

2025

Sustainability Report



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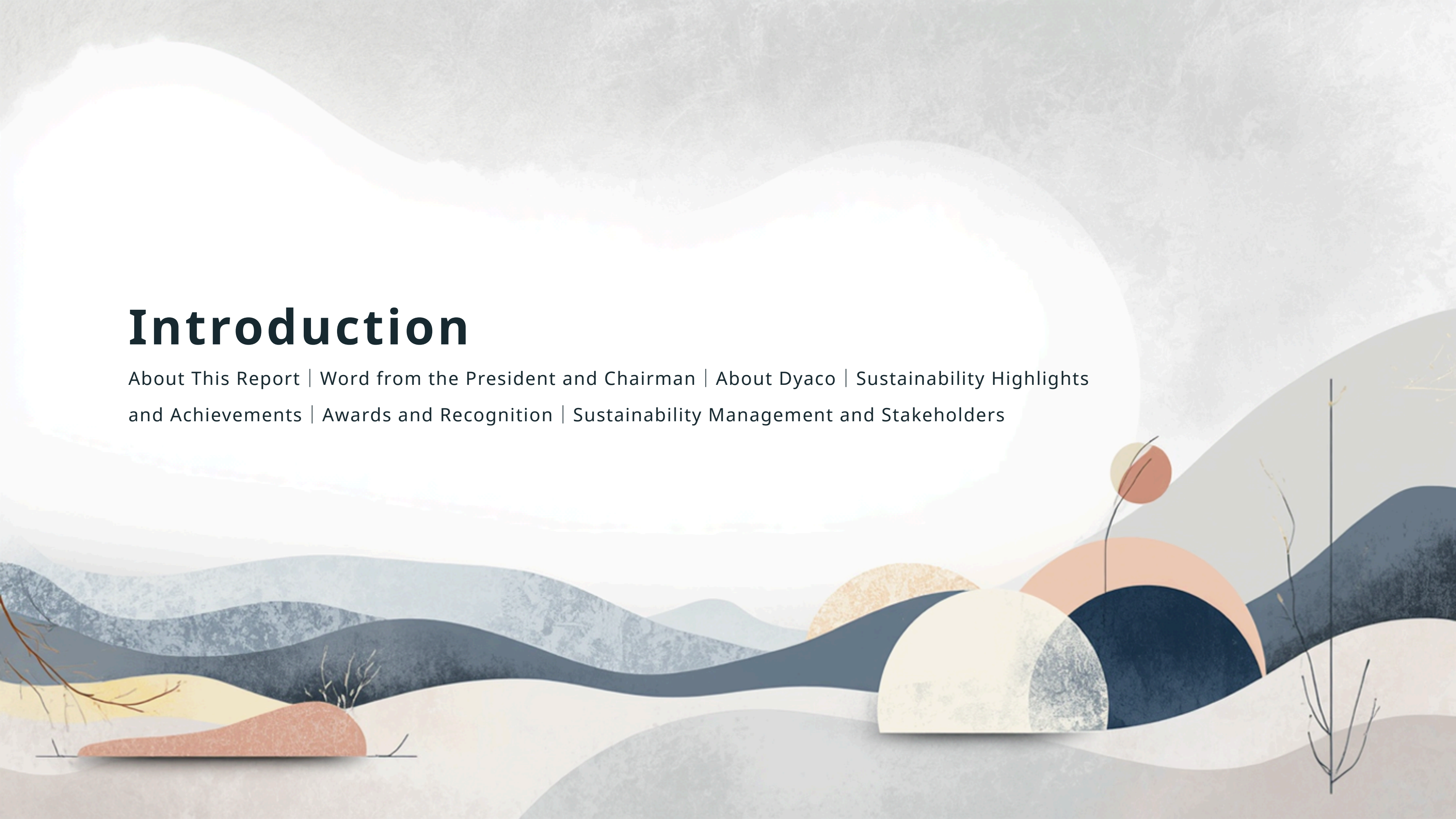
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Introduction

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About This Report

This report is the eighth Sustainability Report issued by Dyaco since 2018. This report is for the company's relevant stakeholders, providing the management policy and implementation results for the ESG (Environment, Social, and Governance) aspect. We continue to fulfill our social responsibilities and aim to create sustainable management and shared prosperity for society.

Reporting Period and Scope

This report information is disclosed from January 1, 2025, to December 31, 2025, Dyaco corporate social responsibility results, management policies, and performance, all based on Dyaco Taiwan, including Taipei's headquarters, Taichung's International Marketing Office, and three factories located in Changhua. Additionally, The scope of disclosure for financial information and greenhouse gas (GHG) emission data is based on the audited consolidated annual report by certified public accountants and [includes all global subsidiaries](#).

Date of Issue

This report is issued annually, and an electronic version is posted on the [company website](#) to support environmental protection.

