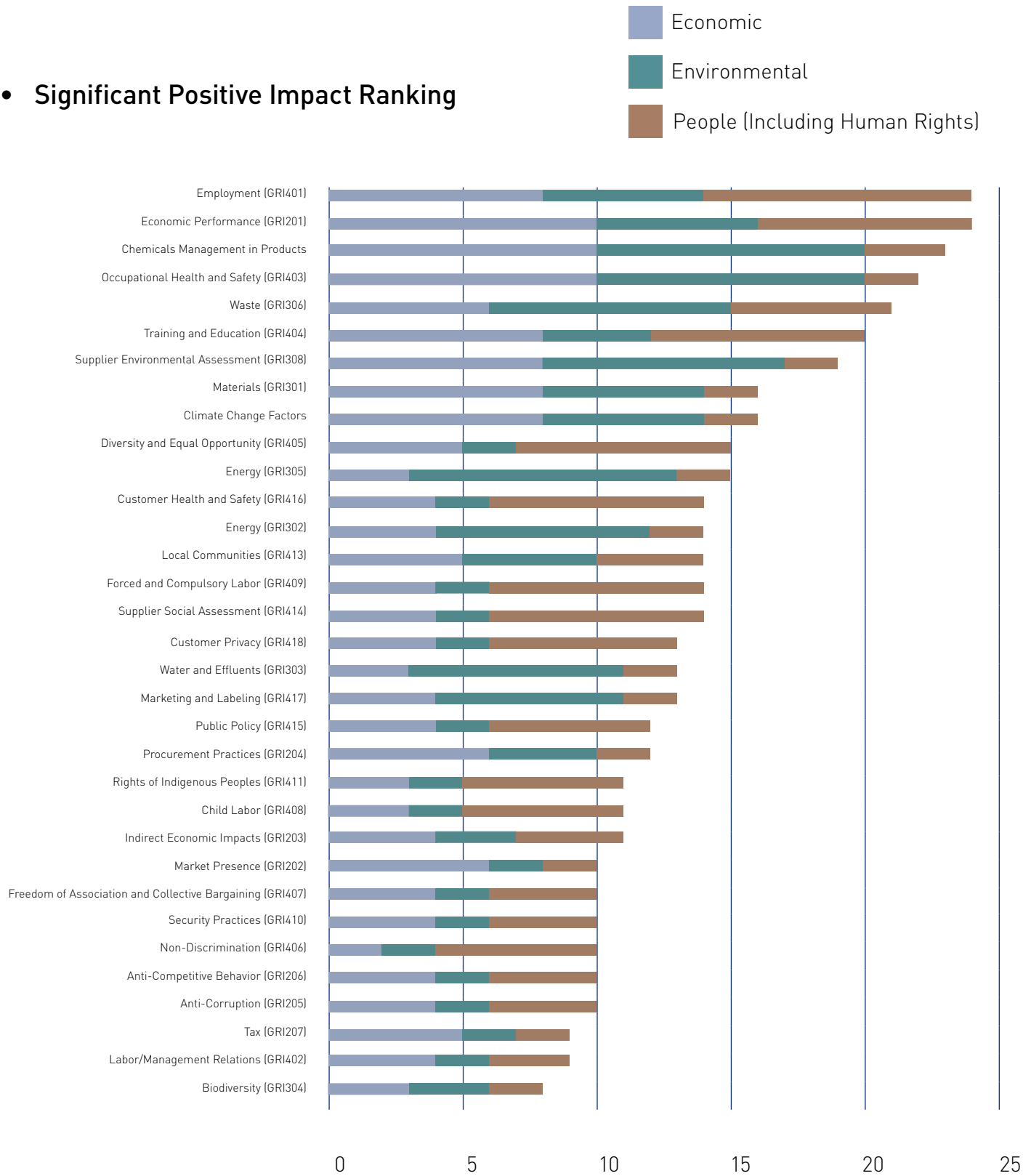
Based on the scoring results, 9 topics were selected: Economic Performance, Labor and Employment Relations, Chemicals Management in Products, Occupational Health and Safety, Waste Management, Suppliers' Environmental Assessment, Training and Education, Climate Change Factors, and Materials Management. Subsequently, discussions were held with company colleagues to confirm the significant topics for 2022, resulting in the identification of 10 sustainability topics: Economic Performance, Labor and Employment Relations, Chemicals Management in Products, Occupational Health and Safety, Waste Management, Suppliers' Environmental Assessment, Climate Change Factors, Materials Management, Emissions, and Diversity and Equal Opportunities for Employees. These topics were designated as ongoing focal points for attention and promotion, serving as the foundation for future sustainability report disclosures. The content of these major topics is released after confirmation by senior management.

• Quantification of Material Impact

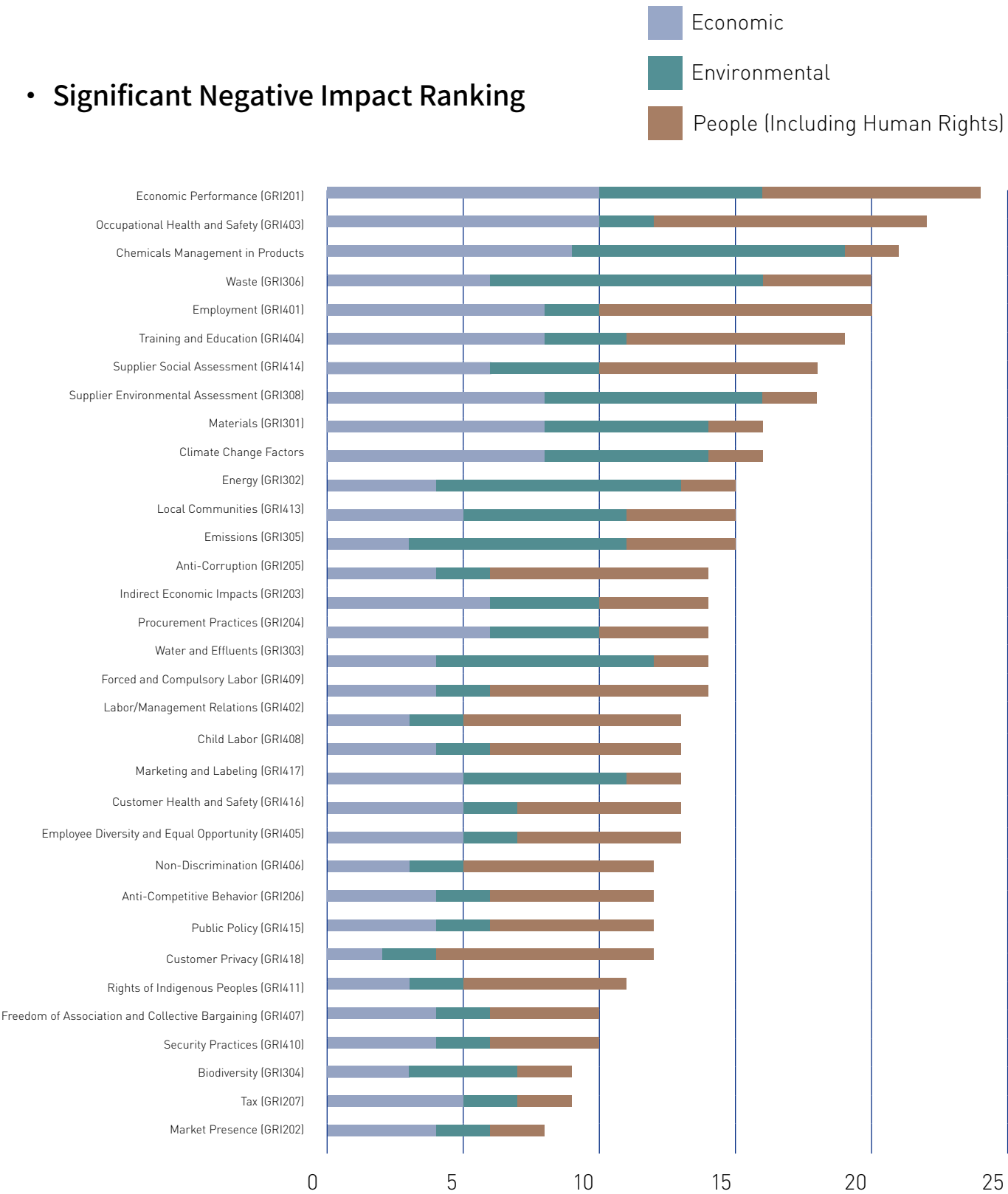
The quantified impact of SINGTEX's major topics for the year 2022, as identified by external experts, is presented in the following table:

	Economic				Environmental				Societal (including Human Rights)			
	Actual		Potential		Actual		Potential		Actual		Potential	
	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative
Economic Performance	5	5	5	5	3	3	3	3	4	4	4	4
Employment	4	4	4	4	5	1	1	1	5	5	5	5
Chemicals Management in Products	5	5	5	4	5	5	5	5	2	1	1	1
Occupational Health and Safety	5	5	5	5	1	1	1	1	5	5	5	5
Waste	3	3	3	3	4	5	4	5	2	2	4	2
Supplier Environmental Assessment	4	4	4	4	5	4	5	4	1	1	1	1
Climate Change Factors	4	4	4	4	3	3	2	3	1	1	1	1
Materials	4	4	4	4	3	3	2	3	1	1	1	1
Emissions	2	2	1	1	5	5	3	3	1	2	1	2
Diversity and Equal Opportunity	3	3	2	2	1	1	1	1	4	3	4	3

• Significant Positive Impact Ranking



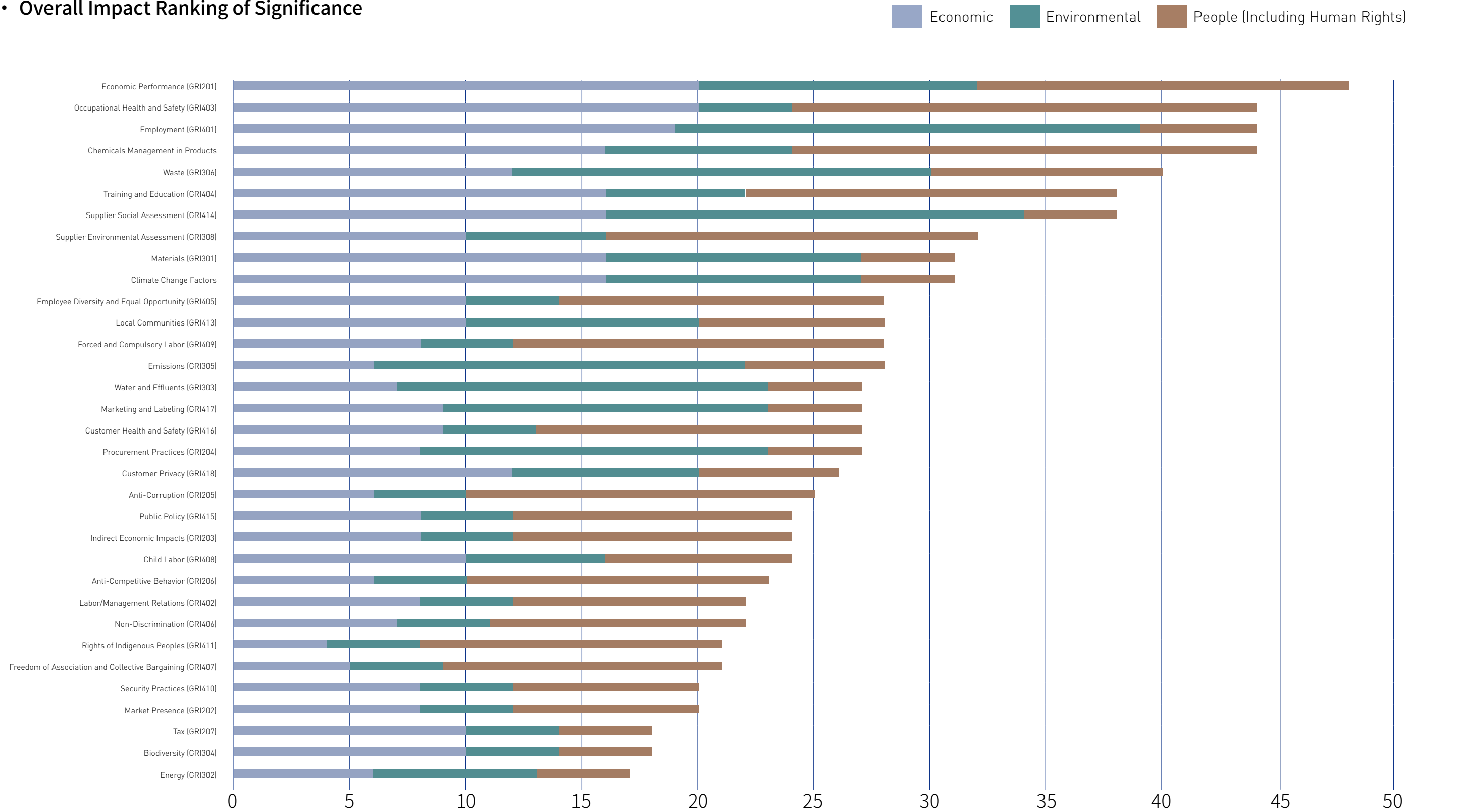
• Significant Negative Impact Ranking



* This item is a topic from SASB, and is given priority for assessment.

* This item is a topic from SASB, and is given priority for assessment.

• Overall Impact Ranking of Significance



* This item is a topic from SASB, and is given priority for assessment.

1.4 Value Chain Boundaries of Material Topics

■ : Direct Impact □ : Facilitating Impact ▲ : Business Activity Impact

Major Themes	Corresponding Indicators	Management Disclosure Section	SINGTEX Value Chain Significant Theme Boundaries								
			Internal		External						
			Singtex	Employees and Other Workers	Financial institutions	Suppliers	Business partners	Local communities	Customers	Government	Shareholders and Other Investors
Economic Performance	GRI 201	Chapter 2: Integrity Governance	■		□	▲	▲		▲		□
Employment	GRI 401	Chapter 5: Uniting Strength	■	■			▲				□
Chemicals Management in Products	SASB	Chapter 3: Innovative Design	■			▲			▲		□
Occupational Health and Safety	GRI 403	Chapter 5: Uniting Strength	■	■		▲					
Waste	GRI 306	Chapter 4: Environmental Stewardship	■								□
Supplier Environmental Assessment	GRI 308	Chapter 3: Innovative Design	■			▲					
Climate Change Factors	GRI 201	Chapter 4: Environmental Stewardship	■		□				□		□
Materials	GRI 301	Chapter 4: Environmental Stewardship	■			□					□
Emissions	GRI 305	Chapter 4: Environmental Stewardship	■								□
Diversity and Equal Opportunity	GRI 405	Chapter 5: Uniting Strength	■	■		▲	▲	▲			□

02 Integrity Governance Connecting Diverse Perspectives

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Disclosure of Integrity Governance Management

Material Causes	<ul style="list-style-type: none"> The Group is committed to effective management of economic value as its core, continuously developing new environmentally friendly materials, employing energy-saving and carbon-reducing processes, producing high-performance textiles, and providing optimal services and quality to customers. With steady corporate growth, the Group upholds legal and ethical standards. The company's management team strives to create the highest operational efficiency, enhance profitability, and fulfill corporate social responsibility, achieving long-standing business objectives.
Policies / Strategies	<ul style="list-style-type: none"> Continuing vertical integration policies to develop processed and brushed fabric products, enhancing product niche. Actively pursuing acquisitions of garment factories to achieve the goal of complete in-house vertical integration, from fabric to finished clothing, for the military supply and distribution station. Leveraging vertical process advantages in GFUN film production and lamination, actively engaging in government tenders for police, firefighting, environmental, and postal agencies. Creating maximum profit margins through vertical production from fabric to finished clothing.
Objectives and Targets	<ul style="list-style-type: none"> Setting annual revenue and profit targets based on the Group's annual operational policies and plans.
Management Assessment Mechanism	<ul style="list-style-type: none"> Reviewing goal achievements based on monthly performance management reports
Performance and Adjustments	<ul style="list-style-type: none"> Consolidated operating revenue: TWD 3.218 billion in 2022, an increase of TWD 338 million compared to 2021, representing an 11.74% increase. Consolidated operating profit: TWD 141.34 million in 2022, an increase of TWD 57.03 million compared to 2021, indicating a 67.64% increase. Non-operating income and expenses: TWD 41.41 million in 2022, an increase of TWD 26.52 million compared to 2021, demonstrating a 178.16% increase. Consolidated net profit after tax: TWD 116.93 million in 2022, an increase of TWD 38.94 million compared to 2021, resulting in a 49.92% increase. Earnings per share: TWD 2.51 in 2022, compared to TWD 1.21 in 2021, an increase of TWD 1.30.
Preventive or Remedial Measures	<ul style="list-style-type: none"> Through monthly business meetings, managerial gatherings, financial conferences, and group integration meetings, the Group reviews execution outcomes and discusses potential modifications or implementations.

2.1 About SINGTEX Group

SINGTEX Group, established in 1989, encompasses SINGTEX Industrial Co., Ltd., GFUN INDUSTRIAL CORPORATION, MAGICTEX APPAREL CORPORATION and MAGICTEX COMPANY LIMITED. It offers a comprehensive range of services, including innovative eco-friendly yarn and fabric research and development, breathable waterproof fabric processing, and clothing design and manufacturing.

With the goal of becoming a global leader in eco-functional textiles, SINGTEX Group focuses on creating high-quality and environmentally friendly products within the framework of sustainable development. It boasts a variety of world-class patented fabrics that are adopted by renowned outdoor brands. Initially centered on functional textiles, the company has evolved its focus in recent years due to the recognition of the urgent climate change's impact on human survival and the belief in safeguarding the planet. To this end, SINGTEX Group has invested hundreds of millions to establish forward-looking research and development centers, as well as high-precision eco-friendly dyeing and finishing centers. The pivot towards eco-functional textiles has positioned the company as a prominent supplier of eco-functional textiles in Taiwan, with a commitment to innovation and a drive to become a permanent supplier to international fashion brands. The company has been consistently recognized with awards such as the Taiwan Excellence Award for several consecutive years, in addition to being selected as one of Taiwan's Top 100 Brands for the Centennial, an Outstanding Medium Enterprise, and receiving various international accolades. In 2014, the company was listed on the stock exchange (Stock Code: 4433).

MAGICTEX APPAREL CORPORATION (Stock) was established in 2005 as a subsidiary of SINGTEX Industrial, specializing in the production of functional sportswear and outdoor leisure clothing. The company provides customized group uniforms, long-term production of clothing for government procurement projects, collaborations with designers to drive the fashion industry, and is a regular supplier for major Taiwanese sporting events. Leveraging its parent company's expertise in eco-functional fabric development, the subsidiary offers a one-stop service for brands, ranging from fabric selection recommendations to garment manufacturing. In 2007, the subsidiary established a high-precision eco-friendly dyeing and finishing research center in Taoyuan, equipped with a comprehensive color system, specialized fabric coating and lamination, yarn development, and fabric design capabilities. The center was designed with environmental considerations, incorporating solvent-free dyeing processes, reducing carbon emissions through natural gas usage, and employing energy-saving equipment. Water-saving techniques, such as low-water dyeing machines and waterless yarn dyeing technology, were implemented to address water resource concerns. The SINGTEX High-Precision Eco-Friendly Dyeing and Finishing Research Center is a fully eco-friendly dyeing and finishing facility, certified with bluesign®, OEKO-TEX®, GRS, and other credentials. MAGICTEX COMPANY LIMITED., operating as Magictex, commenced operations in November 2013 as a subsidiary of Taiwan's SINGTEX Industrial Co., Ltd. It holds certifications including WRAP CERTIFICATION and CTPAT, and specializes in various clothing manufacturing technologies.



SINGTEX Group is committed to providing a more comfortable and healthier future for humanity, upholding the highest principles by using environmentally friendly materials to manufacture high-quality textiles. The Group's vision is to be a leading provider of comprehensive eco-functional textiles and the preferred supplier for world-renowned brands. Simultaneously pursuing mutual benefit, customer satisfaction, and the contentment of shareholders and employees, the group strives to achieve sustainable growth and continuous operation. It remains dedicated to its fabric brand, embodying the concept of "Heaven, Earth, and Humanity," achieving various patent certifications and domestic and international awards through rigorous quality control. With a focus on resource optimization and reuse within the confines of limited resources, the company aims to fulfill its vision of ecological sustainability.

• Company Overview



Company Name	SINGTEX INDUSTRIAL CO., LTD
Company Address	No. 10, Wuquan 2nd Rd. Xinzhuang Dist., New Taipei City, 248020, Taiwan
Market Category	Publicly Listed Company
Date of Establishment	1989
Listing Date	2014
Stock Ticker Symbol	4433
Industry Category	Textiles, Textile Fibers
Paid-in Capital	NTD 611,520,000
Authorized Capital	NTD 1,000,000,000

SINGTEX Industrial is the flagship subsidiary of SINGTEX Group, headquartered in the New Taipei Industrial Park since its establishment in 2006. The company also founded the SINGTEX Forward R&D Center, with a primary focus on developing innovative and environmentally friendly functional textiles. Integrating clothing sampling and design centers with marketing integration, the company efficiently transforms innovative technologies into commercial products, achieving rapid responses, improved order efficiency, shorter lead times, and even the ability to offer small-batch, customized solutions.

The Integrated Marketing Design Center at SINGTEX's headquarters is aligned with global trends, market brand information, and customer demands. This center brings together professional fabric research and development, product planning, and garment design teams to provide marketing resources that closely cater to customer needs. This approach enhances product promotion in the market, effectively merging customer requirements and brand strategies.

Through this integration, SINGTEX Industrial can more effectively respond to market demands, provide products aligned with customer requests, and collaborate with brands to jointly promote the market. This comprehensive operational model has bestowed SINGTEX Industrial with a competitive advantage, positioning it as a leading enterprise within the textile industry.



Company Name	GFUN INDUSTRIAL CORPORATION
Company Address	Gongye 6th Rd., Shulin Vil., Guanyin Dist., Taoyuan City, 32849, Taiwan
Date of Establishment	1999
Listing Date	4429 (Ceased trading on May 31, 2022, and became a wholly-owned subsidiary of Singtex)
Industry Category	Textile Fibers
Equity Stake Ratio	100%
Paid-in Capital	NTD 281,527,000
Authorized Capital	600,000,000

GFUN INDUSTRIAL CORPORATION was founded in 1999, specializing in the precise coating and lamination technology of waterproof and breathable fabrics. In terms of processing technology, it possesses numerous patents and certifications. With expertise in waterproof and breathable coating and lamination, the company manufactures a wide range of functional film fabrics. It is the world's largest factory for processing waterproof and breathable fabrics. Initially engaged in wet coating subcontracting, it later expanded to a comprehensive functional coating and lamination subcontractor. It is the largest professional leader in functional breathable waterproof fabric in Taiwan, focusing on core technologies like micro-porous moisture-permeable membrane lamination and highly breathable PTFE lamination products. Its clientele includes major global sports brands and distribution channels. In terms of processing technology, GFUN holds various patents and certifications, specializing in breathable waterproof coating and lamination processes. It produces a variety of functional film fabric products, along with developing processes for moisture-wicking, quick-drying, windproofing, water-repellency, UV-resistance, antimicrobial properties, and durability.

In 2022, GFUN became a wholly-owned subsidiary of SINGTEX Group, adhering to principles of innovation and sustainable development, and striving to create a shared, prosperous, and beneficial world for customers, suppliers, employees, and investors.



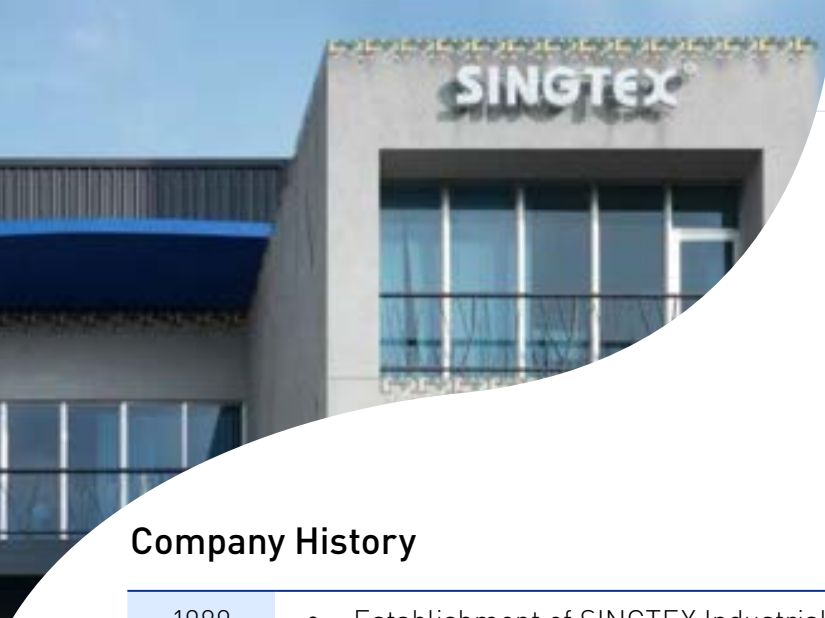
Company Name	MAGICTEX APPAREL CORPORATION
Company Address	1 F., No. 10, Wuquan 2nd Rd., Xinzhuang Dist., New Taipei City 248020, Taiwan
Date of Establishment	2005
Industry Category	Apparel and Clothing Manufacturing Industry
Equity Stake Ratio	100%
Paid-in Capital	NTD 100,000,000
Authorized Capital	NTD 100,000,000

MAGICTEX APPAREL CORPORATION was established in 2005 as a subsidiary of SINGTEX Industrial, focusing on the production of functional sportswear and outdoor leisure clothing. The company provides customized group uniforms, undertakes long-term clothing procurement projects for government agencies, and collaborates with designers to drive the fashion industry. Additionally, MAGICTEX is a regular supplier for major sports events in Taiwan, offering a comprehensive one-stop service for brands that includes fabric selection and garment manufacturing. The company adheres to the values of "Quality," "Service," and "Comfort," which collectively represent its unwavering commitment to its customers.



Company Name	MAGICTEX COMPANY LIMITED
Company Address	Rd. No. 6, Binh An Textile Industrial Zone, Binh Thang Ward, Di An City, Binh Duong Province, Vietnam
Date of Establishment	2013
Industry Category	Apparel and Clothing Manufacturing Industry
Equity Stake Ratio	100%
Paid-in Capital	USD 6 million
Authorized Capital	USD 6 million

MAGICTEX APPAREL CORPORATION was established in 2013 as a wholly-owned subsidiary of SINGTEX Industrial. It holds various certifications such as WRAP CERTIFICATION and C-TPAT, and specializes in various apparel production technologies.