Previous Issued: 2025/6
Current Issue: 2026/6
Coming Issue: 2027/6

Report Management Process



Preparation and Drafting:

We identify actual and potential impacts, assess their significance, and determine material topics. Respective departments manage these topics and provide performance data. Once the Sustainability Task Force has collected all necessary information, the content is drafted into the corresponding chapters of the Sustainability Report.



Review and Assurance:

Following internal audit verification to ensure accuracy, the report undergoes external assurance by AFNOR Asia in accordance with the AA1000 AS v3 standard. The assurance is conducted under Type 1, Moderate Level. The assurance statement for the current year is included in the appendix.



Approval and Publication:

Upon successful third-party verification, the report is submitted by the Sustainability Committee to the Board of Directors for final approval. It is then published on the company's official sustainability website. We continuously monitor the impact and effectiveness of our sustainability reporting and actively solicit stakeholder feedback.

This report is primarily structured in accordance with the GRI Standards issued by the Global Reporting Initiative, the United Nations Sustainable Development Goals (SDGs), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) standards, and the Responsible Business Alliance (RBA) code of conduct. Relevant information is disclosed and reported in accordance with the company's annual material topics, incorporating eight reporting principles. The following sections detail the standards followed and the verification organizations involved in this report:

	Annual Report	ESG Report	Environmental Management Standards	OSHA	Quality Management Standards
Reference	IFRS (International Financial Reporting Standards)	GRI Standards SASB Standards – Toy and Sporting Goods	- ISO 14001: 2015 - ISO 14064: 2018	ISO 45001: 2018	- ISO 9001: 2015 - ISO 13485: 2016
Verification Body	KPMG Taiwan	AFNOR Asia Ltd.	- SGS Taiwan Ltd. - AFNOR Asia Ltd.	SGS Taiwan Ltd.	SGS Taiwan Ltd.

Contact Information and Feedback

Dyaco International Inc./ Mr. Ho

- Address: 12F., No. 111, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)
- Phone: +886-2-2515-2288
- Email: esg.dyaco@dyaco.com

Restatements of Information

There are no restatements of information for this reporting year.

Publication of Past Reports

Please visit [Dyaco International's Sustainability Website](#) to download previous reports.



A Word from the Management

Founded in 1990 as a trading company in Taipei, Dyaco International has adhered to a steady and pragmatic business strategy for over three decades. From expanding international sports brand channels to building profound partnerships with local manufacturers, we have strengthened our competitiveness step by step. As our corporate scale continues to grow, we remain committed to our core philosophy of "People-Centricity, Coexistence with the Environment, and Shared Prosperity with Society," viewing corporate citizenship as the cornerstone of our sustainable operations.

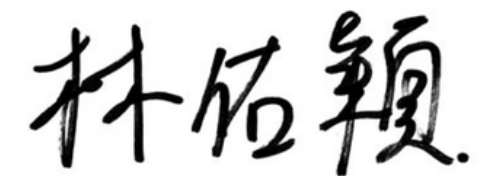
To strengthen the Group's sustainability governance, we initiated our first ISO 14064-1 Greenhouse Gas (GHG) inventory for the parent company in 2021. By 2025, we had expanded this scope to include all global consolidated subsidiaries, progressively perfecting our GHG management foundation and enhancing carbon transparency. The Group is committed to evolving with the times; we have formulated comprehensive sustainability policies and execution plans, aligning our efforts with regulatory authorities to march toward the 2050 Net-Zero Emissions goal.

In terms of manufacturing and facility management, our Dajia Factory in Taichung has been awarded the Green Building Silver Rating, demonstrating concrete results in energy saving and carbon reduction. To address the challenges of climate change, we use the TCFD framework as a basis for risk and opportunity analysis. Moving forward, we will continue to align with IFRS S1 and S2 sustainability disclosure requirements to reinforce information transparency and resilience management. Looking ahead, Dyaco International will continue to listen and respond to the expectations of our stakeholders. Driven by innovation and a sustainability mindset, we strive to achieve corporate growth while creating long-term, positive impacts on society, the environment, and the economy.

President

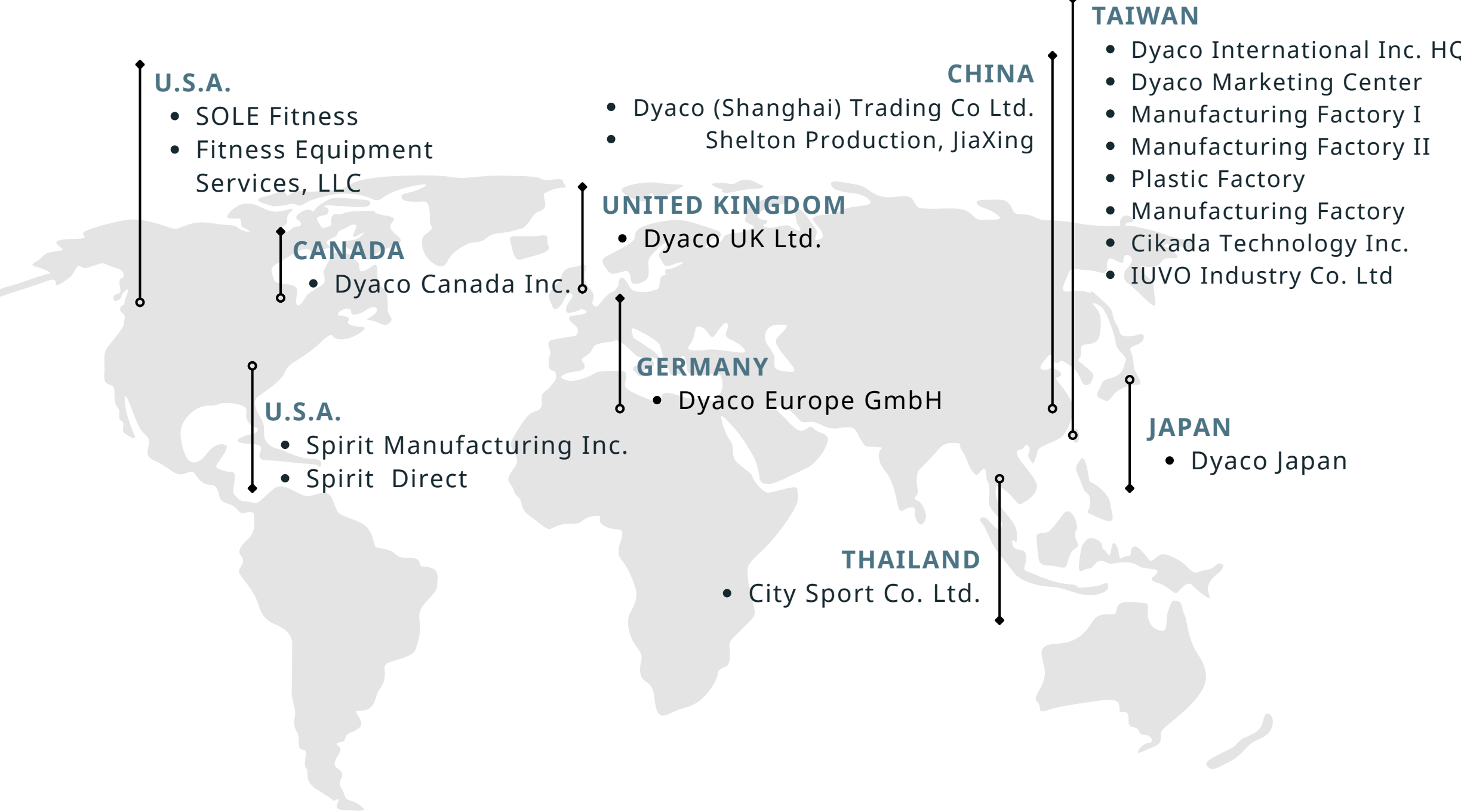


Chairman



About Dyaco

Dyaco was established in 1990 as a buyer and exporter of sports equipment. Since 2008, we have transformed into a self-operated manufacturer, focusing on alliance cooperation, distribution, brand marketing, and management, fully concentrating on OBM (Original Brand Manufacturer). We have obtained international authorization from world-renowned sports equipment brands SPIRIT, XTERRA, SOLE, fuel, and Ultimate Fighting Championship® (UFC), the world's leading mixed martial arts organization. Building upon our foundation in the home fitness market, we have expanded into the medical rehabilitation and professional fitness markets. In 2016, we went public, allowing us to continue developing safe fitness equipment, combining innovative interactive technologies. We have established ourselves as a comprehensive fitness enterprise by staying attuned to market trends and flexibly adjusting our business strategies. Dyaco formulates a corporate governance structure, implements relevant laws and regulations, and abides by them, following the code, establishing sustainable operation and development. Since the fifth evaluation, Dyaco has maintained a 6% to 20% score in the Corporate Governance Evaluation System, higher than the industry average for all listed companies. In the future, we will aim for a score within the top 5% and continue to improve our group's corporate governance development.