Company History

1989	<ul style="list-style-type: none"> Establishment of SINGTEX Industrial Co., Ltd. with an initial capital of NTD 5 million.
1990	<ul style="list-style-type: none"> Establishment of the Knitwear Department.
1993	<ul style="list-style-type: none"> Development of functional fabrics.
1994	<ul style="list-style-type: none"> Introduction of proprietary brand SINGTEX 50000.
1995	<ul style="list-style-type: none"> Introduction of proprietary brand COOLTEX®.
1996	<ul style="list-style-type: none"> First collaboration with international brand NIKE.
1997	<ul style="list-style-type: none"> First collaborations with Adidas and Nautica.
1998	<ul style="list-style-type: none"> Awarded the "Best Global Partner" by Adidas, Germany.
2001	<ul style="list-style-type: none"> Designated as the "Functional Textile Co-Design Partner" for NIKE and NAUTICA. Certified as a preferred partner by Steilmann, Germany.
2005	<ul style="list-style-type: none"> Acquisition of SINGSOFT® global trademark rights. Establishment of MAGICTEX APPAREL CORPORATION in January 2005.
2006	<ul style="list-style-type: none"> Inauguration of the R&D building at Wugu Industrial Park.
2007	<ul style="list-style-type: none"> Issuance of 1,000,000 units of employee stock options, with an original subscription price of NTD 20 per share.
2008	<ul style="list-style-type: none"> Establishment of the Guanyin Precision Dyeing and Finishing R&D Center. Received global certifications for factory and product from bluesign®. Joined the TCTI as a founding member.
2010	<ul style="list-style-type: none"> Completed carbon footprint assessment of coffee yarn products and continued energy-saving measures, obtaining GRS certification.
2012	<ul style="list-style-type: none"> Public offering of stocks on December 11, with stock code "4433".
2013	<ul style="list-style-type: none"> Listed on the GreTai Securities Market on February 18. Establishment of MAGICTEX COMPANY LIMITED.
2014	<ul style="list-style-type: none"> Listed on the Over-the-Counter Market on November 3.

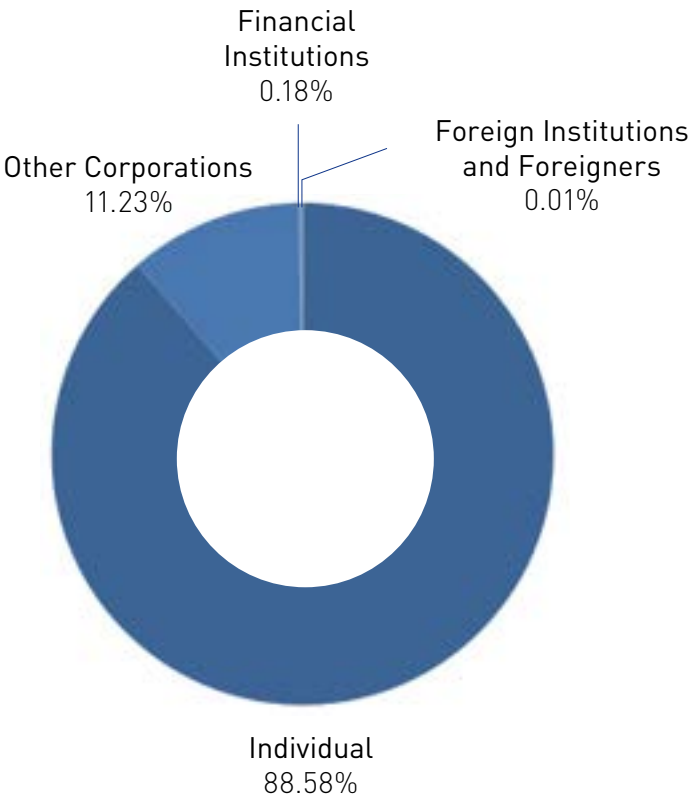
2015	<ul style="list-style-type: none"> Issuance of restricted employee stock rights in May, with 1,500,000 shares issued at NTD 10 per share, free of charge.
2017	<ul style="list-style-type: none"> S.Café® Urban Travel Functional Jacket received the Taiwan Excellence Award (2017). S.Café® Intelligent Heated Insulated Jacket received the Taiwan Excellence Award (2017). FS-8842U product received the China Trendy Fabric Design Award - Outstanding Product Award. STORMFLEECE® product (Fabric No. SSI160614) was selected for the ISPO International Trend Textile Award. STORMFLEECE® PRO product (Fabric No. SW-5367C6) was selected for the ISPO International Trend Textile Award. P4DRY™ product (Fabric No. SCK-818WP4) was selected for the ISP International Trend Textile Award. SINGTEX BIOTEC product (Fabric No. SCK-2999) was selected for the ISPO International Trend Textile Award. Received the 11th Taoyuan Environmental Excellence Award from the Taoyuan City Government.
2018	<ul style="list-style-type: none"> SINGTEX super elastic needle-punched down vest and S.Café® sefia™ Top with recycled coffee grounds and wood pulp received the Taiwan Excellence Award. AIRMEM® series of coffee oil biofilm was selected in the ISPO International Trend Textile Award's Top 10. STORMFLEECE® environmentally friendly plain woven brushed fabric was selected in the ISPO International Trend Textile Award. S.LEISURE® environmentally friendly stretch fabric was selected in the ISPO International Trend Textile Award.
2019	<ul style="list-style-type: none"> S.LEISURE® environmentally friendly comfortable elastic shirt (Fabric No. SCW-712) received the 27th Taiwan Excellence Award. STORMFLEECE® environmentally friendly plain woven brushed windproof and waterproof jacket (Fabric No. SW-8943C6) received the 27th Taiwan Excellence Award. AIRMEM™ Coffee Oil Biofilm BIO-NYLO series (Fabric No. BS-70415SUC02) was selected in the ISPO International Trend Textile Award. S.Café® STORMFLEECE® PRO Coffee Eco Plain Woven Brushed (Fabric No. BS-70415SUC02) was selected in the ISPO International Trend Textile Award. STORMFLEECE® environmentally friendly plain woven brushed fabric (Fabric No. SW-5417) was selected in the ISPO International Trend Textile Award. SINGTEX received the Taiwan Circular Economy Award - Silver Award for Product Circularity. In 2019, S.LEISURE® environmentally friendly stretch fabric was honored in the OutDoor By ISPO Spring/Summer 2021 TOP 5 at the German Sports Products Exhibition. Ranked 19th in the 2019 CommonWealth Corporate Citizenship Awards - Giant Awards. In 2019, STORMFLEECE® windproof and waterproof jacket and S.LEISURE® environmentally friendly stretch sportswear won the TOG AWARD Annual Trendsetter Award.

2020	<ul style="list-style-type: none">• In 2020, S.LEISURE® environmentally friendly stretch sportswear (SK-1088 C0) received the 28th Taiwan Excellence Award.• In 2020, S.Café® Silver women's comfortable innerwear (SCK-5A0004) received the 28th Taiwan Excellence Award.• In 2020, received the International Textile Development Achievement Award from the Textile International Exchange Association of the Republic of China.• In 2020, AIRMEM® COLORSHELL fabric was selected in the ISPO International Trend Textile Award's SELECTION.• In 2020, STORMFLEECE® fabric was selected in the ISPO International Trend Textile Award's SELECTION.• In 2020, S.LEISURE® fabric was selected in the ISPO International Trend Textile Award's SELECTION.• In 2020, SINGTEX's subsidiary, MAGICTEX APPAREL CORPORATION, joined the national textile team for epidemic prevention, providing isolation clothing and protective suits to the Ministry of Health and Welfare. Obtained licenses for medical equipment, pharmaceutical sales, and manufacturing.• In 2020, donated epidemic prevention mask covers to the New Taipei City Government and Taipei City Government.• In 2020, donated isolation clothing and protective suits to the Taoyuan City Government and Asia University Hospital.• In April 2020, acquired 47.15% equity of GFUN INDUSTRIAL CORPORATION through public acquisition, becoming a significant subsidiary of SINGTEX Industrial.	2022	<ul style="list-style-type: none">• In 2022, STORMEGA® SW-80376SC0-4 was honored with the ISPO International Trend Textile Award Fall/Winter 2022 BEST PRODUCT (First Selection).• In 2022, ONESHELL™ product S3K-2187SC0-2 (Coffee Clothing Recycling Yarn Series) was honored with the ISPO International Trend Textile Award Fall/Winter 2022 TOP 10.• In 2022, ONESHELL™ series product A1106-21070016 (3-layer single material PP film product) was honored with the ISPO International Trend Textile Award Fall/Winter 2022 SELECTION (selected in the Membranes & Coatings series).• In 2022, Coffee Ocean Fabric SCKP-457S-1 was honored with the ISPO International Trend Textile Award Fall/Winter 2022 SELECTION.• In 2022, TRANZEND® Ultra Shirt received the 30th Taiwan Excellence Award.• In 2022, TRANZEND® Ultra Coat received the 30th Taiwan Excellence Award.• In 2022, won the Innovation and Research Category of the New Taipei City Classic Enterprise Awards.• In 2022, SINGTEX Industries received the Small Giant Award for six consecutive years in the "CommonWealth CSR Corporate Citizenship Award."• In 2022, TOG Award Annual Trendsetter Award: TRANZEND® Ultra Coat, TRANZEND® Ultra Shirt.• In May 2022, acquired 52.85% of the outstanding shares of GFUN INDUSTRIAL CORPORATION through a cash and equity exchange, becoming a wholly-owned subsidiary of SINGTEX Industries.
2021	<ul style="list-style-type: none">• In 2021, AIRMEM® COLORSHELL Faux Leather Coffee Bio Jacket won the 29th Taiwan Excellence Gold Award.• In 2021, SINGTEX PROTECTOR® Divine Protection received the 29th Taiwan Excellence Award.• In 2021, S.LEISURE® Eco Cross Back Sports Vest received the 29th Taiwan Excellence Award.• Singtex STORMFLEECE® was selected as a Top 5 material in the ISPO International Trend Textile Award.• Singtex AIRMEM® COLORSHELL KBP470 was selected as a Top 10 material in the ISPO International Trend Textile Award.• Singtex AIRMEM® P4DRY™ BS-80216SUC0 was selected as a Top 10 material in the ISPO International Trend Textile Award.• In 2021, AIRMEM® COLORSHELL Faux Leather Coffee Bio Jacket was awarded the TOG AWARD Annual Trendsetter Award.• In 2021, SINGTEX PROTECTOR® Divine Protection Suit BS-80210DC6 was awarded the TOG AWARD Annual Trendsetter Award.• In 2021, SINGTEX Industries received the Small Giant Award for five consecutive years in the "CommonWealth CSR Corporate Citizenship Award."• In 2021, received the Taoyuan Gold Enterprise Excellence Award - Love Earth Award.• In 2021, received the Taoyuan City Gold Enterprise Gender Equality Award.		



• Shareholder Structure of SINGTEX Group

Shareholder	Number of Shares Held	Ownership Percentage (%)
Individual	54,166,764	88.58
Other Corporations	6,868,225	11.23
Financial Institutions	4,000	0.01
Foreign Institutions and Foreigners	113,002	0.18



• Main Products and Services

The products of this Group are mainly categorized into two major types: "Fabrics" and "Apparel." The business operations include environmental innovation in yarn and fabric development technology, contract manufacturing of waterproof and breathable fabrics, as well as apparel design and production. The main customer segments include garment factories, brand owners, distribution channels, distributors, and end consumers. In 2022, no products were banned from production, sales, or legally required to be taken down from the market.

List of Product and Service Offerings			
Sales Regions	Product or Service Offerings	Customer Types	Sales Volume(NTD)
Asia	Environmental waterproof and breathable fabric contract manufacturing to apparel design and production.	Sport and leisure brands, brand owners, garment factories	2,779,377
Americas			267,631
Europe			160,728
Other			10,075

• Participation in Industry-Related Associations

In pursuit of sustainable industry and environmental development, as well as the enhancement of product quality, our group actively participates in textile industry-related associations and academic societies.

Industry Associations, Other Membership Organizations, and National/International Advocacy Groups	Membership Status
Taiwan Excellent Brand Association	Member Chairman Chen Guo-qin/Current Vice Chairman
NTCIA	Member
Sustainable & Circular Economy Development Association. All Rights Reserved	Group Member Chairman Chen Guo-qin/Current Director
National Innovation and Entrepreneurship Association, R.O.C.	Member (Exemplary Status) Chairman Chen Guo-qin/Current Director
Taiwan Textile Research and Development Association International	Group Member Chairman Chen Guo-qin/Current Vice Chairman
GUO, PIN Sustainable Excellence Alliance	Group Member Chairman Chen Guo-qin/Current Advisor
Taiwan Smart Textile Association	Group Member
TBSM	Group Member Vice General Manager Zhang Lixun/Current Director
Taoyuan Enterprise Chamber	Member Chairman Chen Guo-qin/Current Supervisor
Taiwan Supercritical Fluid Association	Group Member General Manager Huang Songyun/Current Director
Taiwan Knitting Industry Association	Tier 3 Member
Taiwan Garment Industry Association.	Tier 1 Member Chairman Chen Guo-qin/Current Executive Supervisor
Taiwan Textile Printing. Dyeing And Finishing. Industry Association.	Tier 1 Member Chairman Chen Guo-qin/Current Executive Director
Taiwan Silk & Filament Weaving Industrial Association	Sponsor Member
Taiwan Bags Association.	Sponsor Member
CAITA	Group Member Vice General Manager Zhang Lixun/Current Director

2.2 Operational Performance

The operating revenue for the year 2022 amounted to NT\$3,217,811,000, marking an increase of NT\$338,118,000 compared to the previous year. Despite being influenced by the escalating risks of a global economic downturn, weakening demand for end products, ongoing adjustments in brand inventories by retailers, and intensifying tensions in the US-China technology conflict, the company remained proactive in the development of high-tech, high-quality environmentally-friendly functional textiles. As a result, the combined operating revenue and net profit for the fiscal year 2022 managed to achieve growth even in the face of these adverse conditions.

Unit: New Taiwan Dollars Thousand

Item/Year	2020	2021	2022
Operating Revenue (Thousand)	2,107,818	2,879,693	3,217,811
Gross Profit (Thousand)	490,868	575,021	668,520
Operating Income or Loss (Thousand)	94,485	84,311	141,340
Non-operating Income and Expenses (Thousand)	266,334	14,888	41,412
Pre-Tax Income (Thousand)	360,819	99,199	182,752
Net Income (Thousand)	337,711	77,995	116,932
Total Comprehensive Income for the Period (Thousand)	317,207	67,550	144,084
Earnings Per Share (NTD)	7.82	1.21	2.51
Employee Benefits	2,138	3,071	3,247
Dividend	90	66	165
Employee Compensation (including Employee Benefits)	419,242	496,095	548,321
Retained Economic Value	48,604	38,552	80,217
Payments to Contributors	23,004	93,610	46,805
Payments to Government	10,599	25,989	22,620
Community Investment	2,258	6,145	2,068

In 2022, the Group received financial subsidies from a total of three governmental entities, with no instances of political contributions. These subsidies were mostly in the form of incentive-based financial support, as shown in the table below:

Item	Granting Entity	Subsidy Amount (NTD)
First-phase Grant for Verification and Development of High-Protection Medical Isolation Garments	China Productivity Center	550,000
Textile Integration Marketing Business Opportunity Development Project	Taiwan Textile Federation, R.O.C.	904,762
Stable Employment Incentive Program Award	New Taipei City Employment Service Center	59,980
Total		1,514,742

• Reinvestment Policies and Other Affiliated Companies

The SINGTEX Group places a strong emphasis on the future profitability and prospects of reinvested companies, while strictly adhering to principles of legality, profitability, and liquidity. Investment strategies balance risks, returns, and asset growth, achieving objectives of returns and asset growth within the framework of risk management.

The Group is planning a share conversion and capital increase program for the acquisition of shares in GFUN INDUSTRIAL CORPORATION. In response to the rising global environmental consciousness and the trend of internationally renowned apparel brands actively selecting upstream suppliers capable of providing environmentally friendly materials for recycling, the Group continues to invest in eco-friendly precision equipment and related processes such as yarn, weaving, and dyeing-finishing. Additionally, plans for integrating the functional textile supply chain upstream and downstream are underway. As of December 31, 2021, the Group holds 47.27% of GFUN's shares (based on outstanding shares), and given the longstanding business interactions between the two parties, a stable cooperative relationship has been established. In pursuit of leveraging mutual strengths, enhancing overall product competitiveness, deepening cooperation, jointly expanding brand business, improving decision-making efficiency, and operational synergy, the Group intends to acquire GFUN Company through cash payment and share conversion via new share issuance in accordance with relevant regulations on corporate mergers and acquisitions. This transaction, completed on May 31, 2022, results in GFUN becoming a 100% owned subsidiary of the SINGTEX Group, enabling the synergy of strengths and operational optimization. The goal is to develop an integrated "eco-functional textile one-stop supply chain" and provide customers with comprehensive services.

The Group and its subsidiaries are following the procedures for "Acquisition or Disposal of Assets." Currently, the reinvestment policies are based on the company's future operational directions and are being executed progressively. In the current stage, the focus is primarily on the development and extension of core-related businesses, with each investment case being carefully evaluated beforehand. A comprehensive understanding of the anticipated investment benefits and potential risks has been obtained. For further details on reinvestment, please refer to the 2022 SINGTEX Group financial report.



Financial Report

2.3 Corporate Governance

The organizational chart of SINGTEX is as follows :



• Primary Departmental Responsibilities

Department	Main Responsibilities and Business Operations
Remuneration Committee	Formulate and regularly assess the system for evaluating the performance and compensation policies for company directors and executives.
Audit Committee	Oversee the company's financial statements, selection and independence of auditors, effectiveness of internal controls, compliance with laws and regulations, and management of company risks.
Audit Department	Conduct risk assessments based on environmental changes and previous audit results, use these to plan audit focus, formulate annual audit plans, and implement them after approval by the board of directors. After auditing findings and recommendations are reviewed, present them for board directors' examination. Attend board of directors meetings and report on audit report execution status.
Sustainability Promotion Office	Pursue the goal of corporate sustainable development, integrating various aspects of ESG, including green innovation, social care, diversity and inclusion, responsible procurement, etc. Develop sustainable strategies and align with the United Nations Sustainable Development Goals (SDGs) as the direction for practicing these strategies. Continuously implement talent development and expand the company's sustainable influence.
Office of the General Manager	Plan and drive the annual goals and operational policies set by the General Manager.
Information Technology Department	Handle the operation and maintenance of data center facilities and computer systems, manage communication networks, maintain application systems, provide technical support to user departments, and engage in partial program design and development.
Procurement Department	Procure and manage negotiations for raw materials required for production.
Occupational Health and Safety Committee	Provide recommendations for labor safety policies, participate in the deliberation of labor safety plans and policies, and oversee their implementation.
Integrated Marketing and Design Center	Handle product planning, maintain media relations, engage in cross-industry collaboration, and promote proprietary brand products.
Fabric Business Division	Promote business and manage customer relationships for functional and environmentally friendly fabrics in the Americas, Europe, and Asia-Pacific regions. Forecast and execute performance.
Apparel Business Division	Develop, design, manufacture, and trade functional clothing.
Research and Development Department	<ul style="list-style-type: none"> Conduct research and innovation in technical applications and product development, apply for and maintain the company's intellectual property, and assist in customer factory certifications and audits. Design and develop new yarn and textile products, confirm standard processes, establish standard costs and pricing, and oversee production. Establish and enforce inspection standards, quality inspection and control, technical education and training, product property testing and verification.
General Administration Division	<ul style="list-style-type: none"> Plan and adjust organizational structure, establish and amend company regulations, handle human resources administration and labor-management relations. Develop and enforce office space and environmental planning and management regulations. Manage financial matters, treasury operations, and fund allocation and scheduling. Establish accounting systems and manage various accounting processes, taxation, and cost accounting. Handle import and export operations.

2.3.1 Board Of Directors

All members of the board of directors within the group are nominated according to the company's articles of association, serving three-year terms. Candidates with legal capacity are appointed by the shareholders' meeting, and reappointment is allowed. When a director's term expires and re-election has not taken place, their duties are extended until the time of re-election. In May 2022, the 12th board of directors was elected through the "board of directors' election procedure" at the shareholders' meeting.

Currently, the company has three independent directors, constituting 42.86% of the board. All independent directors meet the criteria of independence. Additionally, to meet operational and practical needs, two directors serve as executives within the Group. The Group has established the "Scope of Responsibilities for Independent Directors," which explicitly states that "independent directors' opposing or reserved opinions should be recorded in the board of directors' minutes," "the Group shall not obstruct, reject, or circumvent the duties of independent directors," and "when independent directors deem it necessary to perform their duties, they may request the board of directors to assign relevant personnel or engage experts to assist." This ensures that independent directors fulfill their responsibilities, effectively enhance the operation of the board of directors, and contribute to the company's business performance. Below are the profiles of each member of the board of directors and supervisors:

Position	Name	First Appointment Date	Key Education and Experience	Current Concurrent Positions in Company and Other Companies
Chairman	Chen Guo-qin	1989/03/14	Graduate Institute of Textiles and Clothing, Fu Jen Catholic University.	Chairman of GFUN
Director	Lai Mei-Hui	1989/03/14	Department of Textile Engineering, Asia Eastern University of Science and Technology	Director of MAGICTEX APPAREL CORPORATION Co., Ltd.
Director	Wang Shu-Fen	2003/11/24	Master of Business Administration (MBA) at National Chengchi University	Supervisor of MAGICTEX APPAREL CORPORATION Co., Ltd.
Director	Wang Ya-Kang	2019/06/18	Chairperson of Taiwan Textile Research Institute	Independent Director of ECLAT TEXTILE CO., LTD.
Independent director	Chen Gan-Nan	2019/06/18	Ph.D. at University of Illinois Chicago	Distinguished Professor in the Department of Materials and Chemical Engineering at Tamkang University
Independent director	Chen Sheng-San	2019/06/18	Ph.D. in Chemistry at Kansas State University	Associate Professor in the Department of Information and Financial Management at National Taipei University of Technology
Independent director	Lin Yi-Bei	2019/06/18	Ph.D. in Finance and Financial Management at National Taiwan University	Professor in the Department of Finance and Financial Management at Chaoyang University of Technology

• Diversity and Independence of the Board of Directors

In accordance with the provisions of our Group's "Company Bylaws," the election of directors in our Group follows a "Candidate Nomination System." All director candidates are nominated and undergo qualification reviews. The board of directors approves their candidacy and submits it to the shareholders' meeting for election. The current composition of the board of directors consists of 3 independent directors (42.9%) and 4 non-independent directors (57.1%), including 3 directors with employee/managerial roles. More than half of the directors do not have spouse or relatives up to the second degree of kinship, in compliance with Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

According to Chapter 3 of our Group's "Corporate Governance Best Practices," board of directors members are generally expected to possess the knowledge, skills, and qualities necessary for their roles. Under the leadership of Chairman Chen Guo-qin and General Manager Huang Song-yun, the company's board of directors demonstrates diversified and experienced strength, continuously guiding SINGTEX. Each of our board of directors members brings unique perspectives and experiences to the Group's governance and problem-solving. Among our seven board members, 29% are female. All seven members have operational management experience, two have enterprise marketing experience, four have research and development experience, two have accounting and financial analysis experience, two have banking/financial experience, and three have risk management experience. All members are well-versed, possess keen analytical and judgment abilities, rich leadership skills, and decisive decision-making capabilities, making them highly valued by our group. The implementation of diversity policies among board of directors members is as follows:

Position	Name	Gender	Age	Industry Experience				Professional Abilities	
				Banking/ Finance	Business Management	Sales & Marketing	Research & Development	Accounting & Financial Analysis	Risk Management
Chairman	Chen Guo-qin	Male	Over 50 years of age		V	V	V		V
Director	Lai Mei-Hui	Female	Over 50 years of age	V	V				
Director	Wang Shu-Fen	Female	Over 50 years of age	V	V			V	V
Director	Wang Ya-Kang	Male	Over 50 years of age		V	V	V		V
Independent director	Chen Gan-Nan	Male	Over 50 years of age		V		V		
Independent director	Chen Sheng-San	Male	Over 50 years of age		V		V		
Independent director	Lin Yi-Bei	Male	Over 50 years of age		V			V	

• Operation of the Board of Directors

The ESG Promotion Office was established by our Group on August 1, 2022, with Associate Director Hu Zhengzhong assuming the role of Chief Sustainability Officer. The Sustainability Report and related Material Topics, upon approval by internal senior management and the Chairman, are presented to the board of directors for discussion and resolution before implementation.

Nature	Material Events	Communication Method and Frequency	Communication Results
Environmental Aspect	Greenhouse Gas Inventory and Verification Timeline Plan	SINGTEX Board of Directors: 1 Meeting	The proposed greenhouse gas inventory and verification timeline plan for our group was submitted to the Directors and approved, followed by timely execution. Regular updates will be provided to the board of directors in the future.
Economic Aspect	Merger and Acquisition Case: GFUN	SINGTEX Board of Directors: 1 Meeting	The merger and acquisition were successfully completed on May 31, 2022. By leveraging the complementary strengths of both parties, we aim to expand our brand business, enhancing competitiveness and realizing operational synergies.
	Increased Investment in "High-Precision Dyeing and Finishing Plant" and Acquisition of Dyeing Equipment Case	SINGTEX Board of Directors: 1 Meeting	This initiative aligns with government policies, contributing to domestic investment and creating more employment opportunities.
Environmental Aspect	Inclusion of ESG Operational Plan and Financial Budget Case	GFUN Board of Directors: 1 Meeting	Guided by our vision of sustainable development, we are committed to ESG in various dimensions, including green innovation, social responsibility, diversity, and responsible procurement. We are developing sustainable strategies that align with the United Nations Sustainable Development Goals to continue nurturing talents and expanding our sustainable impact.

• Board of Directors' Continuing Education Status

To uphold the Corporate Governance and managerial competencies of SINGTEX's board of directors, it is mandated that each member undergo a minimum of 6 hours of educational training annually. In the year 2022, all Directors completed their educational training courses. The detailed programs and durations are as follows:

Position	Name	Continuing Education Dates	Organizer	Course Title	Training Hours	Total Hours
Chairman	Chen Guo-qin	2022/11/15	Taiwan Corporate Governance Association	Analysis of Management Takeovers and Prevention Strategies	3	6
		2022/12/16	Securities and Futures Institute	Introduction and Case Analysis of Short-Term Insider Trading within the Company	3	
Director	Lai Mei-Hui	2022/11/15	Taiwan Corporate Governance Association	Analysis of Management Takeovers and Prevention Strategies	3	6
		2022/11/22	Taiwan Corporate Governance Association	Corporate Social Responsibility - Exploring Corporate Governance from a Human Rights Perspective	3	
Director	Wang Shu-Fen	2022/12/22-2022/12/23	Accounting Research and Development Foundation.	Continuous Education Course for Issuers, Securities Firms, and Stock Exchanges on Accounting Supervision	12	12
Director	Wang Ya-Kang	2022/04/27	Securities and Futures Institute	Legality of Information Security Management Law under Ransomware Threats	3	18
		2022/05/05	Securities and Futures Institute	Information Security and Practical Privacy Law Compliance and Prevention	3	
		2022/07/05	Taiwan Academy of Banking and Finance	Public Relations Crisis Management and Response Mechanisms	3	
		2022/07/27	Securities and Futures Institute	Latest Practical Developments in Insider Trading in Our Country and Corporate Prevention and Response Methods	3	
		2022/08/02	Taiwan Academy of Banking and Finance	Analysis and Impact of Controlled Foreign Corporation (CFC) System	3	
		2022/08/04	Accounting Research and Development Foundation.	Big Data Analysis and Corporate Fraud Prevention	3	
Independent director	Chen Gan-Nan	2022/09/06	Taiwan Corporate Governance Association	Understanding the Real Value Created by Circular and Low-Carbon Innovations - Grasping Circular Economy and Governance	3	6
		2022/10/04	Securities and Futures Institute	Challenges and Opportunities on the Path of Sustainable Development and Introduction to Greenhouse Gas Inventory	3	
Independent director	Chen Sheng-San	2022/07/19	Taiwan Corporate Governance Association	Securities and Futures Institute	3	6
		2022/09/20	Taiwan Corporate Governance Association	Ten Lessons in Corporate Governance	3	
Independent director	Lin Yi-Bei	2022/07/15	Securities and Futures Institute	Challenges and Opportunities on the Path of Sustainable Development and Introduction to Greenhouse Gas Inventory	3	6
		2022/08/15	Securities and Futures Institute	How Directors Analyze Financial Statements and Embrace Enterprise Risk Management	3	
Total						60

• Board of Directors Performance Evaluation

In accordance with Article 3 of the "Board of Directors Performance Evaluation Guidelines" of our group, the board of directors of our group shall conduct an internal performance evaluation at least once a year, following the evaluation procedures and indicators set forth in Articles 6 and 8 of the same guidelines. The internal evaluation results of the board of directors shall be completed by the end of December of the same year and submitted as required by the competent authority by the end of the first quarter of the following year.