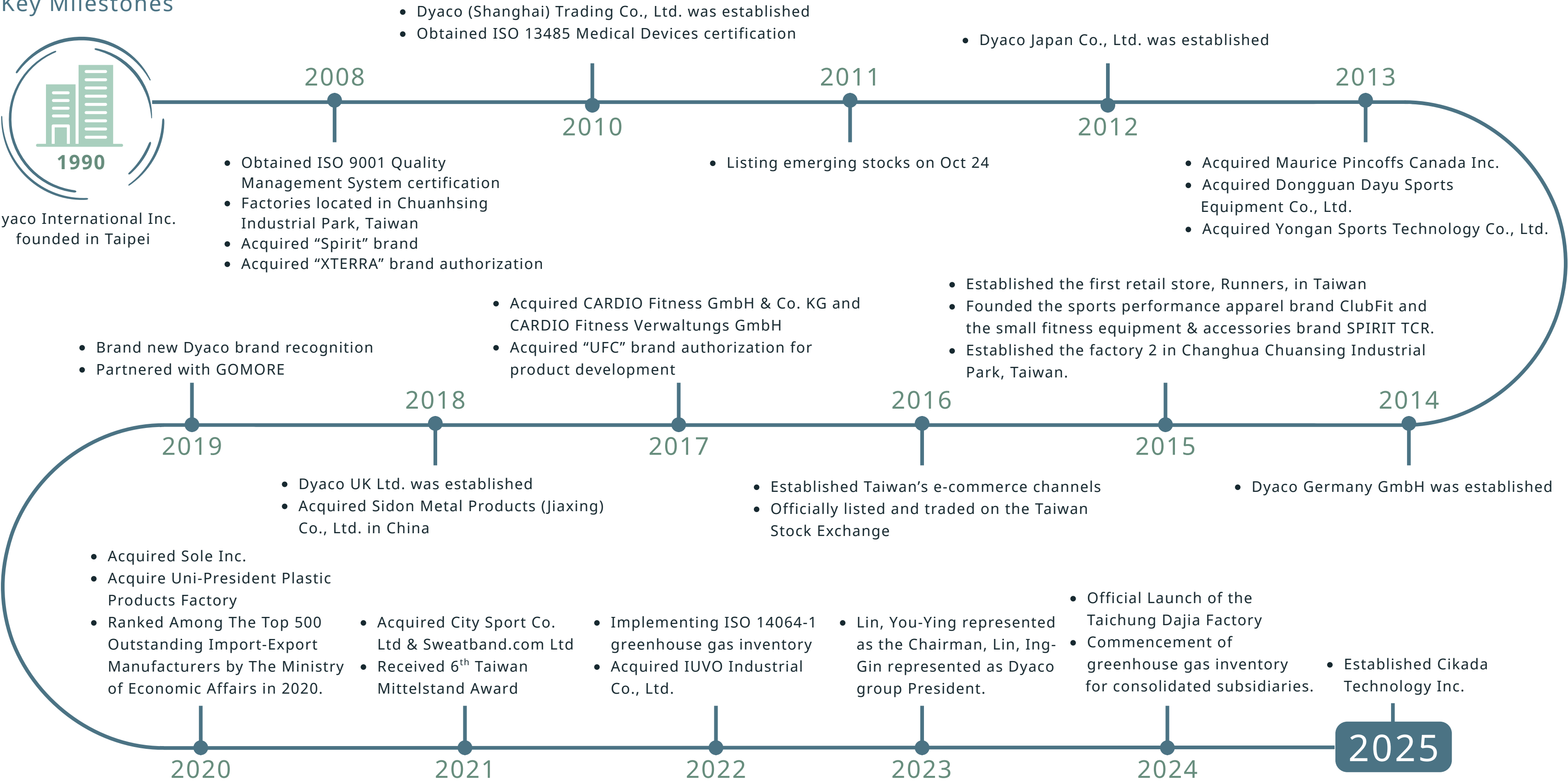


All subsidiaries: Dyaco International Holding Limited, Fuel-Spirit International Inc., CARDIO fitness GmbH& Co. KG, CARDIO fitness Verwaltungs GmbH , Neutron Ventures Ltd, Interactive Online Commerce Ltd, SWEATBAND EU LIMITED LIABILITY COMPANY, Sweatband.com Ltd, Wing Long Co., Ltd., PRESIDENT PLASTIC PRODUCTS MFG. CO., LTD., Da-An Health Management Consultant Co. Ltd., Neutron Ventures Poland S,p Z,o,o, DYACO (THAILAND) Co., Ltd