Board of Directors Performance Evaluation: Participation in company operations, enhancement of decision-making quality, board composition and structure, selection and continuous education of Directors, internal control.

Director Members Performance Evaluation: Grasp of company objectives and missions, understanding of Director responsibilities, participation in company operations, internal relationship management and communication, professional expertise and continuous education of Directors, internal control. Specific indicators and evaluation criteria are presented in the table below:

Specific Indicators	Evaluation Criteria	Proportion
Grasp of Company Objectives and Missions	<ul style="list-style-type: none">Directors have a thorough understanding of the company's core values.Directors possess a clear understanding of the strategic goals set by the board of directors for the company.Directors have a comprehensive understanding of the characteristics and risks of the industry in which the company operates.	13%
Awareness of Director Responsibilities	<ul style="list-style-type: none">Directors are well-versed in their statutory duties.Newly appointed Directors comprehend their responsibilities and are familiar with the company's operations and environment.Directors strictly adhere to confidentiality obligations when accessing internal company information for the execution of their Director duties.	13%
Level of Participation in Company Operations	<ul style="list-style-type: none">Directors actively participate in board of directors meetings.Directors review and comprehend meeting materials prior to board of directors sessions to effectively fulfill their responsibilities during discussions.Directors allocate sufficient time to engage in board of directors related matters.Directors contribute effectively during board of directors sessions, such as providing specific suggestions on agenda items.When receiving meeting records, Directors thoroughly read the content, confirm that discussions and personal or collective reservations are appropriately recorded.Directors possess a clear understanding of the company, its management team, and the industry it operates in, enabling professional and appropriate judgments.Directors genuinely assess and oversee various existing or potential risks of the company and discuss the implementation and tracking of internal control systems.Directors do not hold multiple concurrent directorship positions in various companies.	35%
Management of Internal Relationships and Communication	<ul style="list-style-type: none">Directors maintain a positive interaction with the management team.Directors establish effective communication among fellow Directors.Directors engage in comprehensive communication and interaction with the auditor.	13%
Director's Professional Expertise and Continuous Education	<ul style="list-style-type: none">Directors possess the necessary expertise for board of directors decision-making and execution.Directors pursue diversified courses beyond their professional competencies, undertaking appropriate continuing education annually.Directors continuously enhance their professional knowledge and skills.	13%
Internal Control	<ul style="list-style-type: none">In cases where conflicts of interest arise, Directors effectively avoid involvement as required.Directors evaluate and supervise the effectiveness of various internal control systems and risk management.Directors comprehend and oversee company accounting systems, financial conditions and reports, audit reports, and their follow-up status.	13%
Total		100%

2.3.2 Remuneration Committee

To establish a robust compensation and remuneration system for directors and executives, motivating high-level executives such as directors and managers to enhance their performance, the Group has established a Remuneration Committee in accordance with Article 14-5 and Article 14-6 of the Securities Exchange Act. The Remuneration Committee provides professional and objective recommendations to the board of directors for decision-making purposes. The organizational regulations of the Remuneration Committee explicitly state that directors and executives should not engage in risk-taking behaviors beyond the acceptable risk appetite in pursuit of compensation.

Starting from June 27, 2013, SINGTEX established the "Remuneration Committee" and formulated the "Remuneration Committee Organizational Regulations" to carry out key responsibilities such as performance assessment and compensation policies. The committee is responsible for regularly formulating and reviewing policies, systems, standards, and structures related to the performance assessment and compensation of directors and executives. The performance assessment and compensation of directors, supervisors, and executives should reference industry norms and consider individual performance evaluation results, time investment, responsibilities, achievement of individual goals, performance in other roles, compensation given to peers in recent years, as well as the achievement of the company's short-term and long-term business objectives, financial condition, and assessment of individual performance in relation to the company's operational performance and future risks.

The Remuneration Committee shall consist of no fewer than three members, appointed by the board of directors, with a majority of them being independent director members. The professional qualifications and independence of the members should comply with the provisions of Article 5 and Article 6 of the Regulations

Governing the Powers of Compensation Committees of Companies Listed on the Stock Exchange or engaging in securities business.

The Remuneration Committee shall convene meetings at least twice a year and may convene meetings as needed. Resolutions at meetings shall require the approval of more than half of the members and shall be executed after submission to the board of directors. The responsibilities are as follows:

Periodically review the "Remuneration Committee Organizational Regulations" and propose amendments. Formulate and periodically review performance assessment criteria for directors, supervisors, and executives, annual and long-term performance objectives, as well as policies, systems, standards, and structures for compensation. Disclose the content of the performance assessment criteria in the annual report.

Regularly assess the achievement of performance objectives for directors, supervisors, and executives, and based on the evaluation results from the performance assessment criteria, determine the content and amount of individual compensation. The annual report should disclose individual performance assessment results for directors, supervisors, and executives, the content and amount of individual compensation, and the correlation and rationality with the performance assessment results, presented in the shareholders' meeting report.

Compensation Committee Operation Information					
Position	Name	Actual Attendance Count	Proxy Attendance Count	Actual Attendance Rate (%)	Remark
Independent director	Chen Gan-Nan	5	0	100%	
Independent director	Chen Sheng-San	4	0	80%	Convener
Independent director	Lin Yi-Bei	5	0	100%	

• 2.3.3 Audit Committee

To strengthen the company’s management mechanisms and enhance operational efficiency, the Group, in accordance with Article 14-5 and Article 14-6 of the Securities Exchange Act, established the “Audit Committee” to replace the supervisors, effective from May 27, 2022. The committee is composed entirely of independent directors and has formulated the “Audit Committee Organizational Regulations.” One of its primary purposes is the control of the company’s existing or potential risks, and its main responsibilities include reviewing or handling matters specified in Article 14-5 of the Securities Exchange Act.

The Audit Committee consists of all independent directors, with a minimum of three members, one of whom serves as the convener, and at least one member should possess expertise in accounting or finance. The committee convenes meetings at least once every quarter and may convene meetings as needed. Its powers and responsibilities are as follows:

1. Develop or amend internal control systems in accordance with Article 14-1 of the Securities Exchange Act.
2. Assess the effectiveness of the internal control system.
3. Establish or amend procedures for acquiring or disposing of assets, engaging in derivative commodity trading, lending funds to others, endorsing for others, or providing guarantees for material financial transactions as stipulated in Article 36-1 of the Securities Exchange Act.
4. Handle matters related to conflicts of interest involving directors themselves.
5. Handle material asset or derivative commodity transactions.
6. Handle material fund lending, endorsement, or guarantee activities.
7. Handle the issuance, offering, or private placement of equity-like securities.
8. Appointing, dismissing, or determining the remuneration of certified public accountants.
9. Appoint or remove financial, accounting, or internal audit executives.
10. Review annual financial reports signed or sealed by the chairman, top management, and the chief accountant, as well as quarterly financial reports that require auditor review.
11. Handle other material matters as stipulated by the company or supervisory authorities.

Audit Committee Operation Information					
Position	Name	Actual Attendance Count	Proxy Attendance Count	Actual Attendance Rate (%)	Remark
Independent director	Chen Gan-Nan	5	0	100%	
Independent director	Chen Sheng-San	5	0	100%	
Independent director	Lin Yi-Bei	5	0	100%	Convener

2.4 Risk Management

In today’s rapidly evolving technological landscape, with the advancement and widespread use of information, it presents both opportunities and risks to the company. To safeguard and enhance the overall interests of the enterprise, the Group has established an internal control system. It constantly monitors domestic and international developments, reviews and improves the risk management. processes within the company, and enhances the effectiveness of risk management. This approach enables the Group to promptly identify risk factors and take appropriate measures and improvements to navigate the ever-changing market environment and achieve sustainable business goals. The Internal Control System Statement is as follows:

1. The Group acknowledges that the establishment, implementation, and maintenance of the internal control system are the responsibilities of the Group's board of directors and management. The purpose of this system is to achieve objectives such as operational effectiveness and efficiency (including profitability, performance, and asset safeguarding), reliable, timely, transparent reporting, and compliance with relevant regulations and laws, providing reasonable assurance.
2. Internal control systems have inherent limitations. Regardless of how well-designed they are, effective internal control systems can only provide reasonable assurance of achieving the above three objectives. Furthermore, the effectiveness of internal control systems may change due to changes in the environment or circumstances. However, the Group’s internal control system includes a mechanism for

self-assessment, and any deficiencies identified are promptly addressed.

3. The Group assesses the effectiveness of the internal control system's design and execution based on the criteria specified in the "Guidelines for Public Issuers Establishing Internal Control Systems" (referred to as the "Guidelines"). The Guidelines use a process-based approach to divide the internal control system into five components: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component includes several elements. Please refer to the provisions of the "Guidelines" for details.
4. The Group has used the above criteria for assessing the effectiveness of the design and execution of the internal control system.
5. Based on the assessment results, the Group believes that its internal control system (including the supervision and management of subsidiaries) as of December 31, Year 111 of the Republic of China, including the design and execution of objectives such as understanding the effectiveness and efficiency of operations, reliable and timely reporting, transparency, and compliance with relevant regulations and laws, is effective and can reasonably ensure the achievement of these objectives.
6. This statement will be a key part of the Group’s annual report and public disclosure document and will be made available to the public. Any false or concealed information in the public disclosure may result in legal liabilities under the Securities Exchange Act, including Articles 20, 32, 171, and 174.

Risk Management Scope		
Type	Potential Risks	Mitigation Measures
Financial risk	Market Risks <ul style="list-style-type: none">Foreign exchange riskInterest Rate RiskPrice Risk	<ul style="list-style-type: none">The Group's management has established policies governing foreign exchange risk relative to its functional currencies.The Group's borrowings are repriced annually according to contractual agreements, and the finance unit also collects relevant information on a regular basis, periodically reviewing and adjusting counterparties. To manage the price risk of equity tool investments, the Group diversifies its investment portfolio based on limits set by the Group.
Financial risk	Credit Risk	The Group manages credit risk from a company perspective. In accordance with internally established credit policies, all operating entities within the company and each new customer must be managed and subjected to credit risk analysis before setting payment and delivery terms and conditions. Internal risk management assesses the credit quality of customers by considering their financial condition, past experiences, and other factors. Individual risk limits are set by the board of directors based on internal or external ratings, and the usage of credit limits is monitored regularly.
Financial risk	Liquidity Risk	Cash flow forecasts are prepared by various operating units within the company and consolidated by the finance department. The finance department monitors forecasts of the company's liquidity needs to ensure it has sufficient funds to support its operations.
Information Security Policy	Internet Security, Device Security, Application Security, Supply Chain Information Security, Data Security Protection	<ul style="list-style-type: none">The company extensively uses journals and online sources to monitor reports on business, technology, and industry literature. Representatives are regularly sent to participate in research programs, technology seminars, discussions, trade conferences, exhibitions, and overseas training.Information is communicated through irregular meetings to ensure that management and relevant personnel are aware of current technological developments. The implementation of cybersecurity education and training aims to raise employees' awareness of cybersecurity and establish four major objectives: ensuring that employees understand the importance of cybersecurity, enhancing awareness of existing cybersecurity threats, focusing on key strategies (such as phishing and social engineering attacks), and promoting cybersecurity awareness regarding privileged accounts (including managers and suppliers).

• Climate Change Management

SINGTEX recognizes the impact and importance of climate change issues on the company's sustainable operations. To understand the potential risks that climate change may pose to the company, the Group has adopted the principles of the Task Force on Climate-Related Financial Disclosures (TCFD). This involves managing material risks and opportunities related to climate change that could affect its operations. The Group is committed to promoting various climate change adaptation measures to continuously reduce risks and create opportunities for sustainable development.

Governing Body	The company currently lacks a dedicated risk governing body and is managed by the ESG Promotion Office.
Risk Categories	<ul style="list-style-type: none">• Disruptions in supply and demand due to factors such as pandemics, natural disasters, political issues, and shipping disruptions, as well as abnormal power supply and electricity rationing crises.• Risks resulting from pandemic-related interruptions in the supply of raw materials, delayed orders, cancellations, and cluster infections.
Strategies	<ul style="list-style-type: none">• Continuing to implement environmental management systems (ISO 14001, ISO 14064-1, ISO 50001, etc.) to maintain system effectiveness and promote energy-saving and carbon reduction measures.• Planning to install solar power generation equipment, with potential expansion based on regulations or customer requirements.• Conducting annual identification and tracking of environmental-related regulations based on environmental management systems to prevent environmental regulations from causing operational risks.
Risk Management	<ul style="list-style-type: none">• Procuring from multiple suppliers, increasing inventory levels, actively developing new customer sources to alleviate production inventory pressure, establishing epidemic prevention operation standards, and an emergency response plan, as well as forming a disaster response team.
Indicators and Objectives	<ul style="list-style-type: none">• Setting energy-saving goals with the reference year 2020, with a short-term goal of reducing energy consumption by 5% within 5 years and a long-term goal of reducing energy consumption by 10% within 10 years.• Setting yearly goals for reducing electricity consumption by 1% and lowering greenhouse gas emissions.
Financial Impact	Increased operating income (due to increased customer demand) and increased operating costs (due to increased raw material costs).
Greenhouse Gas Inventory Program	In accordance with Taiwan's Carbon Reduction and Management Act, planning to target large emitters with annual emissions exceeding 25,000 tons for the early collection of carbon fees. Therefore, SINGEX plans to conduct a carbon inventory for 2022 in 2023. Currently, SINGEX subsidiary, GFUN Processing Plant, conducted voluntary simplified carbon inventories for 2020 and 2021, with emissions of 7,139.4 metric tons of CO ₂ e in 2020 and 7,884.5 metric tons of CO ₂ e in 2021, making it a low-carbon facility.
External Assurance or Certification	A simplified carbon inventory was conducted in 2022, but external assurance has not yet been implemented.



2.5 Regulatory Compliance

SINGTEX is committed to fostering a culture of integrity in its business operations. Throughout its business processes, it prohibits any direct or indirect provision, promise, request, or acceptance of improper benefits, as well as engaging in any other unethical, illegal, or breaches of fiduciary duty behavior. The company also strengthens relevant preventive measures. It has established management policies that promote non-discrimination and fair treatment of every employee to prevent any unjust treatment of its staff. The Group adheres to principles of integrity and fairness, complies with government laws and regulations, fulfills its social responsibilities, and in the year 2022, neither the Group nor its subsidiaries were involved in any competitive behavior, collusion, monopolistic practices, forced labor, discrimination, child labor, violation of indigenous rights, corruption, bribery, or other irregularities. The Group conducts its various business activities in compliance with national laws and regulations and has not been subject to any material fines or non-monetary sanctions in the "social and economic aspects."

The Group defines material violations according to the criteria stipulated in Article 18 of the Guidelines for the Disclosure of Matters to Be Included in the Annual Reports of Public Issuers, as follows:

- Losses incurred due to environmental pollution, including compensation and violations of environmental protection regulations as per environmental laws.
- Losses incurred due to labor disputes, including violations of labor standards as per labor laws based on labor inspection results.
- Losses incurred due to material information security incidents.
- Cumulative fines exceeding 1 million within one year for a single event.

The Group's subsidiary, GFUN, was prosecuted by the Taoyuan District Prosecutors Office for waste container disposal issues but was acquitted on December 29, 2021. As of the statutory deadline, the prosecutor's office did not appeal, and the case was finalized as not guilty in January 2022. Therefore, the Group did not experience any material violations in 2022. To prevent such issues from recurring, environmental education and training have been conducted for employees in the factory, and Waste Management has been reinforced, with records retained for inspection by environmental protection authorities at any time.

The Group's tax operations are conducted in compliance with tax regulations. The filing of corporate income tax is the responsibility of the accounting unit and is verified and certified by certified accountants within the specified deadlines. The Group complies with tax laws and regulations, honestly reports and pays taxes, fulfills its social responsibility as a taxpayer, and discloses tax information in accordance with regulations to ensure transparency of information.

• Anti-Corruption System

SINGEX is dedicated to fostering a culture of integrity in its operations and strictly prohibits any form of corruption. Employees are required to exercise caution and adhere to the "Integrity Operations Procedures and Code of Conduct." The company prohibits insiders from profiting through the trading of non-public information regarding securities. The company has strict regulations in place for insider trading, education, and enforcement to ensure that all employees comply with legal regulations and ethical standards. The company conducts annual education and awareness programs related to insider trading regulations for all employees, promoting ethical conduct and preventing corruption. The company strictly forbids

corruption, embezzlement, misappropriation of public funds, bribery, commissions, or intentional damage to company property. If such violations are confirmed, appropriate actions will be taken, including dismissal and termination of employment, to prevent corruption incidents. SINGEX plans to hold related legal education courses in 2023 to further enhance employee compliance with legal regulations and maintain the company's integrity image.

The company's anti-corruption system aims to create a fair, just, and clean working environment, ensuring the company operates with integrity, transparency, and ethics.

Internal Personnel Education and Training In 2022, one director and two managers participated in relevant courses with a duration of 3 hours each.

To prevent corruption, the company has established internal audit procedures, internal control systems, and audit points. The internal control system self-assessment operation is conducted at least once a year at SINGTEX, GFUN, and MAGICTEX APPAREL CORPORATION, covering a 100% completion rate. The self-assessment results are reviewed by the Audit Office, and the results are integrated and reported to the board of directors and senior management. Based on the annual audit results and the identification of the risk level of each cycle, the audit plan for the next year is formulated, approved by the board of directors, and executed as the primary basis for the effectiveness of the internal control system and the issuance of the internal control system statement.

Whistleblower System the Group has established a whistleblower system and posted relevant information on the company's official website. It states that reports received are handled directly by the dedicated unit, and there were no incidents of corruption in the SINGTEX Group in 2022.

Whistleblower Protection Measures the Group has established a whistleblower system to strengthen the prevention of corruption within the company through mutual supervision among employees. It has also implemented measures to protect whistleblowers' rights and safety, which include the following:

- Employees providing whistleblower information, whether in writing, orally, or through other means, should be strictly kept confidential.
- Personal information of employees providing whistleblower information, regardless of whether it is recorded in writing or orally, should not be included in the case file. When the audit investigation unit interviews the accused, the source of the information should not be disclosed.
- The unit responsible for receiving reports must not disclose the identity or information of employees providing information to external parties. Violators, whether intentional or negligent, should be strictly penalized.

Whistleblowing Channels

- Receiving Unit: Human Resources Department
- Mailing Address: No. 3, Industrial 6th Road, Guanyin District, Taoyuan City/No. 10, Wufu 2nd Road, Xinzhuang District, New Taipei CityWhistleblowing
- Phone: 03-4389538 ext. 218 / 02-85127888 (Human Resources Department)
- E-mail(Harassment or Disciplinary Complaints): lawsu@gtex.com.tw

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Disclosure of Innovative Design Management

Material Topics : Chemicals Management in Products	
Material Causes	To ensure the safe storage and use of chemicals within the company and to address potential accidents and emergency situations, preventing or mitigating their impact on the environment or personnel, this management regulation has been developed. Its aim is to reduce the risks associated with the presence of hazardous substances in products and the subsequent environmental issues related to waste disposal, thereby preventing harm and pollution that may arise from chemicals.
Policies / Strategies	In accordance with the "Chemical Control Regulations," the company does not use chemicals with hazardous risks within the premises.
Objectives and Targets	Short-term objectives : <ul style="list-style-type: none"> Enhance the current environmental policy formulation per the Environmental Management System (EM-01) to achieve zero emissions of hazardous chemicals. Maintain a research and development commitment of 3% of revenue towards environmentally friendly products. Ensure that 100% of chemicals used within the facility comply with regulations, with detailed documentation.
Management Assessment Mechanism	<ul style="list-style-type: none"> Update Safety Data Sheets (SDS) every three years. Perform two annual updates of chemicals based on the bluesign® standard. Revise the Chemical Control Regulations to meet legal requirements and brand-specific demands. Review in-house chemicals annually based on the latest ZDHC MRSL version.
Performance and Adjustments	<ul style="list-style-type: none"> Maintain 100% compliance with in-house chemicals. Update at least three or more environmentally friendly homogeneous chemical products within the facility in 2022. Use chemicals compliant with the bluesign® standard.
Preventive or Remedial Measures	Select chemicals used within the facility according to the ZDHC MRSL standard and phase out chemicals that do not apply. The elimination criteria include: <ul style="list-style-type: none"> Chemicals with high COD values. Chemicals with high risk classifications. Chemicals failing the CHEM-IQSM criteria. Chemicals containing prohibited or restricted substances exceeding standards.

Material Topics : Suppliers	
Material Causes	SINGTEX has always aimed to become a global environmentally-friendly functional textile company. Within the framework of sustainable development, apart from creating better and more environmentally-friendly products, in 2023, we will also collaborate with our supply chain partners to give back to society, conserve the environment, and reduce carbon emissions.
Policies / Strategies	In 2023, we will request the top twenty major suppliers based on transaction amounts to complete the Supplier Corporate Social Responsibility Self-Assessment Form. Through this questionnaire feedback and statistical analysis, we aim to understand the current status and areas for improvement in the environmental, social, and governance (ESG) aspects of our suppliers.
Objectives and Targets	<ul style="list-style-type: none"> Short-term Goal: For the year 2023, including both general procurement and outsourcing procurement, to have a 100% completion rate for signing Corporate Social Responsibility (CSR) self-assessment forms by the top 20 suppliers. Medium to Long-term Goal: To ensure that all suppliers meet the standards, achieving 100% compliance.
Management Assessment Mechanism	<ul style="list-style-type: none"> Starting in 2023, we will conduct sustainability risk assessments of our suppliers annually through three stages of risk identification. This will help identify suppliers with potential high risks in environmental, social, and governance (ESG) aspects. For suppliers with higher potential risks, we will conduct audits and provide guidance to ensure effective risk control and reduction. Every year, core suppliers will be required to sign Corporate Social Responsibility (CSR) self-assessment forms. The audit department will conduct on-site inspections of core suppliers annually.
Performance and Adjustments	<ul style="list-style-type: none"> The analysis of the assessment and signing of CSR self-assessment forms by the top twenty major suppliers is as follows: 100% of them have signed the CSR self-assessment forms, and 95% of them meet the standards. Supplier assessment results: 18 suppliers received an "A" grade, and 2 suppliers received a "B" grade, all of which meet the procurement standards.
Preventive or Remedial Measures	Starting in 2023, we will request core suppliers to fill out CSR self-assessment forms every year to understand the current status of these suppliers in the three ESG dimensions: environmental, social, and governance.

3.1 Customer Service Management

SINGTEX Group has been dedicated to the research, development, and innovation of textile products and technologies for the long term. They actively recruit talent, invest in basic research and technology development, and possess key technologies for their core products. They have established their niche market internationally. From research and development, raw material production, yarn, fabric, post-processing, to clothing design and development, and the development of their own brands, the research and development team is personally involved in collaborative development at every stage of the process, providing customers with comprehensive solutions and the most professional services.

In 2008, the Group successfully developed the world's first S.Café® eco-friendly coffee yarn technology. This technology utilizes recycled PET bottles and coffee grounds to produce eco-friendly coffee yarn, which offers several characteristics such as environmental friendliness, odor resistance, quick drying, UV protection, and versatility when applied in textile fibers. This technology has received recognition from three major international invention awards: the Pittsburgh International Invention Exhibition Gold Award and Special Award, the Nuremberg International Invention Exhibition Gold Award, and the Geneva International Invention Exhibition Gold Award and Special Award. Additionally, SINGTEX Group actively develops fabrics using eco-friendly carbon reduction materials and encourages international brand customers to use environmentally friendly materials, increasing the use of eco-friendly materials, such as S.Café®, to effectively reduce environmental impact and promote sustainability.

The textile products of SINGTEX Group have obtained certifications such as ISO 9001 Quality Management System and ISO 14001 Environmental Management System. Through quality systems and continuous testing and analysis, they achieve stable product quality. In 2022, the group had no incidents of non-compliance with product health and safety regulations.

Product or Service Names	Safety Standards Certification	Proportion of Products or Services Evaluated for Customer Use
Coffee Yarn	OEKO-TEX® STANDARD 100	100%
Finished Fabrics (Dyeing and Finishing)	OEKO-TEX® STANDARD100	100%
Finished Fabrics	bluesign®	75%
Labor Safety Services	bluesign®	75%
Apparel	ISO 9001 Quality Management System Certification	100%
	ISO 14001 Environmental Management System Certification	100%
Medical Equipment	Quality Management System for Medical Equipment Manufacturers	100%
Environmental Process Certification	GRS	100%

Note: The bluesign® certification is not at 100% because it is currently only applied to products upon customer request, meaning not all products have it.

In 2022, the following certification-level awards were obtained by our Group:

Certified

- TAF Certification (Taiwan Accreditation Foundation)
- GRS(Global Recycled Standard)
- bluesign® Wovens and Knits Certification
- bluesign® Coat Certification
- OEKO-TEX® Fabric
- OEKO-TEX® S.Café®, S.Café® ICE-CAFÉ

Awards

- New Taipei City Excellent Enterprise Award - Innovation and Research & Development Category
- CSR World Sustainable Citizen Award - Small Giant Category
- TOG Award - Annual Trendsetter Award: TRANZEND® Ultra Coat, TRANZEND® Ultra Shirt
- Taiwan Excellence Award: ECOFUN® Hooded Functional Jacket, TRANZEND® Ultra Hoodie Modular Hooded Outerwear, STORMEGA® 3D Microclimate-Regulating Outerwear
- ISPO TEXTRENDS 2024 25FW Selection : S.Cafe® P4DRY™ BS-80250SUC0-4, STORMFLEECE® SW-80460C06-1 ONESHELLTM A1106-22070025 STORMEGA® SW-80448SC0-4 STORMFLEECE® PRO SW-5478C0-1

In order to allow consumers to make informed choices when purchasing products and services from our group, SINGTEX discloses essential information on its website for each product and service offered. This includes detailed information on fabric composition, country of origin, laundering instructions, and a customer service hotline for inquiries and assistance. In accordance with textile labeling standards, washing labels are sewn onto the products to provide consumers with information about the products and services offered, all of which comply with relevant regulations. There were no violations of product labeling regulations in 2022.



2022 Higg Index



TAF Certification(Taiwan Accreditation Foundation)



bluesign® Wovens and Knits Certification



bluesign® Coat Certification



GFUN ISO 9001: -2015



GRS (Global Recycled Standard)



OEKO-TEX® S.Café®, S.Café® ICE-CAFÉ



2022 OEKO-TEX® Fabric Processing Certificate for 2022



OEKO-TEX® Fabric



SINGTEX ISO 50001: 2018

- **Customer Privacy and Information Security**

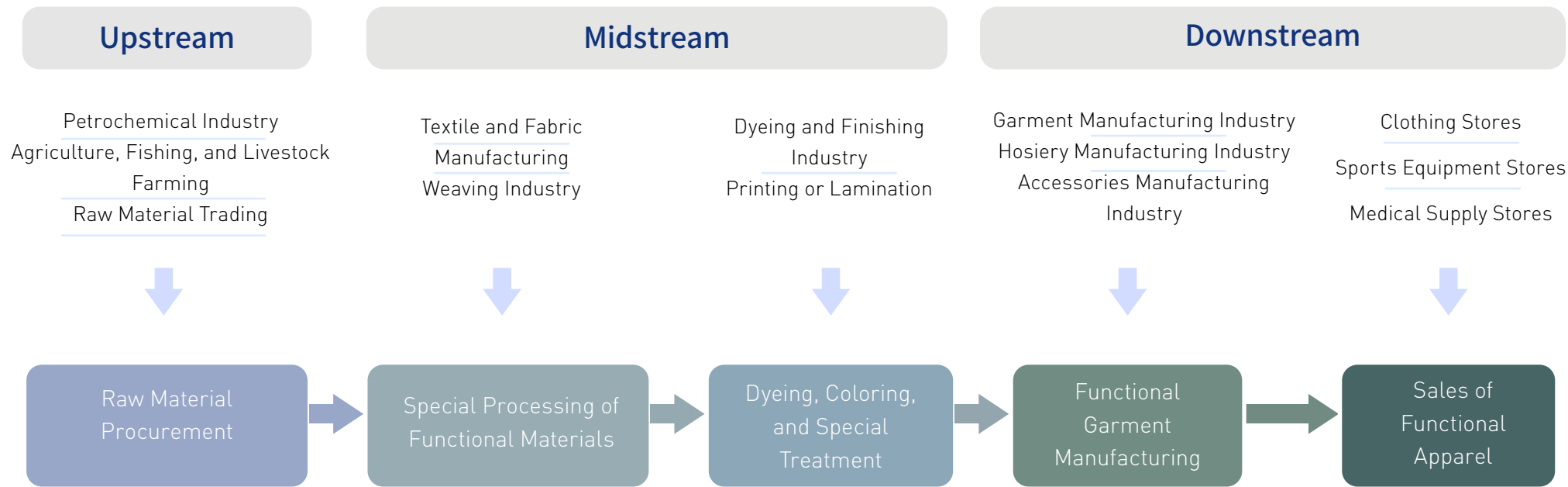
With the development and adoption of emerging digital technologies, businesses can accelerate their transformation, but this also brings about various risks. Therefore, implementing information security measures within the company has become a crucial aspect of corporate development. To reduce the risk of information security incidents, in addition to managing infrastructure such as data centers and networks, the company has established an "Information Security Policy" document, requiring all employees and related vendors to adhere to relevant regulations. Regular information security education and training are also conducted to instill information security concepts among users, creating a secure information environment and preventing customer data leaks.

Furthermore, the company has installed protective software on its server hosts and user computers, blocking zero-day attacks and unknown malicious software attacks. It continually updates relevant information security equipment and software to ensure comprehensive protection and safeguard the company's data. As a result, there were no information security-related incidents or customer data breaches reported in 2022.



3.2 Sustainable Supply Chain Management

To embody the principles of sustainable business practices, SINGTEX has established long-term and stable partnerships with its suppliers. We aspire to collaborate with our suppliers to fulfill our social responsibilities, following the principle of local sourcing and local production. We carefully select our partners to ensure the stability of our supply chain. The diagram below illustrates SINGTEX's relationships with suppliers at various levels of the supply chain:



Local Procurement

To adhere to the principle of local sourcing and local production, both the parent company and subsidiaries of our group primarily engage in domestic procurement. In 2022, domestic procurement accounted for 95.35% of our total procurement, including both outsourced and general procurement activities. Throughout 2022, we conducted transactions with a total of 208 suppliers. The details are as follows:

Contract Types	Procurement Areas	2020		2021		2022	
		The number of suppliers.	Percentage of Procurement Amount for Each Category (%)	The number of suppliers.	Percentage of Procurement Amount for Each Category (%)	The number of suppliers.	Percentage of Procurement Amount for Each Category (%)
Services (Outsourced Procurement)	Domestic	55	10.84	43	10.67	49	10.35
Goods (Including Domestic and International General Procurement)	Domestic	153	85.79	150	87.11	156	85.00
	International	6	3.37	4	2.22	3	4.65
Total		214	100%	197	100%	208	100%
Description: 1. Domestic refers to the local area in Taiwan, while international refers to areas outside Taiwan (including Mainland China, Vietnam, etc.)							

• Supplier Evaluation

SINGTEX follows chemical management regulations, complies with MRSL (Manufacturing Restricted Substances List) and RSL (Restricted Substances List) regulations, and selects chemicals that conform to the bluesign® BSSL V13.0 specifications. We rigorously require suppliers to adhere to chemical management regulations by:

- Confirming whether the chemicals provided by suppliers are bluesign® certified.
- Collecting SDS (Safety Data Sheets), TDS (Technical Data Sheets), and COA (Certificate of Analysis) provided by suppliers, with a preference for Chinese versions and English versions as supplementary.
- Subjecting the chemicals to internal testing based on the company’s anti-counterfeit testing standards, ensuring compliance with the company’s MRSL and RSL regulations. We also request suppliers to provide bluesign® BSSL V13.0 and OEKO-TEX® STANDARD 100 test reports or certificates.
- Prior to the introduction of hazardous chemicals into the factory, confirming whether suppliers provide consistent Chinese and English versions of SDS and verifying that the SDS complies with GHS (Globally Harmonized System of Classification and Labelling of Chemicals) requirements.
- Affixing Chinese chemical safety labels on containers of purchased hazardous chemicals, consistent with the chemicals inside the packaging.

The Group employs six criteria for the assessment of new suppliers: achieving the required physical properties, passing visual inspections, adherence to delivery schedules, price verification, compliance with specifications, and efficiency in handling quality abnormalities. Existing cooperative and contract manufacturers are assessed based on quality, delivery schedules, pricing, compliance, and the efficiency of handling quality abnormalities, serving as reference criteria.

In the fiscal year 2023, the top 20 core suppliers (accounting for over 70% of the total procurement amount in the fiscal year 2022) were evaluated, and all results met the criteria, achieving a 100% pass rate. The Group’s factory chemicals contain no toxic hazardous chemical substances and are fully compliant with wastewater emissions permits. In 2023, the Group will implement the “Supplier Corporate Social Responsibility Assessment System” to assess suppliers in various aspects such as environmental, human rights, labor, and social responsibilities.

MAGICTEX APPAREL CORPORATION	
Sample Evaluation: Suppliers providing fabrics, accessories, and packaging materials.	Purchasing decisions are made based on samples provided by suppliers, followed by quotation evaluations.
On-site Evaluation: Conducted for subcontractors (outsourced garment factories) involved in finished and semi-finished (unpacked) production.	<ul style="list-style-type: none">• The business units submit their requirements and engage in discussions with the quality assurance unit for on-site assessments. On-site assessment criteria include:• Manufacturing equipment and production line configuration (manpower and production processes).• Work environment (organization and tidiness of the workplace).• Scale of manufacturing equipment (adequacy of key related manufacturing equipment).• Types of garments suitable for production.
Quotation Evaluation: For administrative and general affairs categories, such as machinery and equipment, engineering, and machine maintenance suppliers.	Purchasing decisions are then made based on the vendor's quotations, following a quotation evaluation process.

MAGICTEX APPAREL CORPORATION Supplier Rating Categories	
Grade A: 80 points and above	Priority Procurement
Grade B: 70 to 79 points	Regular Procurement
Grade C: 60 to 69 points	Reduced Procurement

Column

Seizing Opportunities Amid the COVID-19 Pandemic - Epidemic Prevention and Protective Clothing

In 2020, in response to the COVID-19 pandemic, protective suits and isolation gowns emerged as crucial equipment to safeguard frontline healthcare workers. Surprisingly, it was discovered that there were no domestic factories producing these items in Taiwan. In response to the government's call, the Taiwanese textile industry swiftly shifted its production capacity to manufacture protective suits and isolation gowns. The national effort was well underway, with the aim of assisting in the production of essential pandemic supplies. Within two weeks, millions of protective suits and isolation gowns were produced, ensuring that healthcare personnel on the frontlines had the protection they needed without any concerns.

Taiwan replicated the experience of the mask production effort by establishing a "Protective Suit National Team." MAGICTEX APPAREL CORPORATION quickly obtained licenses and certifications, including a manufacturing pharmaceutical license, a pharmaceutical sales license, a first-class medical equipment license from the Ministry of Health and Welfare, and a Good Manufacturing Practice (GMP) certificate from the Ministry of Health and Welfare. The company also secured a medical equipment manufacturing license for its P3 full range of protective suits. MAGICTEX APPAREL CORPORATION was entrusted by the Ministry of Health and Welfare to produce the highest-grade P3 protective suits for use by healthcare professionals, pandemic responders, aviation crew members, and high-risk workers in Taiwan.

A P3-grade protective suit must provide protection against both blood and viruses, ensuring a watertight surface. MAGICTEX APPAREL CORPORATION also addressed the issue of discomfort for healthcare workers who wear the suits for extended periods. In addition to meeting medical requirements, these suits are designed for comfort. MAGICTEX APPAREL CORPORATION's focus on communication, design, and production throughout the customization process, combined with innovative environmentally-friendly functional fabrics developed by its parent company SINGTEX Group, integrates customer demands with the production supply chain. This ensures timely services and reasonably priced products, creating a positive brand image and value for customers, and providing comfortable and safe products to consumers.

MAGICTEX APPAREL CORPORATION and GFUN have always been guided by the philosophy of "warm-hearted business." In the early stages of the pandemic, they formed the Textile Pandemic Response Team, enabling the SINGTEX PROTECTOR® waterproof breathable product line to actively transition and expand into personal protective equipment (PPE) research, including personal protective and medical-grade protection. With 33 years of dedication to advanced outdoor functional fabric research and development and vertical integration capabilities, the group utilized SINGTEX-developed fabrics, the waterproof breathable processing expertise of the Group's subsidiary, GFUN

INDUSTRIAL CORPORATION, and the use of hot melt tape technology to prevent blood and viruses from permeating through seams and needle holes. This resulted in the development of high-end waterproof breathable P3 protective suits, offering healthcare workers comprehensive protection while ensuring comfort.



January 2022 - National Fire Agency, MOI: Donated 1,000 P1 protective suits and 5,000 isolation gowns to the Ministry of the Interior Fire Department.



May 2022 - Far Eastern Memorial Hospital: Donated 518 coffee round-neck shirts to Far Eastern Memorial Hospital.



June 2022 - Caota Fire Brigade: Donated 10 protective suits to the Caota Fire Brigade, received by the newly appointed Captain Chen Jianzhong, and subsequently handed over to volunteer workers at the Guangfu Community (vaccination station) to wear.



License for Selling Medical Supplies



License for Manufacturing Medical Supplies



Ministry of Health and Welfare First-Class Medical Device License



Ministry of Health and Welfare Medical Device License

Column

Turning Ocean Waste PET Bottles into World-changing Yarn - S.CAFÉ® OCEAN

The Origin of Life: "The Ocean"

The ocean covers 72% of the Earth's surface and contains 97.5% of all the Earth's water resources. It serves as both the Earth's temperature regulator and a natural purifier, nurturing diverse biological resources and serving as the lifeline of the planet. It is also the largest carbon reservoir.

According to statistics, approximately 12.7 million tons of plastic waste flow into the ocean each year, nearly equivalent to a truckload of garbage being dumped into the sea every minute. With the advancement of human society and sustainable development, the mass production, use, and disposal of single-use plastic waste have formed a vicious cycle, disrupting ecosystems and entering the food chain. The once-beautiful and pristine oceans have now become polluted. The current amount of plastic waste in the ocean exceeds 150 million tons, and if we don't take action, by 2050, there will be more plastic in the sea than fish. Snorkeling or diving to the seabed, you may find more plastic bottles than marine life. While pursuing a better quality of life, we inadvertently harm this ocean, the cradle of life. Plastic pollution, a chronic poison created by humans, is now a threat to this natural ecosystem. In recent years, alarming headlines and images have shown sea turtles entangled in plastic, birds, fish, and marine mammals with stomachs full of plastic.

It's time to take action! We should collectively defend this ocean and address the issue of marine plastic pollution. In addition to reducing the use of disposable products, we should start at the source to minimize the risk of garbage entering the sea. Recognizing this, the SINGTEX Group

has harnessed its research and development capabilities to take action. Let's work together to protect the ocean and improve the problem of marine plastic pollution. Besides reducing the use of disposable products, we should focus on reducing the risk of waste reaching the sea from the source.

Azure Alliance is a team composed of marine scientists and engineers. They dedicate their free time to develop an automated marine garbage cleaning machine - the Ocean Sweeping Robot. The aim is to make the Ocean Sweeping Robot the last line of defense against garbage entering the ocean from the land. To ensure that the garbage collected by the Ocean Sweeping Robot is not just waste, Azure Alliance has partnered with the SINGTEX Group. They provide recovered ocean PET bottles to SINGTEX, which are then turned into S.Café® Ocean eco-friendly technology ocean coffee yarn.

In 2022, we introduced a new generation of ocean technology coffee yarn. By purifying the ocean, we create more meaningful functional fabrics, incorporating special processing and patented innovative structures (STORMFLEECE®, STORMEGA®) to prevent plastic microfibers from entering the ocean during textile washing, thus achieving the goal of a cleaner ocean.

S.Café® Ocean is the 13th generation of SINGTEX's patented S.Café® technology. It combines recycled PET bottles from the ocean with coffee yarn technology (TWI338729). Apart from reducing environmental impact, it also provides odor control and quick-drying effects. This not only recycles waste but also enhances its performance, contributing to an upgrade and transformation.

SINGTEX originally engaged in the development, design, manufacture, and sale of functional textile products. In the past five years, guided by the "Love the Earth" concept, it has been actively involved in the development, production, and research of environmentally-friendly textile products. The main product successfully developed and marketed is the S.Café® series of eco-friendly yarn, fabric, and clothing. SINGTEX has also established a high-precision eco-friendly dyeing and finishing R&D center in Taiwan with Swiss environmental certification bluesign® and actively promoted international marketing of its own brand. The highly international S.Café® brand is well-received in Europe, the United States, mainland China, and Asia, with at least 77 international brands choosing S.Café® eco-friendly technology coffee yarn. S.Café® eco-friendly technology coffee yarn is manufactured entirely in Taiwan, promoting "Made in Taiwan" and enhancing the reputation of Taiwan's high-quality products.

In recent years, the patented product STORMFLEECE® storm fleece products, targeting marine conservation issues, have gained recognition and selection

from brand owners. Through plain weaving and brushing processes, they create outer layers that are windproof and rain-resistant and inner layers that are soft and warm. A single-layer fabric can embody both toughness and softness, replacing traditional double-layer softshells and reducing material consumption. Due to its plain weave structure, it reduces shedding and environmental pollution problems caused by knitted fabrics, and provides better wind resistance and durability.

"Azure" is not just a garbage collection team; they aim to restore the original azure of the ocean. On Earth Day (4/22), SINGTEX Group signed a memorandum of cooperation with Azure Alliance, where CEO Chen Siying demonstrated the Ocean Sweeping Robot on-site and allowed SINGTEX employees to experience its operation. On World Oceans Day (6/8), they were invited to participate in the Taiwan Ocean Azure Alliance event at Bali Shipyard to unveil the third-generation Ocean Sweeping Robot for marine garbage automation cleaning. SINGTEX Group and Azure Alliance are turning ocean PET bottles into a yarn that can change the world. Caring for the ocean requires our collective effort to spread the right values to our families and friends and promote them to everyone around us. Clean the ocean, create green products, and restore the ocean's azure color.





04 Environmental Stewardship Towards a Green Future

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Disclosure of Environmental Stewardship Management

Material Topics : Materials	
Material Causes	Environmental sustainability is increasingly emphasized in annual reports. The use of eco-friendly materials in textiles has also become a growing concern for consumers. Strict control over incoming chemicals, reducing the risk of harmful substances in products, and addressing environmental issues related to waste management are becoming priorities.
Policies / Strategies	<ul style="list-style-type: none"> For Greige (undyed fabric): The company has fabric inspection guidelines. For Packaging Materials: They should be made of recyclable, eco-friendly materials.
Objectives and Targets	<ul style="list-style-type: none"> (Comparison with the previous year, 2020) Gradually reducing water consumption in the manufacturing process each year. A 15% reduction is targeted by 2025, and a reduction of over 30% in process water consumption is aimed for by 2030. Ensuring zero emissions of hazardous chemicals every year. Anticipating an increase of over 30% in the proportion of eco-friendly bio-products by 2023. Maintaining an annual commitment to allocate 3% of revenue to research and develop environmentally friendly products. Continuously sourcing eco-friendly yarn to maintain a proportion of over 85% in products.
Management Assessment Mechanism	100% compliance with on-site chemical regulations.
Performance and Adjustments	Reviewing on-site chemicals annually according to the latest ZDHC MRSL (Manufacturing Restricted Substances List) version. In 2022, compared to 2021, there was a 6.98% increase in the use of renewable (eco-friendly) raw materials. The statistics for 2022 indicate that 41.29% of raw material purchases were renewable, while 58.71% were non-renewable. This represents a 6.98% increase in renewable raw materials and a 6.98% decrease in non-renewable raw materials compared to 2021.
Preventive or Remedial Measures	Selecting chemicals used on-site according to ZDHC MRSL standards and requesting suppliers to provide periodic environmental certification documents for packaging materials.

Material Topics : Waste	
Material Causes	SINGTEX remains committed to environmental conservation and strives to comply with environmental regulations. In response to green environmental initiatives, we focus on energy efficiency and waste reduction to create a more eco-friendly environment and minimize our impact on the ecosystem.
Policies / Strategies	Pollution Prevention: Saving on treatment costs. Resource Optimization: Implementing resource recycling. Encouraging Participation: Promoting environmental awareness among all team members. Continuous Improvement: Ensuring sustainable operations.
Objectives and Targets	<ul style="list-style-type: none"> Short-term goal (2023): Achieving effective waste sorting with a sorting rate of 98%. Medium-term goal: Source reduction (Reducing waste by 5% annually). Long-term goal: Increasing reuse rates to significantly reduce waste output (Increasing reuse rates by 10% over 3 years).
Management Assessment Mechanism	We set the 2023 target upper limits based on the 2022 production output of each unit, with monthly reviews of achievement rates.
Performance and Adjustments	After achieving the annual goals, we will establish further management and disclosure improvements for the following year.
Preventive or Remedial Measures	Preventive Measures: 1.Reduce waste generation through waste minimization. 2.Categorize and recycle waste resources. 3.Ensure proper and harmless disposal of waste. Remedial Measures: 1.Identify the type, quantity, occurrence time, and impact scope of leaked waste. 2.Properly handle the on-site containment and disposal of waste leaks. 3.Minimize the impact of waste on the surrounding environment in affected areas as much as possible.

Material Topics : Climate Change Factors and Emissions	
Material Causes	Singtex is actively implementing energy-saving measures to address the impact of Climate Change and government regulations related to the "Greenhouse Gas Reduction and Management Act." After analyzing stakeholder communication and assessing the level of concern and impact, the emissions theme is relatively significant for the company. Failure to manage greenhouse gas emissions and emissions could lead to potential regulatory penalties in the future. Responsible emissions management can reduce the company's cost risks and enhance its competitiveness in sustainability issues.
Policies / Strategies	The goal is to achieve carbon neutrality through energy efficiency and carbon reduction, focusing on "social responsibility, sustainable development, and internationalization."
Objectives and Targets	<p>In 2023, we will apply for ISO 14064 and ISO 14067 certification. Our greenhouse gas emissions will be benchmarked against the year 2022.</p> <p>Short-term Goals:</p> <ul style="list-style-type: none"> • Reduce greenhouse gas emissions by 5% within five years. <p>Medium-term Goals:</p> <ul style="list-style-type: none"> • Achieve a 15% reduction in greenhouse gas emissions by 2030. • Ensure that the electricity consumption intensity and greenhouse gas emissions intensity are at least 5% lower than previous levels, with a yearly reduction of 1%. <p>Long-term Goals:</p> <ul style="list-style-type: none"> • Strive for carbon neutrality in all operational outlets by 2050.
Management Assessment Mechanism	<ul style="list-style-type: none"> • Establish quarterly and annual energy management assessments within the company to advance energy efficiency and carbon reduction goals. • Conduct yearly effectiveness assessments of emissions management based on internal management review procedures according to ISO 14001, ISO 14064-1, and ISO 50001.
Performance and Adjustments	<ul style="list-style-type: none"> • Form a "Climate Change Identification Team" or complete an analysis of climate change-related risks and opportunities, along with climate-related financial disclosure reports. • Compared to the baseline year of 2020, the company has already achieved a 3% reduction in greenhouse gas emissions in 2022, aligning with our short-term goals. We will continue to manage emissions issues moving forward.
Preventive or Remedial Measures	<ul style="list-style-type: none"> • Conduct ongoing assessments of energy consumption sources and allocate budgets for replacing outdated equipment with energy-efficient alternatives to enhance overall energy efficiency. • Promote the ISO 14001 environmental management system to effectively prevent and control pollution while improving the efficient use of resources and energy. • Yearly review of overall carbon reduction effectiveness and the formulation of emissions reduction strategies. Additionally, we will continue to develop green facilities that meet green building certifications. If carbon reduction effectiveness falls short of expectations, the company will actively procure renewable energy and seek communication and collaboration with relevant organizations.

4.1 Raw Material Management

SINGTEX procures certified environmentally friendly products, giving preference to suppliers with OEKO-TEX STANDARD 100 test reports or certificates, bluesign® System Substances List (BSSL) v.13.0 test reports or certificates, and suppliers complying with in-house chemical MRSL and RSL specifications. For chemical dyes and additives, priority is given to products that have been verified with the environmental textile certification mark "bluesign® STANDARD." For environmentally-friendly yarn raw materials, suppliers are required to have GRS certification. Chemicals must have bluesign® certification and SDS compliance with GHS regulations. If certain chemicals specified or required by some companies are not bluesign® certified, the company will seek equivalent chemicals with bluesign® certification.

Since early January 2022, the company's in-house films, after being cut by automatic edge-cutting machines, have been recycled using a dissolution method to become recycled materials, which are then reintegrated into the processing materials. The percentage of recycling and reuse is 0.04 (calculated as: recycled quantity / total annual usage * 100%). In terms of the 2022 annual procurement of raw materials, the proportion of renewable materials is 41.29%, and non-renewable materials account for 58.71%. Compared to 2021, the proportion of renewable materials has increased by 6.98%, while the proportion of non-renewable materials has decreased by 6.98%. Starting in November, SINGTEX has implemented 100% pure polyester garment recycling, converting them into pellets, yarn, PE film, and paper tubes, achieving 100% recycled materials.

The following table illustrates the consumption of raw materials and non-renewable materials used by the company:

Raw Materials Name	Unit	Whether Renewable	2020	2021	2022
Polyester Fiber	KG	Non-renewable	980,915.00	2,854,340.50	1,595,590.00
Nylon	KG	Non-renewable	78,842.00	155,404.50	76,618.00
Polypropylene Fiber	KG	Non-renewable	5,197.00	38,607.30	27,676.00
Opelon (Polyurethane Elastic Yarn)	KG	Non-renewable	13,439.00	49,065.33	36,282.00
Recycled Opelon (Eco-friendly Polyurethane Elastic Yarn)	KG	Renewable	768.00	1,236.40	796.00
Recycled Staple Fiber Yarn (Spun Yarn & Cotton)	PKG	Renewable	9.00	269.23	95.00
Staple Fiber Yarn	PKG	Non-renewable	354.00	215.03	138.00
Other Yarn Types	KG	Non-renewable	880.00	6,470.30	3,185.00
Recycled Polyester Fiber	KG	Renewable	475,734.00	1,509,205.40	998,410.00
Recycled Nylon	KG	Renewable	0	0	5,940.00
Other Recycled Yarn Types	KG	Renewable	0	0	28,238.00
Knitted Fabric	KG	Renewable	1,940,294.00	1,997,345.00	1,870,940.00
Plain Weave Grey	Yard	Renewable	2,659,529.00	3,663,637.00	3,583,320.00
Dye Auxiliary Agent	KG	Non-renewable	24,501.985	716,463.75	674,408.06
PE Film	KG	Renewable	449,433.70	459,826.50	971,867.2
Paper Tube	PCS	Renewable	103,614.00	303,701.00	303,100
Sample Bag	Kg	Renewable	87.50	50.00	130.30
Double-Sided Tape	Roll	Non-renewable	9,608.00	1,592.00	13,100.00
Packing Tape	Roll	Non-renewable	5,400.00	8,250.00	9,750.00
Wrapping Paper	Piece	Renewable	1,245.00	1,738.00	3,580.00
Cardboard Box	Piece	Renewable	5,430.00	8,124.00	9,597.00
Strapping Tape (Yellow)	Roll	Non-renewable	1.00	1.00	1.00
Wooden Pallet	Piece	Renewable	234.00	343.00	354.00
PP Support	Unit	Renewable	8,120.00	13,640.00	13,960.00
Release Fabric	Yard	Renewable	82,015.00	387,333.00	106,160.00
Release Paper	Yard	Renewable	162,730.00	220,184.05	220,902.00
Guide Cloth	Yard	Renewable	171,858.00	451,487.00	361,483.00
Bubble Wrap	Piece	Non-renewable	5,050.00	7,250.00	8,000.00
Interlayer Paper	Kg	Non-renewable	0	376.00	0

4.2 Water Resource Management

SINGTEX pursues water efficiency and maximization, enhancing the value chain's emphasis on and conservation of water resources upstream and downstream. Through daily management and inspections, feasible water-saving measures are identified, water resource education is promoted to enhance stakeholders' water literacy, water-saving goals are formulated, regular reviews are conducted to achieve water-saving objectives, and various water-saving initiatives are consistently implemented to realize water conservation effectiveness.

The Group's water resources, in addition to domestic water use, also include process water use. These water resources are located in low-risk areas, with the main water source being the Shimen Reservoir in Taoyuan. In 2022, the total water intake volume was 481.16 million liters, with a total water use intensity of 0.1495, representing a decrease of 0.016 compared to 2021.

SINGTEX Group Water Usage												
Year	2020				2021				2022			
Plant Area	Guanyin Plant	GFUN	SINGTEX	Total	Guanyin Plant	GFUN	SINGTEX	Total	Guanyin Plant	GFUN	SINGTEX	Total
Water Intake (Million Liters)	358.08	46.41	3.76	408.25	407.71	66.09	2.88	476.68	423.40	53.12	4.64	481.16
Water Discharge (Million Liters)	305.65	17.63	3.19	326.47	371.83	20.23	2.44	394.50	372.96	24.82	3.94	401.72
Water Consumption (Million Liters)	52.43	28.78	0.57	81.78	35.88	45.86	0.44	82.18	50.44	28.30	0.70	79.44
In-Plant Recirculation Water Usage (Million Liters)	10.59	7.20	0	17.79	11.81	7.20	0	19.01	39.99	7.50	0	47.49
Water Recycling and Reuse Rate (%)	2.87	13.43	0	16.30	1.64	9.82	0	11.46	8.62	12.37	0	20.99
Organization-Specific Metric (Million Dollars)	Revenue				Revenue				Revenue			
Organization-Specific Metric Value	2,107.818				2,879.693				3,217.811			
Water Usage Density	0.1699	0.0220	0.0017	0.1937	0.1416	0.0230	0.0010	0.1655	0.1316	0.0165	0.0014	0.1495

Note:
1. Water Consumption = Water Intake - Water Discharge.
2. Water Recycling and Reuse Rate = (In-Plant Recirculation Water Usage / (Water Intake + In-Plant Recirculation Water Usage)) * 100%.
3. Water Usage Density is calculated as Water Intake (Million Liters) / Organization-Specific Metric Value (Revenue: Million Dollars).
4. Guanyin Plant Water Source: Groundwater Well; GFUN Water Source: Tap Water; Singtex Water Source: Tap Water.