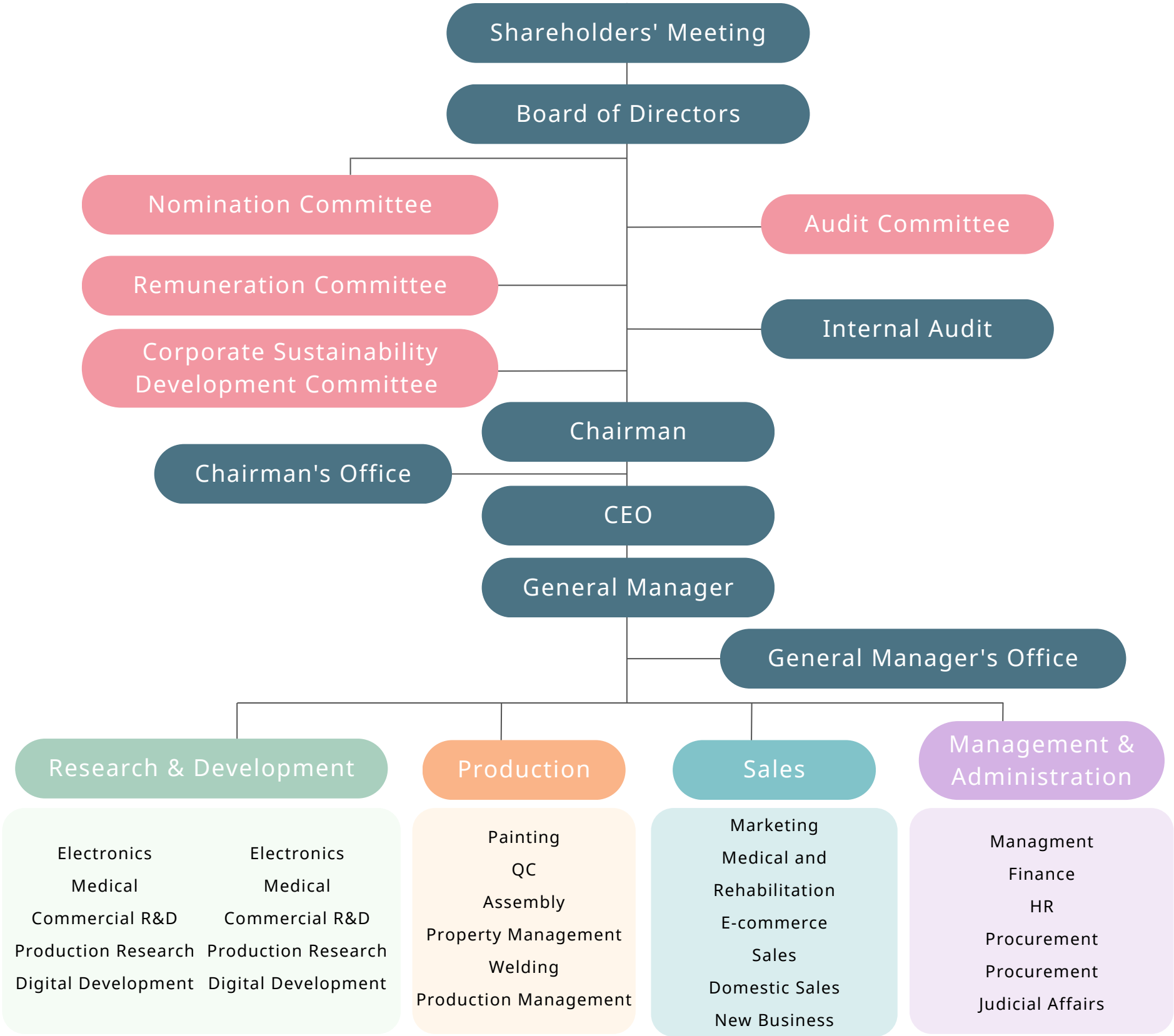
Key Milestones



Dyaco International Inc. founded in Taipei



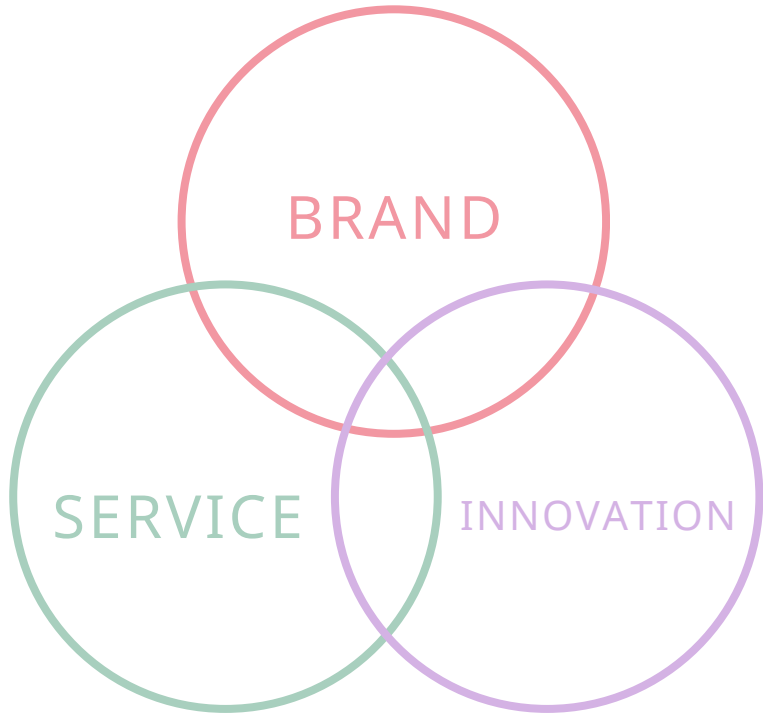
Company Structure



Business Philosophy | Core Values

At Dyaco International, we place "Brand, Service, and Innovation" at the heart of our operations, integrating these principles into our codes of conduct and business strategies. Our approach begins with human needs; we design products and services dedicated to providing health solutions for consumers, raising public health awareness, and making proper exercise a natural part of daily life. To fulfill our goal of promoting human well-being, we develop specialized sports and leisure products for all age groups. Furthermore, we proactively design rehabilitation and medical products tailored to the physical conditions of the elderly to help delay the need for hospitalization. We aspire to be a powerful support system that safeguards health and enhances quality of life as people strive toward their future goals.

Sustainability Vision



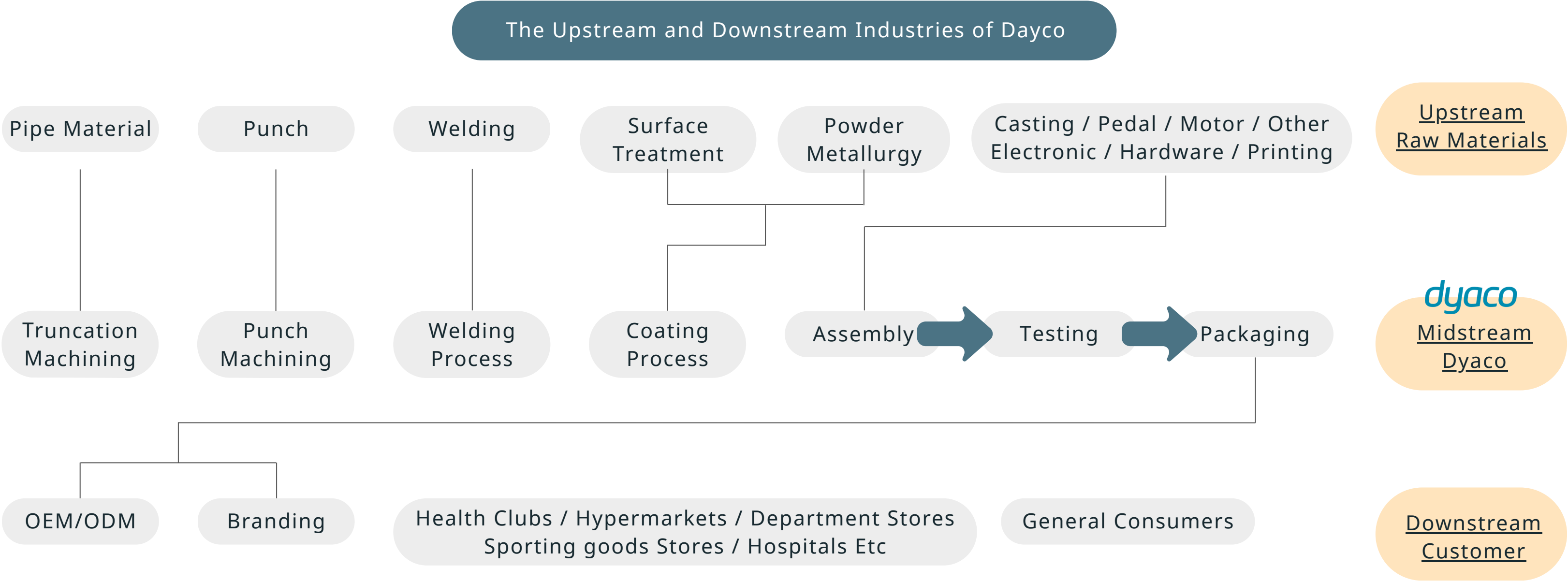
Corporate Culture

-  **Respect Customers**
Mutual Benefit Create a Win-win Situation
-  **Respect the Products**
Innovation Professional Leadership
-  **Respect the Market**
Keep Pace with Times Healthy and Harmonious