• Emissions Situation in Wastewater.

The Group conducts regular water quality assessments to effectively control and maintain the standards of emissions in wastewater. In 2022, the quality of emissions wastewater was as follows: Chemical Oxygen Demand (COD) at 357.4 ppm, Suspended Solids (SS) at 20.9 ppm, and True Color Intensity at 141 ppm, all of which did not exceed emissions standards.

SINGTEX Industrial Co., Ltd.Guanyin Plant						
Inspection Item	2020		2021		2022	
	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)
COD	560	382.25	560	375.3	560	357.4
SS	480	23.8	480	18.8	480	20.9
True color	0	0	400	115	400	141
Note : True color intensity calculation commenced in February 2021.						

GFUN INDUSTRIAL CORPORATION						
Inspection Item	2020		2021		2022	
	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)
COD	560	116.6	560	167.4	560	236.9
SS	480	17.8	480	67.26	480	30.55
True color	0	0	400	44	400	75
Note : True color intensity calculation commenced in February 2021.						

4.3 Energy Management

SINGTEX primarily uses energy sources that include electricity, diesel, natural gas, and steam. In 2022, the total energy consumption amounted to 211,678.80 gigajoules (GJ), with an energy intensity of 0.66. Energy consumption increased by 5,917.34 GJ compared to 2021, primarily due to an increase in orders.

SINGTEX Group Energy Usage				
Quantitative Indicators	Unit	2020	2021	2022
Electricity Usage Diesel Usage	kWh/year	13,629,200	15,601,036	15,097,103
	GJ	49,065.12	56,163.73	54,349.57
Natural Gas (LNG) Usage	L / year	3,660.48	3,660.48	3,660.48
	GJ	128.65	128.65	128.65
Steam Usage	m³	3,716,126	4,465,496	4,696,480
	GJ	124,386.17	149,469.08	157,200.58
Total Energy Consumption	kW	1,100	1,300	1,600
Energy Intensity	Tonnes/year	10,210	10,032	10,410
Quantitative Indicators	Revenue (Ten thousand)	210,781.8	287,969.3	321,781.1
Electricity Usage	GJ	173,579.94	205,761.46	211,678.80
Diesel Usage	GJ/Revenue	0.82	0.71	0.66

Description:
1.The conversion of electrical energy is 1 kWh = 0.0036 GJ.
2.The conversion coefficients are sourced from the Environmental Protection Administration's Gas Emissions Coefficient Management Table 6.0.4. Fuel heating values are calculated as follows: gasoline at 7,800 kcal/L, diesel at 8,400 kcal/L, and natural gas at 8,000 kcal/m3. 1 kcal = 4.184 kJ.

• **Energy Conservation Achievements**

Our Group is committed to energy conservation and carbon reduction, driven by our vision of corporate social responsibility and sustainable business. The company has implemented various energy-saving measures, resulting in a total reduction of 509,503.8 kilowatt-hours (kWh) in 2022, equivalent to a decrease of 259.34 metric tons of CO2 equivalent (CO2e) in energy consumption. The details of these achievements are as follows:

- In line with the company's annual energy declaration goals, an annual electricity reduction of 1% was achieved, resulting in a total reduction of 34.00 metric tons of CO2e in energy consumption.
- The conversion of a one-to-one standard exhaust treatment system to a one-to-three standard exhaust treatment system resulted in a total reduction of 54.52 metric tons of CO2e in energy consumption.
- The replacement of 2,158 40-watt fluorescent lights with 19-watt LED lights led to a total reduction of 12.16 metric tons of CO2e in energy consumption.
- The replacement of soft water submersible pumps with roadside water extraction pumps resulted in a total reduction of 5.90 metric tons of CO2e in energy consumption.
- The original installation of one 125HP air compressor was replaced with two backup air compressors (one 125HP and one 75HP). Standard operating procedures (SOP) were established to control startup times. Additionally, a new dual-stage 125HP air compressor replaced a 200HP variable displacement air compressor, which was designated as a backup. This led to a total electricity savings of 0.19 metric tons of CO2e in energy consumption.

4.4 Greenhouse Gas Management and Pollution Control

Greenhouse gas emissions are the primary cause of global warming, and in response to climate change and a commitment to sustainable business practices, SINGTEX continues to conduct greenhouse gas inventories. In 2022, greenhouse gas emissions can be categorized into direct emissions and indirect emissions. Direct emissions primarily stem from diesel, steam, and natural gas use, while indirect emissions are associated with purchased electricity. This report does not include emissions from Scope 3 sources. The Group remains dedicated to environmental sustainability goals, and in 2022, the total greenhouse gas emissions amounted to 16,527.8331 metric tons of CO₂ equivalent (CO₂e), with an emissions intensity of 0.0514.

Emissions from SINGTEX Group			
Item	2020	2021	2022
Scope 1: Direct Greenhouse Gas Emissions (metric tons of CO ₂ e)	6,999.4126	8,408.9388	8,843.4077
Scope 2: Indirect Greenhouse Gas Emissions (metric tons of CO ₂ e)	6,841.8584	7,940.9273	7,684.4254
Total Emissions = Scope 1 + Scope 2 (metric tons of CO ₂ e)	13,841.2710	16,349.8661	16,527.8331
Organizational Specific Metric (Revenue: Ten thousand)	210,781.8	287,969.3	321,781.1
Greenhouse Gas Emissions Intensity	0.0657	0.0568	0.0514
Note: 1. Emissions factors are calculated based on the latest data from the Ministry of Economic Affairs, Energy Bureau, version 6.0.4 (IPCC Sixth Assessment Report). 2. Types of greenhouse gas emissions: Carbon dioxide (CO ₂), Methane (CH ₄), Nitrous oxide (N ₂ O). 3. Purchased electricity references the emissions factors announced by the Ministry of Economic Affairs, Energy Bureau. In 2020, the electricity emissions factor was 0.502 kg CO ₂ e/kWh. In 2021 and 2022, the electricity emissions factor was 0.509 kg CO ₂ e/kWh. 4. Greenhouse Gas Emissions Intensity = Total Emissions (metric tons of CO ₂ e) / Revenue (Ten thousand).			

SINGTEX complies with government regulations, aims to prevent air pollution, safeguard the living environment, and promote public health. We also work to enhance employees' environmental awareness to reduce resource consumption and waste generation. In 2022, all gas emissions were 100% in compliance with regulatory standards, and there were no emissions of substances that harm the ozone layer (ODS). The results of air pollution emissions testing are as follows:

Inspection Item	2020			2021			2022		
	Emissions(kg)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions(kg)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)	Emissions(kg)	Emissions Standards (ppm)	Annual Average Monitoring Value (ppm)
VOCs	233,996.25	120	43.8	200,924.56	120	27.6	247,295.6	120	47
TSP	389.62	50	-	382.78	50	-	365.25	50	4
SOx	4,438.75	100	-	5,692.1	100	-	5,909.69	100	8
NOx	3,971.65	150	-	4,887.42	150	-	5,074.25	150	34
Note: 1. Material gases include standard categories of gas emissions such as Nitrogen Oxides (NO _x), Sulfur Oxides (SO _x), Persistent Organic Pollutants (POP), Volatile Organic Compounds (VOC), Hazardous Air Pollutants (HAP), Particulate Matter (PM), and other gas emissions specified in relevant regulations. 2. In compliance with regulations, VOC testing data for 2020 and 2021 is not available. Furthermore, in 2022, due to air quality testing for vehicle emissions, additional testing was conducted, which was not part of routine testing.									

4.5 Waste Management

The Group adheres to the 'Waste Management Act' and relevant regulations for the storage and record-keeping of waste. All contracted waste management companies are legally responsible for waste removal and disposal, and there have been no instances of leakage or release. We strive to minimize our impact on the environment and ecology. In-house waste processing follows the 'Waste Management Guidelines' within the facility. A dedicated waste management personnel handles online reporting and the waste is placed in a temporary storage area for collection. Monthly data is compiled and submitted to the Environmental Protection Agency. During transportation, external weighing stations are used, and the Waste website records transport and removal company vehicle GPS information. The waste management model for the Group is illustrated in the table:

SINGTEX Waste Generation and Handling					
Composition of Waste	Hazardous/Non-Hazardous	On-Site		Off-Site	
Item		Waste Generation (tons)	Treatment Method	Waste Generation (tons)	Treatment Method
D-0803 Waste Fabric	Non-Hazardous	3	Moved to Waste Storage Area	127	Incineration (without energy recovery)
D-0899 Waste Fiber Mixtures	Non-Hazardous	0.5	Moved to Waste Storage Area	6	Incineration (without energy recovery)
D-1801 Municipal Solid Waste	Non-Hazardous	3	Moved to Waste Storage Area	32	Incineration (without energy recovery)
R-0201 Waste Plastic (Containers)	Non-Hazardous	1.5	Moved to Waste Storage Area	21	Sold after Vendor Recycling
R-0906 Textile Sludge	Non-Hazardous	20	Moved to Waste Storage Area	219	Incineration (used as auxiliary fuel)
Total	-	28	-	405	-

GFUN is committed to environmental conservation and waste reduction. With a focus on 'source reduction' and 'resource recycling,' and in alignment with a sustainable resource perspective, we promote strategies such as waste minimization, resource recovery, reuse, and recycling to effectively facilitate resource circularity.

In the area of source reduction, our Group closely monitors waste across all production lines, ensuring that all waste is weighed and recorded before disposal. We conduct monthly waste reduction meetings where department heads review the quantity and content of waste generated, exploring potential cost-effective reduction solutions. Currently, GFUN has significantly reduced the production of liquid solvent waste and strives to recycle it for further use, resulting in approximately a 50% reduction in waste production compared to previous levels.

GFUN is dedicated to promoting resource recovery, reuse, and recycling. Every day, dedicated personnel guide and supervise the sorting of household waste discarded by various units to encourage resource recycling. Two-thirds of waste fabrics and films are provided to Longshun, where they are reprocessed into fuel rods for renewable energy. Paper waste is also collected by recycling companies and used as raw materials for recycled paper, reducing the amount of waste sent directly to incineration facilities.

GFUN Company's Waste Generation and Handling					
Composition of Waste	Hazardous/Non-Hazardous	On-Site		Off-Site	
Item		Waste Generation (tons)	Treatment Method	Waste Generation (tons)	Treatment Method
B-0399 Other Mixtures of Chemical Substances or Discarded Containers as Mentioned Earlier	Hazardous	1.5	Moved to Waste Storage Area	1.0	Incineration (without energy recovery)
C-0301 Waste Liquids with a Flash Point Less Than 60°C (Excluding Alcoholic Waste with an Ethanol Volume Concentration Less Than 24%)	Hazardous	4.5	Moved to Waste Storage Area	4.0	Other Disposal Operations
C-0399 Other Mixtures of Flammable Industrial Waste	Hazardous	7.5	Moved to Waste Storage Area	7.0	Incineration (without energy recovery)
D-0299 Waste Plastic Mixtures	Non-Hazardous	1.0	Moved to Waste Storage Area	0.5	Incineration (without energy recovery)
D-1801 Municipal Solid Waste	Non-Hazardous	2.5	Moved to Waste Storage Area	2.0	Incineration (without energy recovery)
R-0701 Waste Wood	Non-Hazardous	1.0	Moved to Waste Storage Area	5.0	Other Disposal Operations
D-0202: Waste Resin	Non-Hazardous	2.5	Moved to Waste Storage Area	2.0	Incineration (without energy recovery)
D-0803 Waste Fabric	Non-Hazardous	2.0	Moved to Waste Storage Area	1.0	Incineration (without energy recovery)
R-2503220002 Crude Dimethylformamide (DMF)	Hazardous	400.0	Moved to Waste Storage Area	400.0	Recycling and Reuse
D-0902 Inorganic Sludge	Non-Hazardous	1.0	Moved to Waste Storage Area	7.0	Other Disposal Operations
Total	-	423.5	-	429.5	-

Column

Circular Economy - Fuel Rod

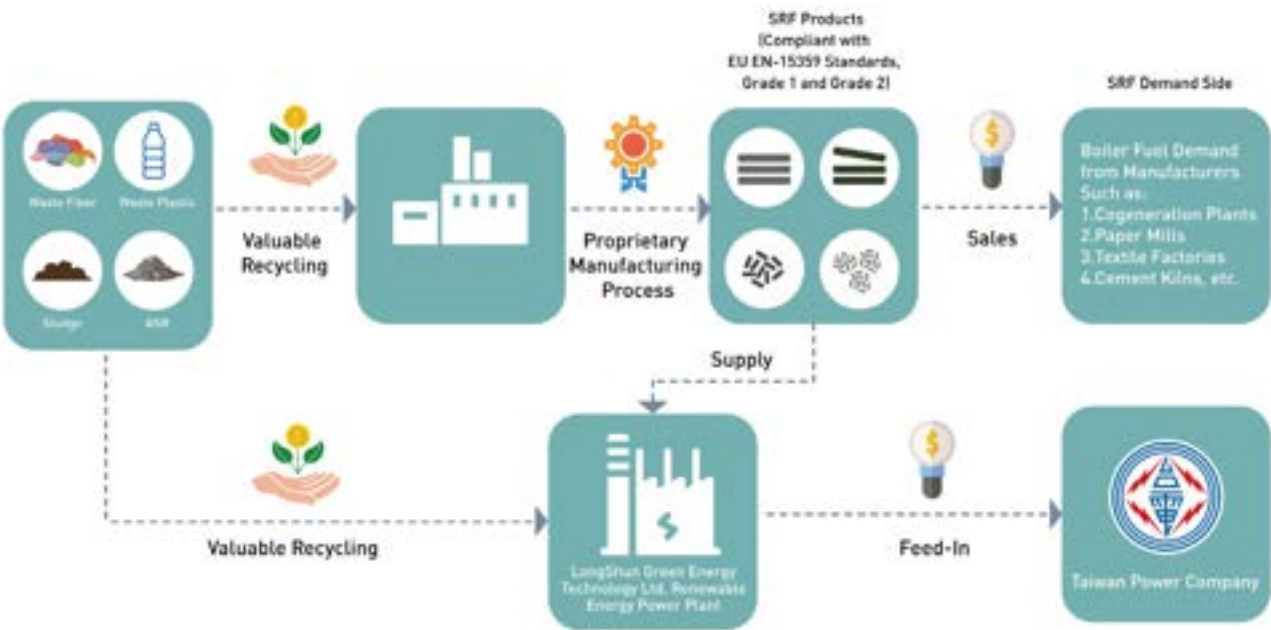
Approximately 60% of GFUN's industrial waste materials are reprocessed into fuel rods, with the fuel rods made from GFUN's waste materials being nearly 50% more cost-effective than coal, while reducing carbon emissions by 40%. The Solid Recovered Fuel (SRF) produced in the form of fuel rods is made available to paper mills as a replacement for coal.

GFUN has signed an annual contract with Longshun, providing approximately 3 tons of waste to the company each month and paying additional processing fees. Currently, two-thirds of the planned waste production is provided to Longshun, accounting for 0.07% of Longshun's total waste volume, while the remaining waste is processed by incineration facilities. GFUN originally sent waste fabrics and waste films to incineration facilities for disposal. By converting them into fuel rods and selling them to relevant industries, such as the paper industry, Evergreen Group, and the Taoyuan Combined Cycle Power Plant, which primarily burn coal, GFUN contributes to renewable energy use, enhances material stability, and ensures sustainability. Bottom ash production is reduced by 7 to 15 times compared to coal and carbon emissions are reduced by a factor of 4.

Waste reuse is a crucial step towards realizing the concept of a circular economy and achieving sustainable development.

SRF has a low environmental impact, estimated to be approximately 1/6 to 1/5 that of coal. Moreover, based on the experiences of the European Union and Japan, the cost of producing the same amount of heat using SRF is only 58-79% of that of coal. When applied to waste-to-energy generation, SRF can achieve an efficiency of over 30%, providing both energy and economic benefits.

SRF Fuel Rod Manufacturing Process



GFUN is committed to environmental protection, energy conservation, and waste reduction. With a focus on 'source reduction' and 'resource recycling,' and guided by a sustainable resource perspective, we promote strategies such as waste minimization, resource recovery, reuse, and recycling to efficiently facilitate resource circulation.

In the area of source reduction, our Group actively manages waste across all production lines, with all discarded waste being weighed and recorded. We hold monthly waste reduction meetings where department heads review the quantity and content of waste generated, and explore the implementation of new cost-saving measures. Currently, we have reduced the production of liquid solvent waste, striving for recycling and reuse, resulting in a 50% reduction in waste production compared to previous levels. Comparing yearly average disposal costs, we have saved 720,000 NTD in processing fees annually since 2020.

The improvement in waste reduction effectiveness lies in our Group's commitment to promoting resource recovery, reuse, and recycling. Every day, dedicated personnel provide guidance at the landfill for the proper sorting and resource recycling of household waste disposed of by various units. Two-thirds of waste fabrics and films are provided to Longshun for reprocessing into fuel rods, serving as renewable energy sources. Paper waste is also collected by recycling companies to serve as raw materials for recycled paper, reducing the quantity of waste sent directly to incineration facilities.



05 **Uniting Strength** **Creating a Happy Workplace**

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Disclosure of Happy Workplace Management

Material Topics : Employment	
Material Causes	Employees are the most valuable assets of our company. Creating a happy workplace, enhancing labor-management harmony, and increasing employee identification and engagement are the solid foundations of SINGTEX's sustainability.
Policies / Strategies	<ol style="list-style-type: none"> 1. We conduct labor-management meetings every quarter to understand employees' thoughts and ideas. 2. We provide a channel for complaints and suggestions with an effective handling mechanism. This ensures that employees can report any improper or unfair treatment or rights violations promptly, establishing a transparent channel for complaints.
Objectives and Targets	<ul style="list-style-type: none"> • Reduce labor disputes to maintain a 0% annual rate. • Lower turnover rate to 25% within five years.
Management Assessment Mechanism	<ol style="list-style-type: none"> 1. We respond to employee complaints and suggestions through the designated channel to ensure that their opinions are duly acknowledged. 2. Labor dispute incidence rate (number of labor disputes initiated by employees and filed with the labor department during the year / year-end number of employees). 3. Labor dispute definition: Cases initiated by employees and filed with the labor department. <p>Turnover rate = Number of resignations / Year-end number of employees. Resignations refer to voluntary resignations and do not include retirements, layoffs, terminations, or the expiration of fixed-term contracts.</p>
Performance and Adjustments	<p>In 2022:</p> <ul style="list-style-type: none"> • Labor dispute incidence rate: 0% • Turnover rate: 32.9%
Preventive or Remedial Measures	<ol style="list-style-type: none"> 1. A commendable record for labor dispute incidence rate, with continued efforts to strengthen labor relations and communication channels. 2. Conduct interviews with unit managers of high turnover rates, provide necessary education and training when needed, and also assess the department's work content and environment. Engage in discussions with employees as necessary.

Material Topic: Training and Education	
Material Causes	SINGTEX values employee skills, recognizing that enhancing employee capabilities is essential for standing out in the competitive market. We aim to provide our colleagues with a high-quality platform to showcase their talents and grow together with the company.
Policies / Strategies	To meet the diverse needs of different job categories, we organize systematic education and training programs that integrate virtual and real-world learning. We combine offline and online digital learning (e-learning) to execute training courses and learning services, enhancing overall learning effectiveness and fostering innovative thinking among employees to adapt to changing environments and market dynamics.
Objectives and Targets	<ul style="list-style-type: none"> • Aim to achieve a rate of six training courses per person per year within five years (Number of participants in education and training / Year-end number of employees). • Introduce the latest AI technology training to embark on a new era of smart manufacturing. This includes training for garment production lines and automated scheduling, offering industry-specific technical and educational training. • Become a professional training center in the fields of textiles and waterproof breathable technologies.
Management Assessment Mechanism	We regularly monitor the implementation and achievement of our goals.
Performance and Adjustments	<p>In 2022:</p> <ul style="list-style-type: none"> • Achieved a rate of four training courses per person per year. • Achieved a course completion rate of 95% (Actual number of courses completed / Expected number of courses). • Attained an education and training satisfaction rating of 4.5 (Overall satisfaction rating for courses offered / Number of courses offered).
Preventive or Remedial Measures	<ul style="list-style-type: none"> • Developed an annual training plan in accordance with the "Group Education and Training Management Regulations" and linked it to employees' annual performance evaluations and promotions. • Applied for external education and training, participating in courses offered by external organizations to enhance key technical skills and core competencies required for job roles.

Material Topics : Diversity and Equal Opportunity	
Material Causes	SINGTEX is committed to providing employees with a work environment that respects their dignity, safety, and inclusivity. We uphold diversity in employment, fairness in compensation, and opportunities for advancement, ensuring that employees are not discriminated against, harassed, or treated unequally based on race, gender, religious beliefs, age, political orientation, or any other condition protected by applicable laws. We also welcome global talent to build a strong corporate reputation.
Policies / Strategies	<ul style="list-style-type: none"> We respect the labor rights of indigenous peoples and people with disabilities, promote gender equality, and provide fair and open promotion channels for employees of all backgrounds to unleash their potential. We establish channels for complaints, allowing employees to report instances of inequality to uphold our company's diversity and equality policies and safeguard employee rights.
Objectives and Targets	<ul style="list-style-type: none"> When formulating employment, compensation, promotion, development, and training-related policies and procedures, we regularly review whether the content considers the rights of different groups, genders, and people with disabilities to ensure diversity and equal treatment. Complaint cases of employees experiencing unequal treatment based on gender, race, religion, etc., maintained at 0 cases. Employment of vulnerable groups (including indigenous peoples and people with disabilities) complies with statutory employment quotas.
Management Assessment Mechanism	<ul style="list-style-type: none"> Regularly review every year to ensure that there is equal opportunity for everyone in areas such as compensation, promotion, assessment, and hiring, with no discrimination or differential treatment based on gender or ethnicity. Regularly review each year to ensure compliance with statutory requirements regarding the employment of vulnerable groups (including indigenous peoples and people with disabilities).
Performance and Adjustments	<p>In 2022:</p> <ul style="list-style-type: none"> Complaint cases of employees experiencing unequal treatment based on factors such as gender, race, and religion: 0 cases. Percentage of indigenous employees: 0.8% Percentage of employees with disabilities: 1.6%
Preventive or Remedial Measures	<ul style="list-style-type: none"> In the event of complaint cases, an evaluation committee is established by a first-level supervisor for investigation and adjudication. Complaint cases should be investigated and resolved within three months, with a complete report provided to the complainant. Increase the number of indigenous employees in employment. Regularly review national laws and social trends and revise methods to protect vulnerable groups.

Material Topics : Occupational Health and Safety	
Material Causes	SINGTEX understands that sustainable operations require compliance with safety and health regulations, the implementation of safety and health systems, and the prevention of accidents and illnesses through hazard identification. Continuous improvement and a reduction in occupational accidents are essential for maintaining stable production.
Policies / Strategies	<ol style="list-style-type: none"> 1.Strictly adhere to safety and health regulations and implement safety and health systems. 2.Implement hazard identification and prevent injuries and illnesses. 3.Foster a culture of safety awareness and active participation among all employees. 4.Continuously improve and reduce the occurrence of occupational accidents.
Objectives and Targets	<p>Short-term:</p> <ul style="list-style-type: none"> • Periodically review labor safety and health management measures (quarterly review). • Strengthen the promotion of labor safety and health regulations (monthly promotion in each department). • Evaluate the suitability of personal protective equipment (annual respiratory protective equipment fit testing). <p>Medium to Long-term:</p> <ul style="list-style-type: none"> • Promote a culture of occupational safety and health, control operational risks, and establish a safe working environment (100% achievement of occupational safety and health education for new employees, 100% education and training in safety operating procedures for employees). • Implement employee health management, actively prevent occupational diseases, promote physical and mental well-being, and aim for zero workplace accidents (occupational health consultations by occupational physicians six times per year, environmental testing of workplaces twice a year, employee health courses six times per year, employee health check-ups once a year).
Management Assessment Mechanism	Based on the number of education and training participants and the severity rate of occupational accidents, the number of corrective actions for risk assessments will be determined.
Performance and Adjustments	<ul style="list-style-type: none"> • In 2022, there was one traffic accident, two false alarms, and 12 improvements in on-site inspections due to deficiencies. • To prevent accidents, the Group strengthened electrical safety and safety precautions, provided training to prevent external traffic accidents, increased employee safety awareness, and established a culture of safety for everyone.
Preventive or Remedial Measures	In 2022, a total of eight risk items were deemed unacceptable, mainly related to traffic accidents, material pressure/entanglement, punctures/cuts/abrasions, falls, electric shocks, falls/rolls, collisions, and other categories. For the above main injury categories, in addition to individual accident investigations, the Safety and Health Department evaluates similar risk areas throughout the entire plant, conducts parallel education and training, and aims to prevent accidents from recurring, achieving the desired preventive effect.

5.1 Workforce Structure

5.1.1 Employment of a Diverse Workforce

SINGTEX regards employees as its most important assets and a crucial core for the company's sustainable development. It strictly adheres to labor and human rights regulations, treats all employees fairly and with respect, provides comprehensive development programs, and stimulates employee performance through a fair promotion system, creating a "win-win" workplace environment for employees and the company.

With a strong commitment to diversity, inclusivity, and fairness, the Group strictly adheres to its anti-discrimination and harassment policies. It ensures fair treatment of all Groups and is dedicated to narrowing the gender pay gap by implementing inclusive hiring standards. The company provides training and development opportunities for women at all levels, encourages female talents to take on leadership and senior positions, creates more flexible maternity leave and workplace arrangements to allow employees to balance work and personal commitments, and prohibits the employment of child labor under the age of 16 in hazardous and strenuous work. The Group promotes an inclusive and diverse culture throughout the entire SINGTEX Group.

To safeguard employees' labor rights and comply with relevant labor laws, in the event of significant operational changes or the termination of employment with employees in the future, the Group will adhere to local labor law regulations. The minimum notice period for operational changes will follow the regulations of the Labor Standards Act:

1. For employees with more than three months but less than one year of continuous service, notice will be given at least ten days in advance.
2. For employees with more than one year but less than three years of continuous service, notice will be given at least twenty days in advance.
3. For employees with more than three years of continuous service, notice will be given at least thirty days in advance.

As of the end of 2022, the total number of employees in the SINGTEX Group was 636 (358 males and 278 females). All of them were regular employees. The Group employed non-employee workers primarily in roles such as restaurant and security personnel, totaling 10 individuals (5 security guards and 5 kitchen chefs), with no significant fluctuations compared to the previous year. The detailed employee hiring and gender distribution for 2022 are shown in the table below:

Employee Headcount Overview				
Region	Contract Type	Female	Male	Total
Taiwan	Number of Employees	278	358	636
	Regular Employees	278	358	636
	Temporary Employees	0	0	0
	No Guaranteed Hours Employees	0	0	0

Note:

1. Employee: Individuals who have established an employment relationship with the organization in accordance with national laws or applicable requirements (in Taiwan, employees with labor insurance coverage).
2. Regular: Individuals with indefinite-term contracts.
3. Temporary: Individuals with fixed-term contracts.
4. No Guaranteed Hours: Employees who are not guaranteed a minimum or fixed number of hours per day, week, or month but may be available for work as needed.