Functional Division of Departments

Chairman’s Office	Internal Audit	General Manger’s Office	R&D
Oversees the group’s strategic business objectives and development blueprints, while managing all matters related to the Board of Directors, including the convening of board meetings.	Assists the Board and management in inspecting and reviewing deficiencies within the internal control system, measuring operational effectiveness and efficiency, and providing timely recommendations for improvement to ensure the effective implementation and continuous refinement of internal controls.	- Coordinates group-wide business strategies, operational planning, policy formulation, and investment management. - Evaluates and monitors the operational status and internal controls of all departments, while overseeing the execution, planning, and coordination of the group's overall business operations.	Manages all technical and engineering activities from product development to mass production, including R&D planning, product design, prototyping, reliability testing, technical documentation, and patent management. Additionally, oversees manufacturing process planning and technical improvements to ensure products transition smoothly and stably into mass production while maintaining high quality.
Manufacturing	Sales & Marketing	Administrative Management	
Responsible for the overall operation of production and quality management. Responsibilities include formulating and executing production plans, managing manufacturing processes, conducting employee training, and overseeing raw material usage, inventory, and logistics. The department also handles equipment maintenance, capacity assessment, and delivery scheduling to ensure a seamless production flow.	Drives business expansion and marketing initiatives for the group. The team collects and analyzes market intelligence to identify industry trends, which informs the development of marketing strategies, product branding, advertising production, and the organization of international trade shows to enhance brand visibility and market competitiveness.	Manages the core administrative and logistical support of the group, encompassing finance, accounting, HR, general affairs, procurement, and IT. Responsibilities include financial management, fund allocation, investment planning, credit control, budgeting, and preparing financial reports. It also oversees tax planning, talent development, administrative policy formulation, occupational health and safety (OHS), environmental safety, and foreign labor management. In procurement, the department is responsible for supplier evaluation, price negotiation, raw material ordering, delivery control, and outsourcing arrangements. Furthermore, it centralizes the management of IT systems and infrastructure, database maintenance, enterprise system development, and the implementation of new technologies to ensure efficient and stable global operations.	

Industrial Chain



External Organization Participation

Dyaco International continues to align with international standards and voluntarily adheres to the RBA (Responsible Business Alliance) Code of Conduct. We stay actively informed about market trends and the latest industry developments. To maintain exchange and knowledge sharing across various sectors, we have joined the Taiwan Sporting Goods Manufacturers Association (TSMA), the Taipei Medical Instruments Commercial Association, the Taiwan Bio-medical Care and Assistive Technology Association, and the Taiwan Electric Research & Intelligent Bicycle Association (TREBA).

Dyaco International did not establish any labor unions or sign collective bargaining agreements during the reporting year.

Sustainability Highlights and Achievements

Through walking machine rental programs, Dyaco International is transitioning its products from one-time ownership to multi-user sharing. This approach enhances resource efficiency, extends product life cycles, and reduces waste generation, demonstrating the sustainable value of a circular economy.

To address the challenges of an aging population and maximize resource utilization, Dyaco International actively promotes a "lease rather than sell" business model. By using specialized equipment for seniors as a key example, we are advancing our corporate social responsibility and environmental sustainability goals. The daily rental project is more than just a product or service; it is a concrete example of Dyaco International fulfilling its commitment to the "circular economy" and "sustainable development." Looking forward, the Group will continue to expand the range of rental items, strengthen recycling and remanufacturing processes, and fortify our maintenance network to further integrate circular-economy principles into our product life cycles and overall operational strategy.

Benefits of Rental



No additional costs for warranty and repairs



Reduced hassle in troubleshooting equipment failures



Seize the golden period of rehabilitation at the lowest cost

Products



LW180



LW80



LR220

The Core Values of the Circular Economy

Aspect	Measures and Impact
Extending Product Life Cycles	Under the rental model, walking machines are shared among multiple users, significantly increasing utilization and reducing idle time. This approach ensures the equipment’s full life cycle is maximized, avoiding the common scenario in which a single purchaser uses the device infrequently, resulting in high idle time.
Enhancing Resource Efficiency	Rental services reduce the need for repetitive individual purchases, thereby lowering material and energy consumption across manufacturing, transportation, and packaging. Resources such as metals, plastics, and electronic components used in the production and transport of walking machines are utilized multiple times within the rental loop.
Maintenance and Servicing Systems	To maintain the optimal functionality and safety of rental products, Dyaco International provides professional repair and regular maintenance services. This not only ensures user safety but also guarantees stable equipment performance over the long term, effectively extending the equipment's operational lifespan.
Waste and Pollution Reduction	By extending usage cycles and promoting reuse, we reduce electronic and mechanical waste generated by product disposal and obsolescence. When equipment eventually reaches the end of its service life, parts can be recycled or disassembled for reuse, minimizing the overall environmental burden.
Social Benefits	The rental scheme lowers the financial barrier for seniors and long-term care institutions, allowing more users to access suitable rehabilitation walking machines at a lower cost. This fosters health promotion, maintains physical mobility, and enhances the overall quality of life.
Integration of the Circular Economy Value Chain	Throughout the rental process, Dyaco International considers the environmental impact of every stage—including design, manufacturing, maintenance, and logistics—to ensure the entire system is circular and sustainable. For instance, we prioritize durable materials, modular designs, and structures that are easy to disassemble and repair.

Awards and Recognition

Green Building Silver Rating



Sustainability Report
Award



Bronze
Award



TWSE

Corporate Governance
Evaluation

category of market
capitalization under 5 billion.