Non-Employee Headcount Overview		
Worker Type	Contractual Relationship with the Company	Total Workers
Security Personnel	Contractors	5
Cooks + Kitchen Staff	Contractors	5

The Group places a strong emphasis on hiring local residents to enhance harmony with the local community and maximize the stability of employees' work. In this regard, 100% of the Group's vice-director level or higher managers are recruited from the local population. Over the past three years, the distribution of employees by job category is as follows:

Year			2020	2021	2022
Item/Gender		Age	Number	Number	Number
Supervisory Personnel	Male	Under 30 years old	0	0	2
		30-50 years old	20	26	37
		Over 50 years of age	31	31	27
	Female	Under 30 years old	0	0	1
		30-50 years old	32	40	37
		Over 50 years of age	14	13	13
Total Supervisory Personnel			97	110	119
Non-Supervisory Personnel	Male	Under 30 years old	77	77	114
		30-50 years old	131	153	149
		Over 50 years of age	26	31	27
	Female	Under 30 years old	41	46	61
		30-50 years old	120	125	138
		Over 50 years of age	32	34	28
Total Non-Supervisory Personnel			427	466	517
Total Permanent Employees			524	576	636
Note: Supervisory personnel are defined as managerial executives at or above the deputy division chief level.					

In accordance with Article 38, Paragraph 2 of the Disability Rights Protection Act, the Group also employs people with disabilities to safeguard the equal employment rights and interests of minority and vulnerable groups. We will continue to work together to create a friendly working environment to lead the development of the industry, with a focus on increasing diversity, making equity an important foundation for all our practices, policies, and processes. According to our anti-discrimination and anti-harassment policies, all employees must ensure a safe and inclusive work environment free from harassment and discrimination. Our strict policies allow for anonymous reporting of any discrimination, harassment, or retaliation incidents.

If an employee is found to have engaged in harassment, discrimination, or retaliation, they may face disciplinary action, including termination of employment. There were no reports of discrimination received by the Group in 2022. The employment status of employees from diverse ethnic backgrounds in the past three years is shown in the following table:

Year			2020	2021	2022
Item/Gender		Age	Number	Number	Number
Foreign Workers and New Immigrants	Male	Under 30 years old	56	60	98
		30-50 years old	63	81	84
		Over 50 years of age	0	0	0
	Female	Under 30 years old	3	4	11
		30-50 years old	20	22	25
		Over 50 years of age	2	2	2
	Subtotal (A)		144	169	220
Disabled	Male	Under 30 years old	2	1	2
		30-50 years old	4	5	5
		Over 50 years of age	2	2	2
	Female	Under 30 years old	0	0	0
		30-50 years old	2	1	1
		Over 50 years of age	0	0	0
Subtotal (B)		10	9	10	
Indigenous	Male	Under 30 years old	0	0	0
		30-50 years old	0	1	1
		Over 50 years of age	0	0	0
	Female	Under 30 years old	0	0	0
		30-50 years old	3	4	4
		Over 50 years of age	0	0	0
Subtotal (C)		3	5	5	
Total(A)+(B)+(C)		157	183	235	

Note:

Article 38, Paragraph 2 of the Disability Rights Protection Act stipulates that "For private-sector organizations with a total workforce of 67 or more employees, the number of employed individuals with employable disabilities shall not be less than 1% of the total workforce and shall not be less than 1 person."

All security personnel in the Group are outsourced, and related human rights education and training are conducted in accordance with laws and international human rights conventions.

5.1.2 Talent Recruitment and Retention

SINGTEX values diversity and adheres to principles of diversity and equality in its recruitment practices. We do not discriminate based on race, color, ethnicity, language, religion, age, nationality, gender, sexual orientation, physical or mental condition, or political beliefs. In addition to conventional recruitment methods, we actively seek to bring in a diverse pool of talented individuals through campus recruitment, industry-academic partnerships, cooperative education programs, summer internships, and collaborations with textile training institutions. We also provide equal employment opportunities to marginalized groups and offer a friendly working environment with flexible hours to accommodate their needs.

We have a comprehensive compensation system that provides salaries and benefits exceeding legal requirements. We uphold the principles of equal pay for equal work and gender equality, ensuring that there is no discrimination based on gender, race, political beliefs, or marital status.

For new hires, compensation is determined based on their qualifications, professional skills, certifications, and individual performance in accordance with job requirements. After hiring, the company regularly reviews the salary levels of employees at all levels, granting annual salary adjustments and promotions based on their job performance, reflecting their efforts and contributions at work. We also have a well-structured bonus system that includes various incentive policies tied to annual goal management to reward employees who achieve their targets.

Salary Ratios by Job Category	Number		Total Annual Salary (in New Taiwan Dollars)		Salary Ratio	
	Female	Male	Female	Male	Female	Male
Management Positions	51	68	44,040,090	70,554,154	0.83	1
Non-Management Positions	141	45	67,280,142	21,344,442	1.01	1
Direct Labor	36	209	10,830,540	69,035,914	0.91	1
Indirect Labor	50	36	22,266,414	18,018,905	0.89	1

Note: The Female-to-Male Salary Ratio (Annual Salary Ratio) is calculated as "Average Annual Salary for Females in the category / Average Annual Salary for Males in the category."

Country/ Region	The ratio of the annual total compensation of the highest-paid individual in the company to the median annual total compensation of employees (excluding the highest-paid individual).	The increase ratio of the annual total compensation of the highest-paid individual in the company to the median annual total compensation of employees (excluding the highest-paid individual).
Taiwan	10.24	2.9%

- Note:
1.

The Chairman is not considered the highest-paid individual unless they also hold the position of General Manager/CEO.
2.

Formula for calculating the annual median compensation ratio: Annual salary of the highest-paid individual in that year / Annual salary of the individual at the median salary for that year.
3.

Formula for calculating the annual compensation increase ratio: Percentage increase in annual salary of the highest-paid individual in that year / Percentage increase in annual salary of the individual at the median salary for that year.

SINGTEX has an open and transparent performance evaluation system in place. We conduct regular employee assessments to understand their skills better. Based on the assessment results, we provide appropriate training and development opportunities tailored to individual employees. This helps enhance the company's competitiveness and overall organizational effectiveness. The employee participation rate in the performance evaluation for the SINGTEX Group in 2022 is as follows:

Item	Management Positions	Non-Management Positions	Direct Labor	Indirect Labor
Percentage of Male Employees Undergoing Assessment	100%	100%	100%	100%
Percentage of Female Employees Undergoing Assessment	100%	100%	100%	100%



The Group's employment principles are based on knowledge, character, competence, experience, and suitability for the position or job. As of the end of 2022, there were a total of 296 new colleagues (158 males and 111 females), accounting for 43.2% of the total workforce. SINGTEX had an official employee turnover rate of 30.5% in 2022.

New Hire Rate												
Year	2020				2021				2022			
Gender	Male		Female		Male		Female		Male		Female	
Age\Item	Number	New Hire Rate (%)	Number	New Hire Rate (%)	Number	New Hire Rate (%)	Number	New Hire Rate (%)	Number	New Hire Rate (%)	Number	New Hire Rate (%)
Under 30 years old	29	5.5	18	3.4	42	7.3	37	6.4	96	15.1	55	8.6
30-50 years old	27	5.2	33	6.3	56	9.7	56	9.7	53	8.3	48	7.5
Over 50 years of age	15	2.9	40	7.6	9	1.6	18	3.1	9	1.4	8	1.3
Total New Hires	162				218				269			
Total Workforce	524				576				636			
Overall New Hire Rate (%)	30.9%				37.8%				42.3%			

Description:

1. The total new hire count does not deduct employees who left mid-year.
2. The new hire rate for male (female) employees in a specific age group is calculated as the number of new male (female) hires in that age group during the year divided by the total number of employees at the end of the year.
3. The overall new hire employment rate is calculated as the number of new hires during the year divided by the total number of employees at the end of the year in all operating locations.

Turnover Rate												
Year	2020				2021				2022			
Gender	Male		Female		Male		Female		Male		Female	
Age\Item	Number	Turnover Rate (%)	Number	Turnover Rate (%)	Number	Turnover Rate (%)	Number	Turnover Rate (%)	Number	Turnover Rate (%)	Number	Turnover Rate (%)
Under 30 years old	24	13.1	12	6.6	30	17.6	27	15.9	47	22.5	33	15.8
30-50 years old	42	23	38	20.8	41	24.1	49	28.8	56	26.8	39	18.7
Over 50 years of age	21	11.5	45	25.1	7	4.1	16	9.4	18	8.6	16	7.7
Total Separations	183				170				209			
Total Workforce	524				576				636			
Overall Turnover Rate (%)	34.9%				29.5%				32.9%			

Description:

1. Define the categories of employees leaving the company (e.g., resignations, terminations, retirements, or work-related fatalities).
2. The turnover rate for male (female) employees in a specific age group is calculated as the number of male (female) employees in that age group who left during the year divided by the total number of employees at the end of the year.
3. The overall employee separation employment rate is calculated as the number of employees who left during the year divided by the total number of employees at the end of the year in all operating locations.

5.2 Training and Development

SINGTEX Group places a strong emphasis on aligning corporate needs with individual career development. We proactively promote relevant education and training initiatives. We firmly believe in the principle that "communication is the best form of management." SINGTEX Group is committed to safeguarding employee rights, creating a favorable working environment, and establishing efficient communication channels. Through both top-down and bottom-up communication, we aim to understand the diverse needs of our employees and ensure that they are aware of the company's objectives. This fosters internal consensus and a shared culture. We aspire to support our employees' growth and development in sync with the company's pursuit of growth and profitability, creating an environment for continuous learning and advancement.

Group has established the comprehensive "SINGTEX Academy," which is structured into four major categories within the company's training system: "New Employee Training," "Professional Skills Training," "Internal Instructor Training," and "Core and Management Skills Training." Within these four categories, we incorporate three modes of learning: "Learning on the Job," "Learning during Training," and "Self-directed Learning." We have designed in-depth development programs to ensure a goal-oriented and systematic approach to talent development, nurturing talent to the highest standards.

Item/Type		Management Positions		Non-Management Positions		Direct Labor		Indirect Labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Count	Count	68	51	290	227	245	53	113	225
Total Training Hours	Hours	315.5	54	44	558	150.5	94	210	128
Average Total Training Hours per Person	Hours/Count	16.6	4.2	22	104	40.7	40	35	32
Training Cost	NTD	96,740	19,740	90,000	63,600	92,000	76,200	52,048	28,800

To encourage professional development among current employees within the SINGTEX Group and to build a talent database to meet the future needs of Plant Two, the Group has formulated initiatives such as "Specialized Technical Professional License Management and Subsidies" and "SINGTEX Group Student Scholarships." These programs aim to provide support and scholarships through a mechanism of financial assistance. To date, employees within the Group have obtained subsidies for various relevant certifications, including ISO certification, TAF certification, bluesign® certification, occupational safety and health certifications, and specialized professional and technical higher-level examinations required by the Group. These certifications, when acquired, can serve as a basis for scoring higher in promotion examinations.

In enhancing employee competence, the Group encourages individuals to pursue external training and further education related to their professional skills by providing financial support. Employees are also assigned to attend external training, workshops, or exchanges, both domestically and internationally, to acquire knowledge from academia and industry, thus enhancing and deepening their professional expertise. Through diverse learning and development opportunities, the Group aims to nurture and reserve outstanding professional talents and managerial personnel.

The Group places a strong emphasis on professional training in practical on-site operations. Female employees, often involved in indirect office work, require fewer specialized training programs. Management-level employees focus on leadership and management training, resulting in lower training hours compared to personnel below the managerial level.

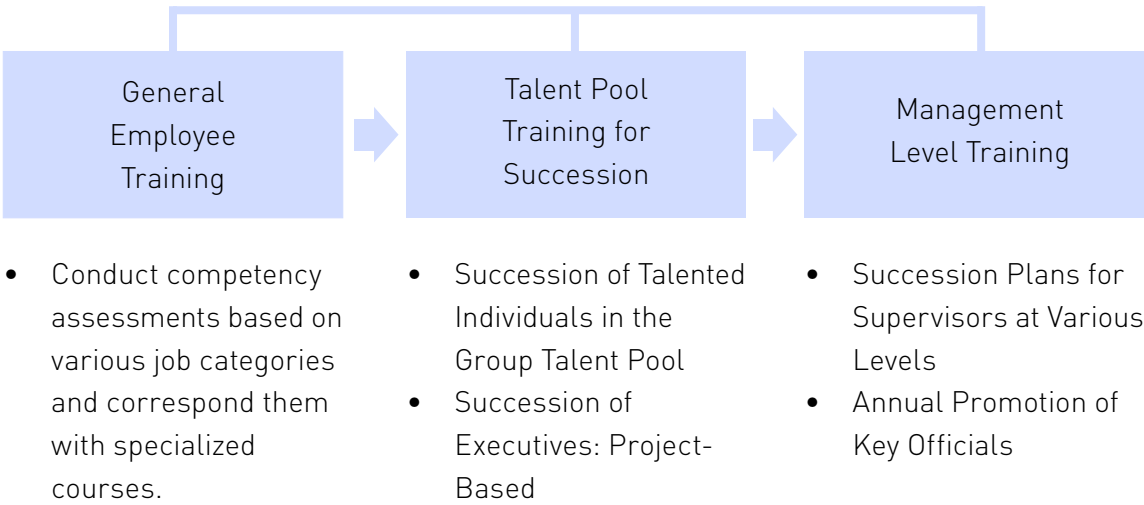
Organizational Levels	New Employee Training		Professional Training			Management Training		
Senior Executives	General Training	Professional Foundation Training	Common Compulsory Training	Professional Compulsory Training	External Training	Managerial Leadership Training	Project Task Training	Job Rotation
Middle Managers								
Frontline Staff								
New Hires								



Establishment of a Comprehensive SINGTEX Group Academy

Annual Education and Training Programs, and Planning for More In-Depth Development Courses to Cultivate Talent to High Standards

Talent Development in Three Major Categories



Employee Career Development



5.3 Benefits and Retirement System

5.3.1 Employee Retirement System and Implementation Status

According to regulations, the company contributes 6% of employees' monthly insured salaries to their individual retirement accounts with the Labor Insurance Bureau. Additionally, for existing employees who choose to continue under the old retirement system and still maintain their seniority under the old system, the company monthly allocates an appropriate amount of retirement reserves to a dedicated bank account as required by law.

5.3.2 Maternity and Parental Leave Implementation Status

SINGTEX, in order to support employees in their family planning, adheres to the provisions of the Labor Standards Act and the Gender Equality in Employment Act by implementing a maternity leave without pay system. This allows colleagues to achieve a balance between work and family life. After the completion of the maternity leave period, the company assists in arranging their return to the original unit and position and actively supports their reintegration into the workplace. The company's maternity leave statistics for the past three years are as follows:

Year	2020			2021			2022		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of Employees Eligible for Maternity Leave A	16	33	49	14	34	48	13	38	51
Number of Employees Applying for Maternity Leave in the Current Year B	0	3	3	1	5	6	1	6	7
Number of Employees Expected to Return to Work After Maternity Leave in the Current Year C	0	4	4	1	3	4	1	5	6
Number of Employees Actually Returning to Work After Maternity Leave in the Current Year D	0	1	1	1	2	3	1	3	4
Number of Employees Actually Returning to Work After Maternity Leave in the Previous Year E	0	1	1	0	1	1	1	2	3
Number of Employees Continuing to Work for One Year After Returning from Maternity Leave in the Previous Year F	0	1	1	0	1	1	1	1	2
Maternity Leave Return Rate in the Current Year %(D/C)	0%	25%	25%	100%	67%	75%	100%	60%	67%
Maternity Leave Retention Rate in the Current Year %(F/E)	0%	100%	100%	0%	0%	0%	100%	50%	67%

5.3.3 Employee Benefits Enhancement

Although SINGTEX is not a part of any labor union, we have established an Employee Welfare Committee to provide our employees with a high-quality workplace and generous employee benefits. These benefits include birthday bonuses, maternity subsidies, wedding and funeral subsidies, and access to an employee cafeteria. To promote work-life balance, the company offers domestic and international travel subsidies, allowing employees to fully relax during their non-working hours. We also provide free annual health check-ups to monitor our employees' well-being and offer opportunities for further education and training to continuously enhance their skills and self-worth.

As of the end of 2022, we have formulated the "Employee Handbook," which covers topics such as layoffs, rewards and penalties, promotions, health, and safety. This handbook not only complies with domestic regulations and international human rights conventions but also reflects our commitment to safeguarding employee rights. The coverage of employees under the "Employee Handbook" is 100%.

Employee Benefits and Facilities	Content and Description
Salary	We provide year-end bonuses and overtime pay to enhance employee motivation.
Allowances	We offer subsidies to celebrate special occasions, birthdays, festivals, domestic and international travel, and childbirth, fostering a sense of camaraderie among employees. We also provide condolence payments for funerals to express our condolences to the families.
Leave	In pursuit of work-life balance, we offer paid leave, wedding leave, maternity leave, paternity leave, and a two-day weekend, allowing our colleagues to enjoy life beyond their work commitments.
Training	For young professionals entering the workforce, we offer comprehensive newcomer training, on-the-job training, and educational programs, with the aim of enabling our employees to enhance their self-worth and skills while working towards continuous learning and development goals.
Medical	To ensure the well-being of our employees, the company conducts annual employee health check-ups. For employees with abnormal results, we provide follow-up counseling with their consent, aiming to raise awareness about employee health.
Other	Our company features an employee cafeteria, where meals are provided free of charge. To enhance commuting convenience, we offer parking facilities for both cars and motorcycles for our employees' use. Additionally, we have a lactation room available for female employees with breastfeeding needs.

Employee Health Check



Vegetarian for Pandemic Relief and Blessing

During the pandemic, SINGTEX Group headquarters initiated the "Vegetarian for Pandemic Relief and Blessing" campaign. We provided vegetarian lunches for employees, coming together to pray for the pandemic to subside in Taiwan. By choosing low-carbon emission plant-based meals, we not only promote better health but also contribute to climate and environmental well-being.



Monthly Birthday Celebration Event

Each month, we celebrate the birthdays of our employees with a cake gift that they can share with their families.



Christmas Party Raffle Event



5.4 Occupational Health and Safety

• Occupational Health and Safety Committee

SINGTEX Group headquarters places a strong emphasis on the safety and health of its workforce. We uphold the principles of proactive prevention, zero accidents, and zero disasters in accordance with the "Occupational Health and Safety Management Regulations." We have established an Occupational Health and Safety management unit with dedicated professionals to continuously improve the Occupational Health and Safety system. This unit is responsible for formulating, planning, supervising, and promoting safety and health management matters. In accordance with the regulations on occupational accident investigation and handling, it guides relevant units in implementing corrective and preventive measures to prevent similar incidents from occurring, with the ultimate goal of reducing workplace hazards and enhancing safety and health management standards.

Effective Occupational Health and Safety management must align with the fundamental principles of PDCA (Plan-Do-Check-Act) and Risk Management. Process management serves as a means of management rather than its ultimate purpose. The effectiveness of Occupational Health and Safety management is a collective responsibility, starting from the senior management level. By adopting a process-oriented approach to Occupational Health and Safety management, we control the interactions and interdependencies of activities and steps within a reasonable and expected outcome. We integrate health and safety requirements into the system and continuously improve management, confident that this approach can effectively reduce the risk of injuries and enhance management performance.

In accordance with the Labor Standards Act and related regulations, we have formulated "Work Rules" and designated Class A Occupational Health and Safety Managers, Class B Managers, and one Class A Manager for each manufacturing department, with an adequate number of safety and health management personnel. We convene the "Occupational Health and Safety Management Committee" quarterly, chaired by the Chairman, with a total of nine committee members in 2022, including four employee representatives, accounting for 44% of the total. The primary purpose of this committee is to provide recommendations on safety and health policies proposed by the company, review, coordinate, and advise on safety and health-related matters, and execute annual self-inspection plans.

1. In order to prevent occupational accidents in various facilities, laboratories, and locations within the SINGTEX Group and to ensure the safety and health of personnel, we have established an "Occupational Health and Safety Management Plan" in accordance with Article 23(1) of the Occupational Health and Safety Act and Article 12(1) of the Occupational Health and Safety Management Regulations.
2. The scope of hazard identification and risk assessment for the SINGTEX Group extends to all health and safety hazards expected within and around the factory, covering routine and non-routine activities and all personnel entering the factory premises (including subcontractors and outsourced personnel). We have developed Occupational Health and Safety management regulations, subcontractor management measures, hazard identification and risk assessment management measures, and occupational accident investigation and handling measures, among others.

• Employee Health Check

To ensure the health and safety of our employees in the workplace, the SINGTEX Group conducts environmental improvements tailored to the characteristics of the work site. In compliance with Articles 3, 9, and 11 of the Regulations for the Protection of Labor Health, our factory engages medical and health personnel to provide on-site labor health services. Each year, doctors and nurses assess operational hazards on-site and provide recommendations, such as the use of personal protective equipment in noise zones and the wearing of dust masks in dusty environments, along with enhanced visual management indicators.

Furthermore, the company implements health checks and management for employees in general operations. Depending on the specific characteristics of the work, specialized health checks are provided. If abnormal test results are detected among employees, health consultations and follow-up management are offered to ensure that all employees can work in a safe and secure environment.

Employee Health Check Statistics Summary				
General Health Checkup				
Examination Items	Investigation of work experience, medical history, lifestyle habits, and self-reported symptoms			
Number of Examinees (people)	405			
Examination Costs (Thousand)	76			
Special Health Check				
Examination Items	1.High-temperature work as defined by the standard working hours for laborers in high-temperature conditions. 2.Noise operations where the daily time-weighted average sound pressure level is above 85 decibels for eight hours during the workday for laborers exposed to noise. 3.Ionizing radiation operations. 4.Abnormal atmospheric pressure operations as defined by the standards for preventing abnormal atmospheric pressure hazards. 5.Lead operations as defined by the rules for preventing lead poisoning. 6.Tetraethyl lead operations as defined by the rules for preventing tetraethyl lead poisoning. 7.Dust operations as defined by the standards for preventing dust hazards. 8.Operations involving the following organic solvents as defined by the rules for preventing organic solvent poisoning: (1) 1,1,2,2-Tetrachloroethane. (2) Carbon tetrachloride. (3) Carbon disulfide. (4) Trichloroethylene. (5) Tetrachloroethylene. (6) Dimethylformamide.	(7) Hexane. 9.Operations involving the manufacture, disposal, or use of the following specific chemical substances or mixtures with a weight ratio (benzene by volume) exceeding one percent: (1) Aniline and its salts. (2) 4-Aminobiphenyl and its salts. (3) 4-Nitrobiphenyl and its salts. (4) β-Naphthylamine and its salts. (5) 2,4-Diaminotoluene or 2,6-Diaminotoluene. (6) α-Naphthylamine and its salts. (7) Beryllium and its compounds (limited to cases where beryllium’s weight ratio exceeds three percent in beryllium alloys). (8) Vinyl chloride. (9) 2,4-Diisocyanatotoluene or 2,6-Diisocyanatotoluene. (10) 4,4’-Methylenedianiline. (11) Isophorone diisocyanate. (12) Benzene. (Effective from January 1, 2019) (13) Asbestos (limited to disposal or use operations). (14) Chromic acid and its salts or dichromic acid and its salts. (Effective from January 1, 2019) (15) Arsenic and its compounds.	(16) Cadmium and its compounds. (17) Manganese and its compounds (excluding manganese monoxide and trimanganese tetroxide). (18) Ethyl mercury compounds. (19) Mercury and its inorganic compounds. (20) Nickel and its compounds. (21) Formaldehyde. (Effective from January 1, 2019) 10.Phosphorus yellow manufacturing, disposal, or use operations. 11.Pyridine or barbiturate manufacturing operations. 12.Operations involving the manufacture, disposal, or use of the following chemical substances or mixtures with a weight ratio exceeding five percent: (1) Propyl bromide. (2) 1,3-Butadiene. (Effective from January 1, 2019) (3) Indium and its compounds. (Effective from January 1, 2019) 13.Other operations designated and announced by the central competent authority.	
Number of Examinees (people)	50			
Examination Costs (Thousand)	0(Government Subsidies)			
<div>Note:</div> <div>1. New employees must complete one year of service before being eligible for health checkups.</div> <div>2. For GFUN with 150 employees, the health checkup cost is NTD 500 per person. The health checkup cost for other companies in the group is 0 NTD, except for one employee who has less than one year of seniority, resulting in an expenditure of NTD 1,200.</div>				

- Occupational Diseases and Occupational Injuries

To effectively prevent occupational diseases and occupational accidents, SINGTEX conducts periodic inspections of work environments by management personnel. Additionally, we disseminate regulations related to worker safety, various management system standards, and safety data sheets for employee reference at any time. We also organize occupational safety seminars and provide safety education and training to enhance employees' understanding of safety and health concepts and knowledge, internalizing them into their daily lives.

When employees have concerns about the safety of their workplace, SINGTEX has explicitly defined in the Safety and Health Work Guidelines the provision that "when workers discover an immediate danger during work that does not endanger the safety of other workers, they may stop working and move to a safe place." We have also established reporting procedures for occupational hazards and dangerous situations, allowing workers to promptly report to their immediate supervisors. In accordance with Article 483-1 of the Civil Code: "Employers should take necessary preventive measures if the performance of work by employees may endanger their lives, bodies, or health." As stipulated in the Occupational Safety and Health Act and other regulations mentioned above, the company has an obligation to protect employees from harm. Failure to take preventive measures and provide protection afterward may constitute a violation of Article 184, Paragraph 2 of the Civil Code, which deals with the liability for infringing on the legal rights of others. As of 2022, the Singtex Group has not encountered any cases of occupational diseases in the past three years.

In 2022, the company experienced an incident involving a caught-in accident, resulting in an injury to the left hand with a fracture of the proximal humerus. To prevent such accidents from recurring, the following improvement measures have been implemented: the installation of safety lines, safety interlock devices, and emergency stop devices, as well as modifications to the standard operating procedures for the cloth-falling machine in both Chinese and Vietnamese versions, clearly outlining the procedures for handling cloth abnormalities. During operation, if any issues with the fabric are detected, the machine must be immediately stopped by pressing the stop button. After stopping the machine, the fabric should be inspected. When inspecting the fabric at the rear of the machine, if any abnormalities are found, the emergency stop safety line should be pulled before further inspection. It is strictly prohibited to inspect the fabric without stopping the machine. Additionally, the disassembly of the plate for cleaning purposes can only be performed during machine maintenance to ensure the safety of operators.

Employee Occupational Injury Statistics Table				
Category	Item	2020	2021	2022
Total Work Hours	Female Total Work Hours	507,656	493,235	486,292
	Male Total Work Hours	599,512	600,066	684,296
	Total Work Hours	1,170,168	1,093,301	1,170,588
Number of Occupational Fatalities	Number of Female Fatalities	0	0	0
	Number of Male Fatalities	0	0	0
	Total Number of Fatalities	0	0	0
Number of Severe Occupational Injuries (Excluding Fatalities)	Number of Female Severe Occupational Injuries	0	0	0
	Number of Male Severe Occupational Injuries	0	0	0
	Total Recordable Occupational Injuries (Including Fatalities and Severe Injuries)	Total Number of Severe Occupational Injuries	0	0
	Number of Female Recordable Occupational Injuries	0	0	1
	Number of Male Recordable Occupational Injuries	0	2	3
	Total Number of Recordable Occupational Injuries	0	2	4
Fatality Rate due to Occupational Injuries%		0	0	0
Severe Occupational Injury Rate%		0	0	0
Recordable Occupational Injury Rate%		7.7	2.7	10.4

Note:

1. Fatality Rate due to Occupational Injuries = (Number of Fatalities due to Occupational Injuries / Work Hours) * 1,000,000.
2. Severe Occupational Injury Rate = [(Number of Severe Occupational Injuries excluding fatalities / Work Hours)] * 1,000,000.
3. Recordable Occupational Injury Rate = [(Number of Recordable Occupational Injuries including fatalities and severe injuries / Work Hours)] * 1,000,000.
4. Severe Occupational Injuries refer to injuries that cannot recover within 6 months.
5. Recordable Occupational Injuries do not include injuries caused during commuting to and from work.
6. In 2021, both occupational injuries were caught-in/caught-between incidents; in 2022, one was a fall incident, one was an electrostatic discharge incident, and two were caught-in/caught-between incidents.

Occupational Injury Statistics for Non-Employees				
Category	Item	2020	2021	2022
Total Work Hours	Female Total Work Hours	12,000	11,952	12,048
	Male Total Work Hours	17,520	17,520	17,520
	Total Work Hours	29,520	29,472	29,568
Number of Occupational Fatalities	Number of Female Fatalities	0	0	0
	Number of Male Fatalities	0	0	0
	Total Number of Fatalities	0	0	0
Number of Severe Occupational Injuries (Excluding Fatalities)	Number of Female Severe Occupational Injuries	0	0	0
	Number of Male Severe Occupational Injuries	0	0	0
	Total Number of Severe Occupational Injuries	0	0	0
Total Recordable Occupational Injuries (Including Fatalities and Severe Injuries)	Number of Female Recordable Occupational Injuries	0	0	0
	Number of Male Recordable Occupational Injuries	0	0	0
	Total Number of Recordable Occupational Injuries	0	0	0
Fatality Rate due to Occupational Injuries%		0	0	0
Severe Occupational Injury Rate%		0	0	0
Recordable Occupational Injury Rate%		0	0	0

Note:

1. Fatality Rate due to Occupational Injuries = (Number of Fatalities due to Occupational Injuries / Work Hours) * 1,000,000.
2. Severe Occupational Injury Rate = [(Number of Severe Occupational Injuries excluding fatalities / Work Hours)] * 1,000,000.
3. Recordable Occupational Injury Rate = [(Number of Recordable Occupational Injuries including fatalities and severe injuries / Work Hours)] * 1,000,000.
4. Severe Occupational Injuries refer to injuries that cannot recover within 6 months.
5. Recordable Occupational Injuries do not include injuries caused during commuting to and from work.

• **Prevention and Improvement Measures**

Employee health is the company's most valuable asset, and a healthy workplace is a significant focus in today's society. SINGTEX conducts regular Occupational Health and Safety training every year, requiring all employees under the company's umbrella to undergo Occupational Health and Safety-related education and training. We provide on-site medical services and regularly administer occupational injury questionnaires. Based on the questionnaire results and health check data, nurses schedule interviews with personnel, offering consultations and advice based on their risk levels. We periodically share updates from the Health Promotion Administration of the Ministry of Health and Welfare in company-wide LINE Chat groups to raise awareness of employee health and safety.

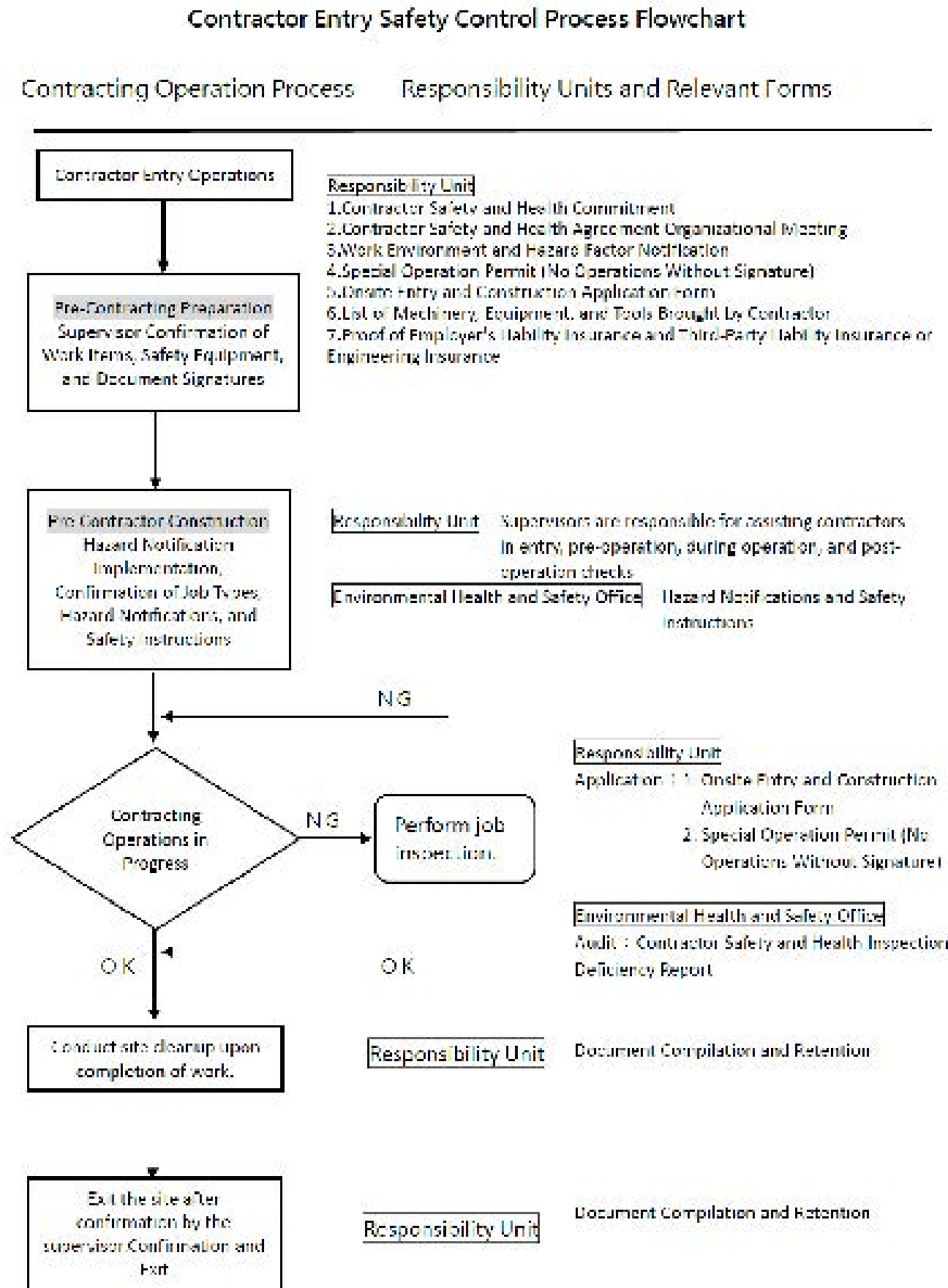
On-site medical services include:

1. Analysis and assessment of employees' physical (health) examination results, health management, and data retention.
2. Assisting employers in matching employees with suitable work.
3. Managing and providing health guidance for employees with abnormal health examination results.
4. Assessing and managing employees under the age of 18, those at risk of maternal health hazards, occupational injury or illness cases, and high-risk employees related to occupational health.
5. Conducting research reports related to occupational hygiene or occupational health and maintaining records of injuries and illnesses.
6. Planning and implementing measures such as employee health education, hygiene guidance, mental and physical health protection, and health promotion.

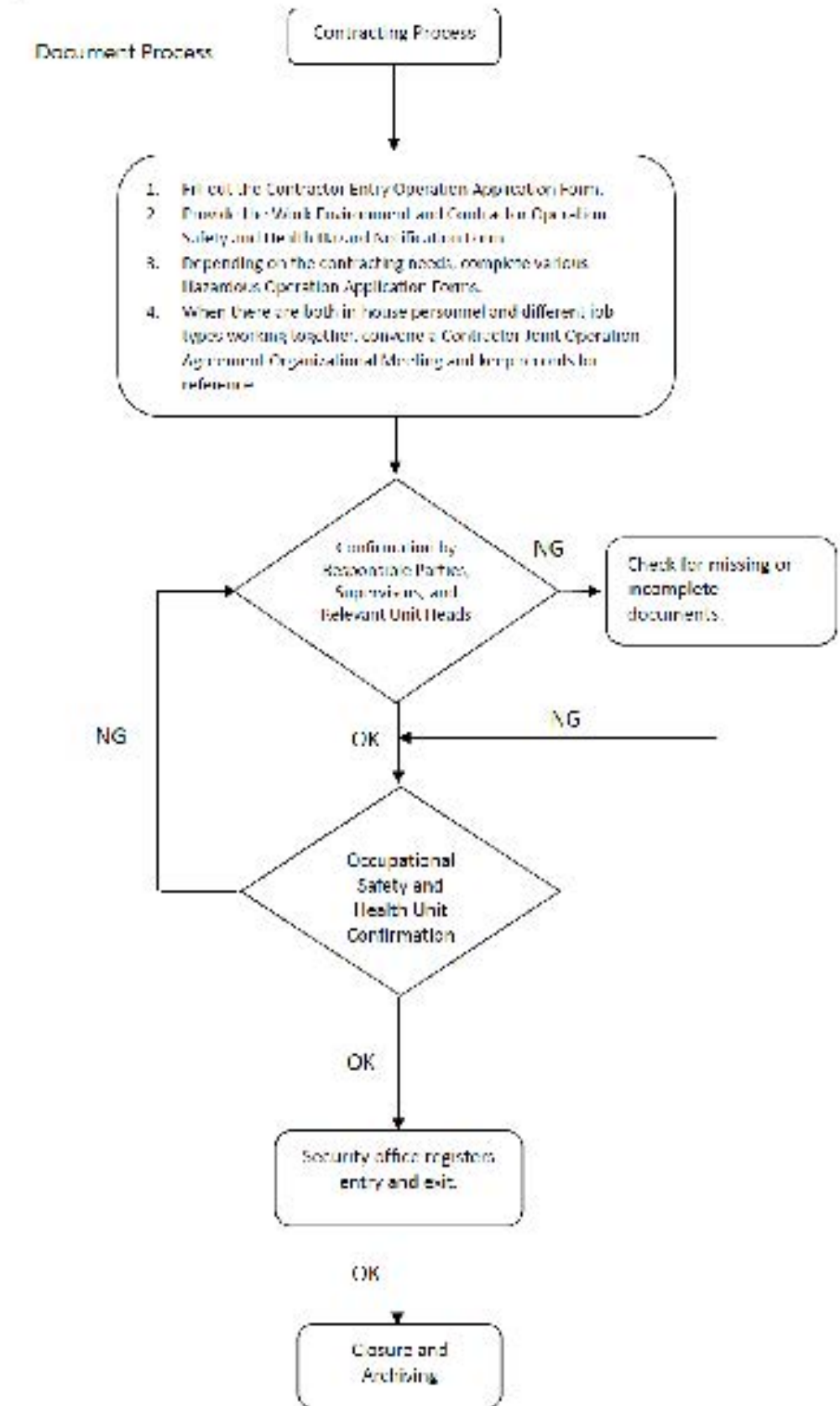
Training statistics as of the end of 2022 are as follows:

Statistics on Occupational Health and Safety Training		
Training Course Names	Number of Trainees	Training Cost (NTD)
Fire Drill	94	1,500
Occupational Safety Personnel Refresher Training	4	1,200
Confined Space Entry Supervisor Refresher Training	2	0
First Aid Personnel	6	27,000
First Aid Personnel Refresher Training	2	1,200
High-Pressure Gas Specific Equipment Operators	1	8,000
Acetylene Welding Operators Refresher Training	1	600
Type 1 Pressure Vessel Operators Refresher Training	2	1,200
Forklift Operators (1 ton and above) Refresher Training	1	600
Boiler Operators Refresher Training	1	600
Fixed Crane Operators (Less than 3 tons) Refresher Training	1	600

• Contractor Onsite Operation Safety Control Process Flowchart

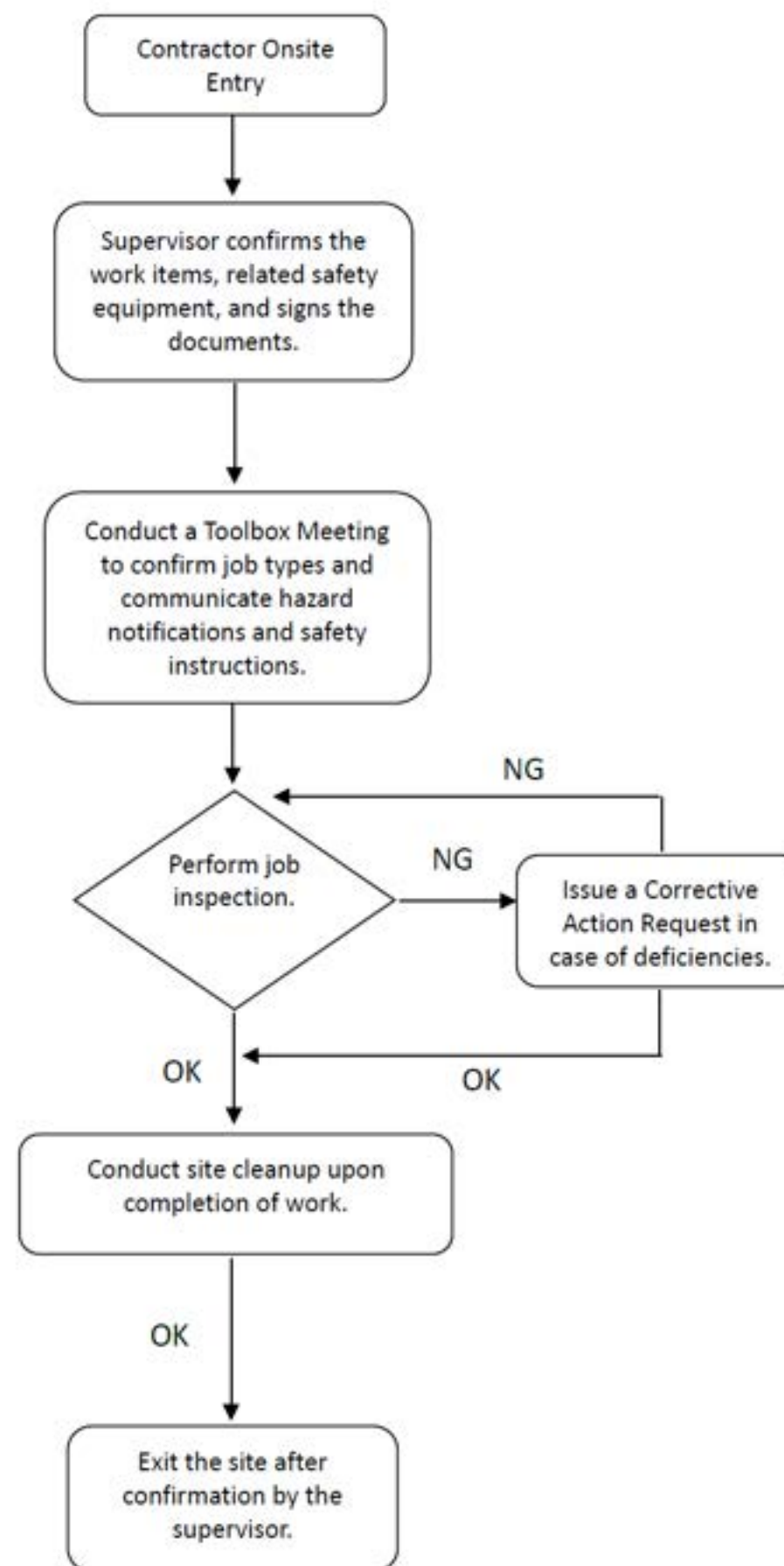


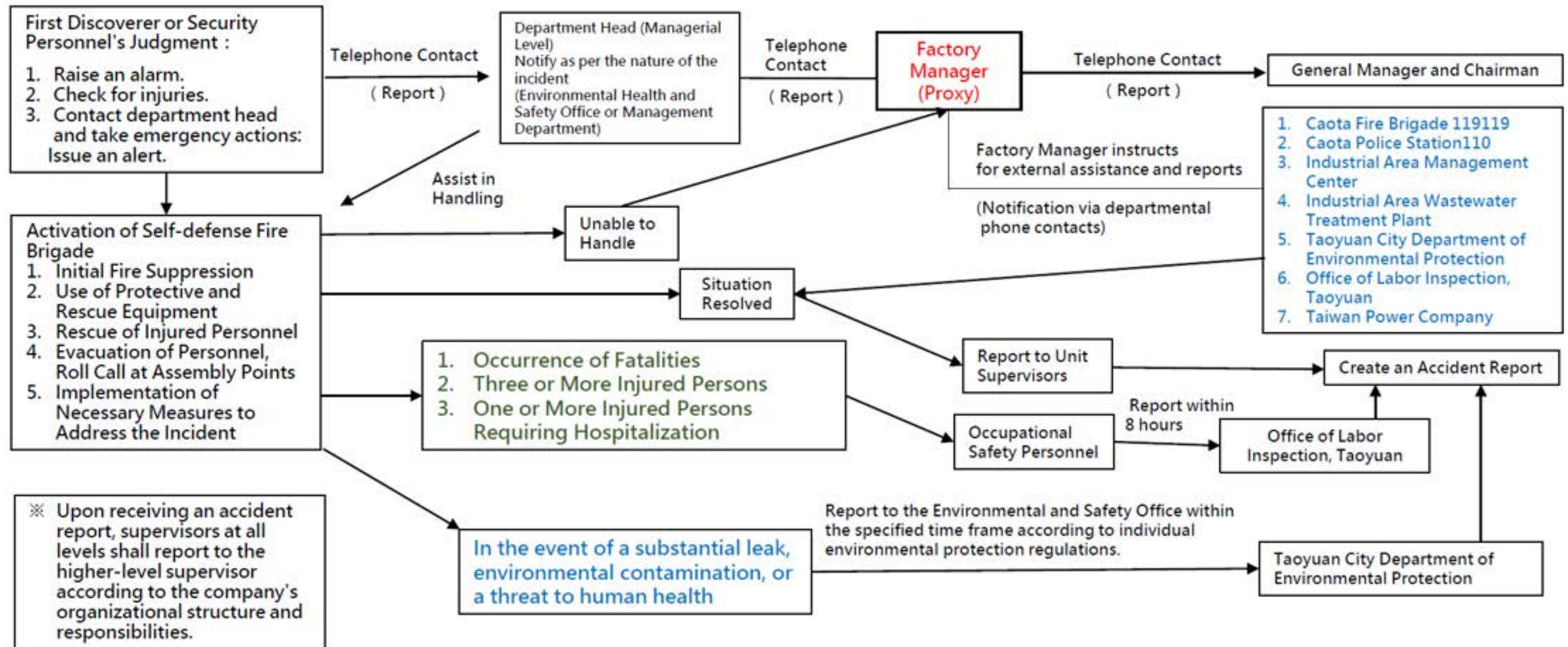
Contractor Entry Operation Process



Archiving by the Occupational Safety and Health Unit after Closure

Daily Operational Process





5.5 Social Contributions

The subsidiary of our Group, GFUN INDUSTRIAL CORPORATION, has decided to keep its core technology research and development in Taiwan. To date, it has invested NT\$2.2 billion in establishing a state-of-the-art precision dyeing and finishing facility in the Guanyin Industrial Zone of Taoyuan City. A topping-out ceremony was held on December 15, 2022, and trial production is expected to commence in the second quarter of 2023, creating approximately 200 job opportunities. SINGTEX Group already has two production bases in the Guanyin Industrial Zone and the expansion of the existing GFUN facility enhances land utilization efficiency while fully leveraging the group's local resources, exemplifying leadership in the new era. This expansion includes a 12,000-square-meter factory building equipped with advanced precision dyeing and finishing production lines. Additionally, it incorporates concepts such as Industry 4.0, the Internet of Things (IoT), automation, big data management, and smart technology. This new facility is intended to serve as a showcase factory for the group, with plans to replicate its model in other domestic and international facilities. Furthermore, there is a commitment to introduce green and environmentally-friendly production technologies and equipment, along with expanding the existing solar power facility. While deepening roots in Taiwan, the company also aims to fulfill corporate social responsibility and advance towards the 17 Sustainable Development Goals (SDGs) set by the United Nations.

SINGTEX believes in giving back to society and fulfilling corporate social responsibility, as this is essential for sustainable business operations. The Group is committed to caring for the local environment and has maintained a positive relationship with the Guanyin Forest in Taoyuan, where its two factories are located. The company also supports underprivileged families in the forest by providing daily meals to elderly residents, a practice that has been ongoing since 2009. In addition, SINGTEX actively participates in various social welfare activities, including collaborating on self-resilient disaster prevention communities, adopting street trees along Industrial Road 6, donating inventory fabrics to the "Hsuan-Yi New Knowledge Association" in Taoyuan for creating bags by families of the Cerebral Palsy Association, and providing exhibition spaces within the Group's tourism factory. All proceeds from the bags made by these families are dedicated to supporting families with members that have cerebral palsy. Through these social engagement initiatives, the company aims to make meaningful contributions to society. The Group's social welfare activities in 2022 are outlined:



Name of Public Welfare Activity	Amount (New Taiwan Dollars)	Description
Long-term Supply of Lunch for Elderly Living Alone	164,340 / year	The initiative involves providing lunch to elderly individuals living alone in the Guanyin District's Shulin Village. Currently, there are 12 beneficiaries, with a cost of NT\$55 per meal (excluding tax). The total cost per day is 12 meals * NT\$55 = NT\$660. In 2022, the program assisted with a total of NT\$164,340.



SINGTEX actively promotes various activities, including the GFUN adoption of the Guanyin Industrial Zone factory's surrounding roadside trees for the past eight consecutive years. In the last two years, the windbreak forest behind the factory has also been included in the adoption initiative. Additionally, beach cleaning activities have been conducted in Yilan. We are committed to environmental restoration, with the hope that the group and the Earth can coexist sustainably.

• Let's join hands to plant rice seedlings as SINGTEX Group "enters" Yilan Fufeng!

As the climate warms, the lively spring equinox arrives. During this season, farmers are busy sowing and transplanting rice seedlings. This year marks the 12th year of SINGTEX Group's adoption of Yilan rice fields. The day after the spring equinox, Chairman Chen Guo-qin personally led colleagues from SINGTEX, GFUN, and MAGICTEX APPAREL CORPORATION to Mr. Fang Fu's award-winning rice field in Yilan. Together, they planted this year's rice seedlings, truly experiencing the meaning of "every grain of rice comes from hard work."

Rice is a crop that carries the emotions of the Taiwanese people. Besides providing food for the nation, rice cultivation recharges groundwater and prevents subsidence of the earth's crust. Rice fields make up the countryside, offering a warm shelter to urban areas. Rice grains form landscapes, deeply ingrained in our memories and possessing multiple external values. However, the harvest of rice is at the mercy of nature, often vulnerable to disasters, and a year's labor can be lost in an instant. Therefore, SINGTEX Group adopts a "sponsorship" approach to share the challenges faced during the cultivation process with our farmer friends.

To support continuous rice cultivation and ensure stable income for farmers, SINGTEX collaborates with Mr. Fang Fu, the head of the Five Knots Township Farmers' Association's organic rice production and sales team in Yilan County. Every March, employees and their families participate in transplanting rice seedlings, and in August, they join in the harvest. The harvested rice becomes Mid-Autumn Festival gifts shared with Singtex partners.

SINGTEX is committed to being a "heartwarming business." In addition to providing green products and processes, we also engage in social care and public welfare education. SINGTEX spends approximately NT\$210,000 annually to adopt an organic Fufeng rice field and distributes 1,988 bags of rice to employees and customers. By working with local rice farmers to cultivate rice organically, we give back to the land its healthiest ecology. Furthermore, under the guidance of rice farmers, the next generation personally bends down, lowers their heads, and plants rice seedlings, gaining a profound experience of coexisting with nature sustainably.



• Taiwan's Clean Air Gives Birth to Fields of Blessings

In 2022, SINGTEX Group sponsored the "China International Native Restoration Association" in collaboration with the Executive Yuan Agriculture Committee and the Fuli Township Farmers' Association in Hualien. In July, an event was held to distribute decomposing bacteria to farmers, with the aim of discouraging the burning of rice straw. 500 packets of decomposing bacteria can be used on 50 hectares of farmland, reducing carbon emissions by 450 metric tons of CO₂ emissions, and reclaiming the original fresh air. By allowing rice straw to naturally decompose in paddy fields using natural decomposing bacteria, the nutrients released can benefit the farmers' next cultivation, ensuring higher and healthier rice yields, creating a sustainable and eco-friendly farming cycle.

Fuli Township, located at the southern end of Hualien, is situated in the fertile Hualien-Taitung Valley Plain and is rich in agricultural specialties. It earned its name "Fuli" (rich and auspicious) and is known as one of Taiwan's renowned rice-producing regions. The vast expanse of land in Fuli Township allows for the efficient and non-wasteful spraying of decomposing bacteria using drones during fallow periods.

Carbon emissions refer to a type of air pollutant, more precisely, greenhouse gas emissions, including water vapor, carbon dioxide, methane, nitrous oxide, chlorofluorocarbons, and ozone. They primarily result from combustion, with carbon dioxide being the major component, hence the term "carbon emissions." Although mostly colorless and odorless, unlike PM_{2.5}, which directly impacts human health, carbon emissions accelerate global warming, contributing to rising sea levels and intensified extreme weather events, affecting our daily lives. Carbon dioxide released from burning can lead to ocean acidification. Ocean acidification refers to the gradual decrease in pH levels of seawater after absorbing atmospheric carbon dioxide. About 30% to 40% of carbon dioxide dissolves in bodies of water like the ocean, rivers, and lakes. Some of the dissolved carbon dioxide reacts with water to form carbonic acid and releases hydrogen ions, lowering the pH and increasing acidity.

Researchers estimate that from 1751 to 1994, the pH of surface seawater decreased from 8.25 to 8.14, representing a nearly 30% increase in hydrogen ion concentration. Ocean acidification, along with other biogeochemical changes, could potentially disrupt the functionality of marine ecosystems and harm many marine species. The influx of carbon dioxide into the atmosphere and oceans leads to massive biological deaths and dissolution of calcium carbonate deposits in all ocean basins.

Therefore, in order to transition farmers from the cost-free practice of burning rice straw to willingly purchasing decomposing bacteria, collective action is needed. Through the collaborative efforts of individuals and businesses, the purchased decomposing bacteria are distributed to farmers for use, promoting entrepreneurial spirit and injecting eco-friendly and sustainable "co-creation" power into the local community. Together, we sow fields of "blessings" for Taiwan.



Column

Taiwan's Rice Heaven Tianzhong Marathon Running Attire Recycling Initiative



SINGTEX REFIT™ is SINGTEX's latest sustainable recycling initiative, which takes 100% polyester fiber clothing and manufacturing waste, breaks them down, reassembles them, and transforms them into brand-new garments. Upholding the idea that recycling is about collecting "resources" rather than "waste," REFIT™ aims to implement a "textile-to-textile sustainable recycling program" by integrating environmental considerations into product design, allowing individuals to wear their commitment to protecting the Earth!

The REFIT™ old clothing recycling program had its start at the 2022 Taiwan's Rice Heaven Tianzhong Marathon. On that day, 152 pieces of old running clothing were collected, and nearly 400 people participated in the initiative. As they race towards the finish line, they contribute to the effort of sustainable recycling. In the future, SINGTEX aims to collaborate with more running events, hoping to place REFIT™ clothing recycling bins in various locations across Taiwan.



For seven consecutive years, SINGTEX has provided S.Café® environmentally friendly coffee yarn fabric to create race clothing for Taiwan's Rice Heaven Tianzhong Marathon. This fabric is sourced from discarded coffee grounds from daily life and is integrated into the fibers through patented technology, imparting odor control, UV resistance, and quick-drying properties to the clothing. In 2022, SINGTEX introduced the "REFIT™ Textile Recycling Program" at the 2022 Taiwan's Rice Heaven Tianzhong Marathon booth, encouraging runners to bring their 100% polyester fiber running clothing that they no longer wear to the event venue. These clothing items are then handed over to SINGTEX for transformation into new garments, thereby upholding the "textile-to-textile" sustainable recycling program.

The main sponsor of Taiwan's Rice Heaven Tianzhong Marathon, Tai Shan Corporation, also collaborated with SINGTEX S.Café® coffee yarn at the 2022 Taiwan's Rice Heaven Tianzhong Marathon. The aim is to turn discarded

PET bottles generated from the marathon into running attire. They encourage local residents and fellow runners to participate by bringing their used PET bottles to the Tai Shan booth and 100% polyester fiber old clothing to the SINGTEX booth. By combining Tai Shan's PET bottles and SINGTEX S.Café® environmentally friendly coffee yarn patented technology, they manufacture next year's Taiwan's Rice Heaven Tianzhong Marathon clothing and Tai Shan uniforms. This initiative incorporates environmental principles into the product design process, allowing participants to wear their commitment to protecting the Earth.

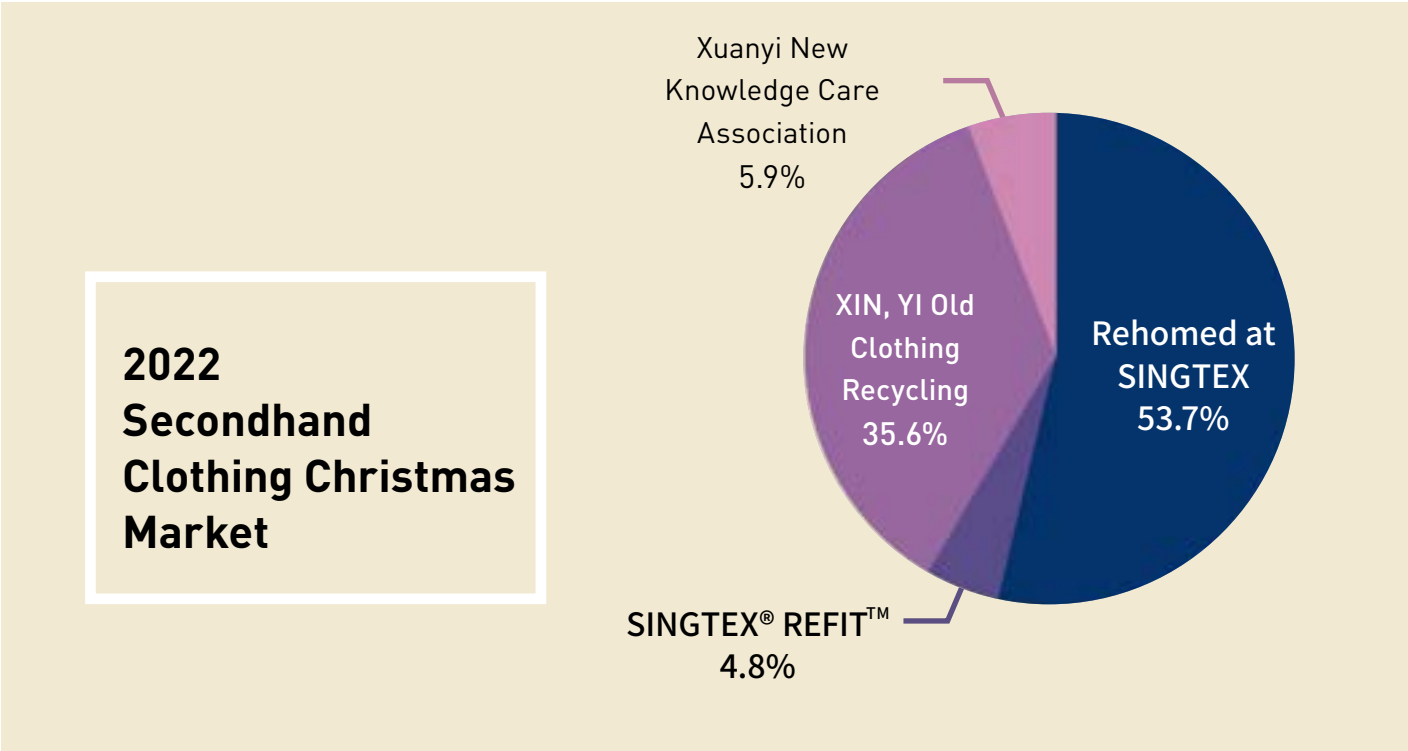


Column

SINGTEX Secondhand Clothing Market: Finding New Owners For Old Clothes

Warm Christmas is a season of sharing and giving, and REFIT™ aligns with this spirit of warmth and sharing. In December, at the SINGTEX headquarters, we organized a "Secondhand Clothing Christmas Market" event to help old clothes find new owners. We invited SINGTEX colleagues to bring their gently used clothing from home to exchange and share with their colleagues. Those who brought secondhand clothes received VIP passes, granting them priority access to the market. In total, the event received 188 pieces of secondhand clothing from 9 different departments, and it was an honor to have SINGTEX Chairman and Vice

The inaugural SINGTEX Swap Market for Secondhand Clothing Christmas Market has successfully concluded. While we all recognize the importance of the 3R principles (Reuse, Reduce, Recycle), recent emphasis has leaned heavily towards recycling, sometimes overshadowing the concepts of "Reuse" and "Reduce." Through this event, SINGTEX aims to promote a company culture that encourages "Reuse before Recycling."



Chairman participate in this initiative. After the three-day event concluded, a total of 101 garments found new owners, and they will now embark on a second life in their new homes! The remaining unselected clothing has been categorized into three groups: REFIT™ Sustainable Recycling Program: 9 pieces

1. Nine garments made from 100% polyester fiber have been designated for the REFIT™ Sustainable Recycling Program, where they will be transformed into new clothing items.
2. XIN, YI Old Clothing Recycling: 62 pieces
3. Rehabilitated individuals with mental disabilities are able to earn income by participating in activities related to clothing recycling (sorting, organizing, and selling donated clothing).
4. Xuanyi New Knowledge Care Association (Cerebral Palsy Association): 16 pairs of denim pants.
5. We have provided 16 pairs of denim pants to the Xuanyi New Knowledge Care Association (Cerebral Palsy Association) to assist children with disabilities or disadvantaged families in acquiring valuable skills. These denim pants will be transformed into bags and accessories, which will be sold to increase family income while promoting eco-friendly fashion recycling.



Appendix

Appendix 1: Comparison Table of GRI Sustainability Reporting Guidelines

The "*" represents Material Topics.

Statement of Use	This report has been prepared in accordance with the GRI Standards, with information disclosed for the reporting period covering the fiscal year 2022 (from January 1, 2022, to December 31, 2022).
GRI1 Application	GRI1: Foundation (2021)

Number	GRI Standard Disclosure Content	Corresponding Section	Page	Omission /Remark
GRI2: General Disclosures 2021				
Organization and Reporting Practices				
2-1	Detailed Organizational Information	2.1 About SINGTEX Group	23	
2-2	Entities Included in the Sustainability Report	About This Report	04	
2-3	Reporting Period, Frequency, and Contact Information	About This Report	04	
2-4	Data Restatement	About This Report	04	
2-5	External Assurance/Verification	About This Report	04	
Operational Activities and Workforce				
2-6	Activities, Value Chain, and Other Business Relationships	2.1 About SINGTEX Group	23	
2-7	Employees	5.1.1 Employment of a Diverse Workforce	66	
2-8	Non-Employee Workers	5.1.1 Employment of a Diverse Workforce	66	
Governance				
2-9	Governance Structure and Composition	2.3 Corporate Governance	30	
2-10	Nomination and Selection of the Highest Governance Body	2.3 Corporate Governance	30	
2-11	Chair of the Highest Governance Body	2.3 Corporate Governance	30	
2-12	Role of the Highest Governance Body in Overseeing Impact Management	2.3 Corporate Governance	30	
2-13	Person Responsible for Impact Management	2.3 Corporate Governance	30	
2-14	Role of the Highest Governance Body in the Sustainability Report	2.3 Corporate Governance	30	
2-15	Conflict of Interests	2.3 Corporate Governance	30	
2-16	Communication of Key Material Events	2.3 Corporate Governance	30	
2-17	Collective Intelligence of the Highest Governance Body	2.3 Corporate Governance	30	
2-18	Performance Evaluation of the Highest Governance Body	2.3 Corporate Governance	30	
2-19	Compensation Policies	2.3 Corporate Governance	30	

2-20	Compensation Determination Process	2.3 Corporate Governance	30	
2-21	Annual Total Compensation Ratio	5.1.1 Employment of a Diverse Workforce	66	
Strategies, Policies and Practices				
2-22	Statement of Sustainable Development Strategies	Message from the Chairman	05	
2-23	Commitment to Policies	1.1 Sustainable Commitment	13	
2-24	Incorporation of Policy Commitments	1.1 Sustainable Commitment	13	
2-25	Remediation Procedures for Adverse Impacts	1.1 Sustainable Commitment	13	
2-26	Mechanisms for Seeking Advice and Raising Concerns	2.5 Regulatory Compliance	41	
2-27	Regulatory Compliance	2.5 Regulatory Compliance	41	
2-28	Membership in Public Associations	2.1 About SINGTEX Group	23	
Stakeholder Engagement				
2-29	Stakeholder Engagement Policy	1.2 Stakeholders	13	
2-30	Collective bargaining agreement	5.3.3 Employee Benefits Enhancement	72	
GRI3 : Material Topics2021				
3-1	Process for Determining Material Topics	1.3 Identification of Material Topics	16	
3-2	List of Material Topics	1.3 Identification of Material Topics	16	

GRI Standard Categories/Topics	Number	GRI Standard Disclosure Content	Corresponding Section	Page	Omission / Remark
Specific Topic Standard: GRI 200 Series - Economic Aspect					
*Economic Performance					
GRI3 Economic Performance Management Disclosure 2021	3-3	Management of Material Topics	Disclosure of Integrity Governance Management	22	
GRI201 Economic Performance Theme Disclosure 2016	201-1	Direct Economic Value Generated and Distributed by the Organization	2.2 Operational Performance	29	
	201-2	Financial Impacts of Climate Change and Other Risks and Opportunities	2.4 Risk Management	39	
	201-3	Defined Benefit Obligations and Other Retirement Plans	5.3.1 Employee Retirement System and Implementation Status	72	
	201-4	Financial Assistance Received from Government	2.2 Operational Performance	29	

Market Position					
GRI202 Market Position Theme Disclosure 2016	202-1	Ratio of Standard Salaries for Ground-level Employees of Different Genders to Local Minimum Wages	5.1.2 Talent Recruitment and Retention	68	
	202-2	Percentage of Local Residents Employed in Senior Management Positions	5.1.1 Employment of a Diverse Workforce	66	
Indirect Economic Impact					
GRI203 Indirect Economic Impact Theme Disclosure 2016	203-1	Infrastructure Investment and the Development and Impact of Support Services	5.5 Social Contributions	82	
	203-2	Significant Indirect Economic Impact	5.5 Social Contributions	82	
Procurement Practices					
GRI204 Procurement Practices Theme Disclosure 2016	204-1	Proportion of Procurement Expenditure from Local Suppliers	3.2 Raw Material Management	47	
Anti-Corruption					
GRI205 Anti-Corruption Theme Disclosure 2016	205-1	Operational Locations with Conducted Anti-Corruption Risk Assessments	2.5 Regulatory Compliance	41	
	205-2	Communication and Training on Anti-Corruption Policies and Procedures	2.5 Regulatory Compliance	41	
	205-3	Confirmed Cases of Corruption and Actions Taken	2.5 Regulatory Compliance	41	
Anticompetitive Practices					
GRI206 Disclosure of Anticompetitive Practices Theme - 2016	206-1	Legal Actions against Anticompetitive Practices, Antitrust, and Monopoly Behavior	2.5 Regulatory Compliance	41	
Taxation					
GRI207 Disclosure of Taxation Theme - 2019	207-1	Tax Policies	2.5 Regulatory Compliance	41	
	207-2	Tax Governance, Control, and Risk Management	2.5 Regulatory Compliance	41	
	207-3	Stakeholder Communication and Management of Tax-Related Issues	2.5 Regulatory Compliance	41	
	207-4	Country-by-Country Report	2.5 Regulatory Compliance	41	
Specific Topic Guidelines: Environmental Aspect - 300 Series					
*Materials					
GRI3 Disclosure of Materials Management - 2021	3-3	Management of Material Topics	Disclosure of Environmental Stewardship Management	52	

GRI301 Disclosure of Material Topics - 2016	301-1	Weight or Volume of Materials Used	4.1 Raw Material Management	54	
	301-1	Use of Renewable Materials	4.1 Raw Material Managemen	54	
	301-1	Recycled Products and Their Packaging	4.1 Raw Material Managemen	54	
Energy					
GRI302 Disclosure of Energy Theme - 2016	302-1	Internal Energy Consumption of the Organization	4.3 Energy Management	57	
	302-2	External Energy Consumption of the Organization	4.3 Energy Management	57	
	302-3	Energy Intensity	4.3 Energy Management	57	
	302-4	Energy Consumption Reduction	4.3 Energy Management	57	
	302-5	Lowering Energy Demand for Products and Services	4.3 Energy Management	57	
Water and Wastewater					
GRI303 水與放流水主題揭露 2018	302-1	Mutual Impacts of Shared Water Resources	4.2 Water Resource Management	55	
	302-2	Management of Impacts Related to Wastewater	4.2 Water Resource Management	55	
	302-3	Water Withdrawals	4.2 Water Resource Management	55	
	302-4	Wastewater Discharges	4.2 Water Resource Management	55	
	302-5	Water Consumption	4.2 Water Resource Management	55	
*Emissions					
GRI3 Disclosure of Emissions Management - 2021	3-3	Management of Material Topics	Disclosure of Environmental Stewardship Management	52	
GRI305 Disclosure of Emissions Theme - 2016	305-1	Direct (Scope 1) Greenhouse Gas Emissions	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-2	Indirect Energy (Scope 2) Greenhouse Gas Emissions	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-3	Other Indirect (Scope 3) Greenhouse Gas Emissions	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-4	Greenhouse Gas Emissions Intensity	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-5	Greenhouse Gas Emissions Reduction	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-6	Emissions of Ozone-Depleting Substances	4.4 Greenhouse Gas Management and Pollution Control	58	
	305-7	Emissions of Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Gas Emissions from Materials	4.4 Greenhouse Gas Management and Pollution Control	58	

*Waste					
GRI3 Disclosure of Waste Management - 2021	3-3	Management of Material Topics	Disclosure of Environmental Stewardship Management	52	
GRI306 Disclosure of Waste Theme - 2020	306-1	Generation of Waste and Significant Waste-Related Impacts	4.5 Waste Management	59	
	306-2	Management of Significant Waste-Related Impacts	4.5 Waste Management	59	
	306-3	Generation of Waste	4.5 Waste Management	59	
	306-4	Waste Disposal and Transfer	4.5 Waste Management	59	
	306-5	Direct Disposal of Waste	4.5 Waste Management	59	
*Supplier Environmental Assessment					
GRI3 Supplier Environmental Assessment Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Innovative Design Management	43	
GRI308 Supplier Environmental Assessment Theme Disclosure - 2016	308-1	Adopting Environmental Standards to Screen New Suppliers	4.1 Raw Material Management	54	
	308-2	Environmental Impacts within the Supply Chain and Actions Taken	4.1 Raw Material Management	54	
Specific Topic Guidelines: 400 Series (Social Themes)					
*Employment					
GRI3 Employment Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Happy Workplace Management		
GRI401 Employment Theme Disclosure - 2016	401-1	New Hires and Employee Departures	5.1.1 Employment of a Diverse Workforce	66	
	401-2	Benefits Offered to Full-Time Employees (Excluding Temporary or Part-Time Employees)	5.1.1 Employment of a Diverse Workforce	66	
	401-3	Maternity Leave	5.3.2 Maternity and Parental Leave Implementation Status	72	
Labor Relations					
GRI402 Disclosure of Labor Relations Theme - 2016	402-1	Notice Period for Operational Changes	5.1.1 Employment of a Diverse Workforce	66	
*Occupational Health and Safety					
GRI3 Occupational Health and Safety Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Happy Workplace Management	63	

GRI403 Occupational Health and Safety Theme Disclosure - 2018	403-1	Occupational Health and Safety Management System	5.4 Occupational Health and Safety	74	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	5.4 Occupational Health and Safety	74	
	403-3	Occupational Health Services	5.4 Occupational Health and Safety	74	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	5.4 Occupational Health and Safety	74	
	403-5	Worker Training on Occupational Health and Safety	5.4 Occupational Health and Safety	74	
	403-6	Worker Health Promotion	5.4 Occupational Health and Safety	74	
	403-7	Preventing and Mitigating Occupational Health and Safety Impacts Directly Related to Business Activities	5.4 Occupational Health and Safety	74	
	403-8	Workers Covered by the Occupational Health and Safety Management System	5.4 Occupational Health and Safety	74	
	403-9	Occupational Injuries	5.4 Occupational Health and Safety	74	
	403-10	Occupational Illnesses	5.4 Occupational Health and Safety	74	
* Training and Education					
GRI3 Training and Education Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Happy Workplace Management	63	
GRI404 Training and Education Theme Disclosure - 2016	404-1	Average annual training hours per employee	5.2 Training and Development	70	
	404-2	Enhancement of employee skills and transition assistance programs	5.2 Training and Development	70	
	404-3	Percentage of employees undergoing regular performance and career development assessments	5.1.1 Employment of a Diverse Workforce	66	
*Diversity and Equal Opportunity					
GRI3 Diversity and Equal Opportunity Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Happy Workplace Management	63	
GRI405 Diversity and Equal Opportunity Theme Disclosure - 2016	405-1	Diversity among governance bodies and employees	5.1.1 Employment of a Diverse Workforce	66	
	405-2	Ratio of basic salary increase between females and males	5.1.1 Employment of a Diverse Workforce	66	

Non-Discrimination					
GRI406 Disclosure of Non-Discrimination Theme - 2016	406-1	Incidents of discrimination and improvement actions taken by the organization	2.5 Regulatory Compliance	41	
Freedom of Association and Collective Bargaining					
GRI407 Disclosure of Freedom of Association and Collective Bargaining Theme - 2016	407-1	Operational locations or suppliers at risk of violating freedom of association and collective bargaining	2.5 Regulatory Compliance	41	
Child Labor					
GRI408 Disclosure of Forced or Compulsory Labor Theme - 2016	408-1	Operational locations and suppliers with material risks of forced or compulsory labor incidents	5.1.1 Employment of a Diverse Workforce	66	
Forced or Compulsory Labor					
GRI409 Disclosure of Forced or Compulsory Labor Theme - 2016	409-1	Operational locations and suppliers with material risks of forced or compulsory labor incidents	2.5 Regulatory Compliance	41	
Security Practices					
GRI410 Disclosure of Security Practices Theme - 2016	410-1	Security personnel receiving human rights policy or procedure training	5.1.1 Employment of a Diverse Workforce	66	
Indigenous Rights					
GRI411 Disclosure of Indigenous Rights Theme - 2016	411-1	Incidents involving violations of indigenous rights	5.1.1 Employment of a Diverse Workforce	66	
Local communities					
GRI413 Disclosure of Local Communities Theme - 2016	413-1	Operational activities involving communication with local communities, impact assessments, and development plans	5.5 Social Contributions	82	
	413-2	Operational activities with significant actual or potential negative impacts on local communities	5.5 Social Contributions	82	
* Supplier Social Assessment					
GRI3 Supplier Social Assessment Management Disclosure - 2021	3-3	Management of Material Topics	Disclosure of Innovative Design Management	43	

GRI414 Supplier Social Assessment Theme Disclosure - 2016	414-1	Screening new suppliers using social criteria	4.1 Raw Material Management	54	
	414-2	Negative social impacts within the supply chain and actions taken	4.1 Raw Material Management	54	
Public Policies					
GRI415 Disclosure of Public Policies Theme - 2016	415-1	Political Contributions	2.2 Operational Performance	29	
Customer Health and Safety					
GRI416 Disclosure of Customer Health and Safety Theme - 2016	416-1	Assessment of product and service categories for their impact on health and safety	3.1 Customer Service Management	44	
	416-2	Incidents involving violations of health and safety regulations related to products and services	3.1 Customer Service Management	44	
Marketing and Labeling					
GRI417 Disclosure of Marketing and Labeling Theme - 2016	417-1	Requirements for product and service information and labeling	3.1 Customer Service Management	44	
	417-2	Incidents of non-compliance with regulations related to product and service information and labeling	3.1 Customer Service Management	44	
	417-3	Incidents of non-compliance with regulations related to marketing communications	3.1 Customer Service Management	44	
Customer Privacy					
GRI418 Disclosure of Customer Privacy Theme - 2016	418-1	Complaints substantiated for breaches of customer privacy or loss of customer data	3.1 Customer Service Management	44	
Customized Sustainability Topics					
*Chemicals Management in Products					
GRI3 Corporate Governance Management Disclosure	3-3	Management of Material Topics	Disclosure of Innovative Design Management	43	

Appendix 2: Comparison Table of SASB Sustainability Accounting Standards

Following the SASB Sustainability Accounting Standards, "Apparel, Accessories & Footwear" has been selected as the chosen indicator disclosure category based on the characteristics of our Group's business activities.

Topics	Indicator Code	Disclosure Indicator	Nature	Corresponding Section	Page	Omission /Remark
Chemicals Management in Products	CG-AA-250a.1	Discussion of the Process for Maintaining Compliance with Restricted Substance Regulations	Discussion and Analysis	4.1 Raw Material Management	54	
	CG-AA-250a.2	Discussion of the Process for Assessing and Managing Risks and/or Hazards Related to Chemicals in Products	Discussion and Analysis	4.1 Raw Material Management	54	
Environmental Impact in the Supply Chain	CG-AA-430a.1	Percentage of Level 1 Suppliers' Facilities and Above Compliant with Wastewater Emissions Permits and/or Contractual Agreements	Quantify (%)	4.1 Raw Material Management	54	
	CG-AA-430a.2	Percentage of Level 1 Suppliers' Facilities and Above Completing Sustainable Apparel Coalition Higg Facility Environmental Module (Higg FEM) Assessments or Equivalent Environmental Data Assessments	Quantify (%)	-	-	Our company's procurement regulations do not require the evaluation of whether Suppliers have completed the Higg FEM, and we cannot verify Suppliers' compliance.
Labor Conditions in the Supply Chain	CG-AA-430b.1	Percentage of Level 1 Suppliers' Facilities and Above Audited in Accordance with the "Labor Code of Conduct," Total Audit Percentage Conducted by Third-Party Auditors	Quantify (%)	-	-	Will be disclosed in 2023.
	CG-AA-430b.2	Non-Conformance Rate and Related Corrective Action Rate for Audits of Suppliers' Labor Behavior Code of Conduct	Quantify (Speed)	-	-	Will be disclosed in 2023.
	CG-AA-430b.3	Description of the Most Significant Labor and Environmental, Health, and Safety Risks in the Supply Chain	Discussion and Analysis	-	-	Currently no relevant information.
Raw Materials Procurement	CG-AA-440a.1	Priority Raw Material List; For Each Priority Raw Material: Discuss the Environmental and/or Social Factors Most Likely to Threaten Procurement, Discuss Business Risks and/or Opportunities Related to Environmental and/or Social Factors, and Describe Management Strategies to Address Business Risks and Opportunities	Discussion and Analysis	4.1 Raw Material Management	54	
	CG-AA-440a.2	Quantity of Priority Raw Materials Purchased by Data and Quantity of Each Priority Raw Material Verified to Meet Supplier Environmental and/or Social Standards by Standard	Quantify (Tonnes per ton)	4.1 Raw Material Management	54	

Indicator Code	Disclosure Indicator	Nature	Corresponding Section	Page	Omission /Remark
RR-ST-000.A	Total Number of First-tier and Second-tier Suppliers	Quantification (Quantity)	4.1 Raw Material Management	54	

Appendix 3: Disclosure of Climate-related Information for Listed Companies

Item	Corresponding Section	Page	Omission /Remark
1.Describe the oversight and governance of climate-related risks and opportunities by the board of directors and management.	2.4 Risk Management	39	
2.Explain how the identified climate risks and opportunities affect the company’s business, strategies, and finances (short-term, medium-term, long-term).	2.4 Risk Management	39	
3. Discuss the impact of extreme weather events and transition actions on the company’s finances	2.4 Risk Management	39	
4.Detail how the process of identifying, assessing, and managing climate risks is integrated into the overall Risk Management system.	2.4 Risk Management	39	
5.If scenario analysis is used to assess resilience to climate change risks, provide information on the scenarios, parameters, assumptions, analysis factors, and key financial impacts used.	2.4 Risk Management	39	
6.If there is a transformation plan in place to manage climate-related risks, describe the plan’s content and provide indicators and goals for identifying and managing physical and transition risks.	2.4 Risk Management	39	
7. If internal carbon pricing is used as a planning tool, explain the basis for price determination.	-	-	Non-disclosure
8.If climate-related goals are set, provide information on the covered activities, greenhouse gas emissions categories, planning timelines, annual progress towards achieving the goals, and details on carbon offsets or Renewable Energy Certificates (RECs) used to meet the objectives, including the source and quantity of carbon offsets or RECs.	2.4 Risk Management	39	
9. Report on greenhouse gas inventories and assurance status.	2.4 Risk Management	39	

Appendix 4: Comparison Table of United Nations Sustainable Development Goals (SDGs)

Item Number	Sustainable Development Goals	Corresponding Section	Page
Target2	Eradicate Hunger, Achieve Food Security, Improve Nutrition, and Promote Sustainable Agriculture	5.5 Social Contributions	82
Target4	Ensure Inclusive and Quality Education for All and Promote Lifelong Learning	5.2 Training and Development	70
Target5	Achieve Gender Equality and Empower Women	2.3.1 board of directors 5.3.2 Maternity and Parental Leave Implementation Status 5.3.3. Employee Benefits Enhancement	32 72 72

Target6	Ensure Access to Clean Water and Sanitation for All and Ensure Sustainable Management	4.2 Water Resource Management	50
Target7	Ensure Access to Affordable, Reliable, Sustainable, and Modern Energy for All	4.3 Energy Management	52
Target8	Promote Inclusive and Sustainable Economic Growth, Achieve Full and Productive Employment, and Ensure Decent Work for All	5.2 Training and Development	63
Target10	Reduce Inequality Within and Among Countries	5.1.1 Employment of a Diverse Workforce	59
Target12	Ensure Sustainable Consumption and Production Patterns	3.1 Customer Service Management	39
Target13	Take Urgent Action to Combat Climate Change and Its Impacts	2.1 About SINGTEX group 5.5 Social Contributions	21 74
Target14	Conserve and Sustainably Use the Oceans, Seas, and Marine Resources for Sustainable Development	Column-Turning ocean waste pet bottles into world-changing yarn - s.café@ocean	45
Target15	Protect, Restore, and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Combat Desertification, Halt and Reverse Land Degradation, and Halt Biodiversity Loss	5.5 Social Contributions	74
Target16	Promote Peaceful and Inclusive Societies for Sustainable Development, Provide Access to Justice for All, and Build Effective, Accountable, and Inclusive Institutions at All Levels	1.2.2 Stakeholder Communication Channels 2.5 Regulatory Compliance	12 36
Target17	Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development	3.3 Sustainable Supply Chain Management	42