2% ~ 10%

SinoPac+

Corporate Sustainability
Assessment System

SinoPac+ ESG Rating



A

Sustainability Management and Stakeholders

Sustainability Development Framework

To ensure that sustainable governance has an institutional foundation and to fulfill the commitments of environmental sustainability and corporate social responsibility, the Board of Directors approved the "Charter of the Corporate Sustainability Development Committee" on August 11, 2021, and established the Corporate Sustainability Development Committee. The committee is chaired by Chairman Lin Yu-ying, with Independent Director Wu Chin-po serving as the Vice Chairman and head of impact management.

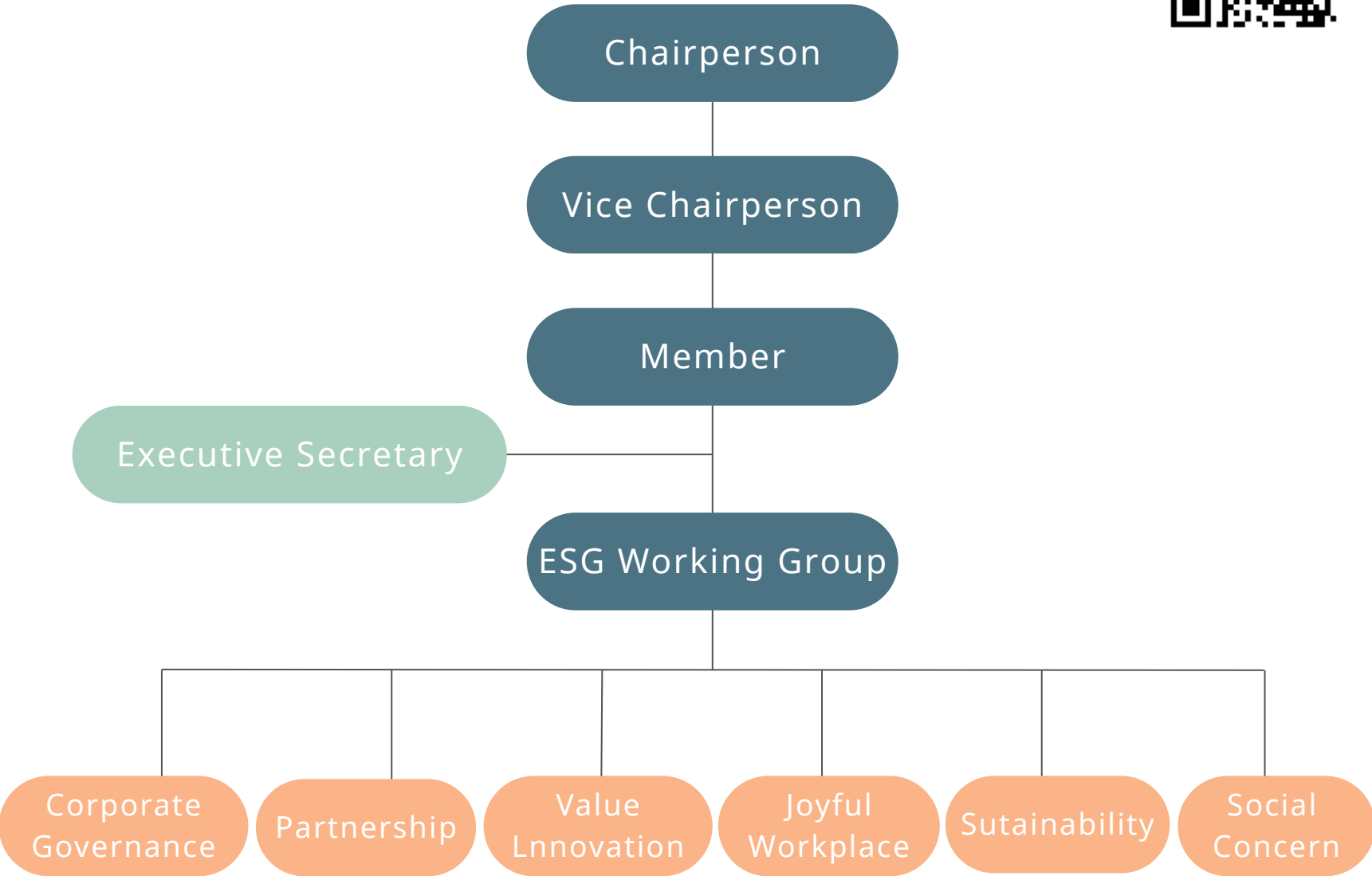
The committee's primary responsibilities include reviewing the Group's sustainability policies, formulating climate change management strategies, and planning short-, medium-, and long-term sustainability goals while evaluating execution performance. The committee reports to the Board of Directors regularly. Beyond driving policies and programs, the committee actively monitors issues of concern to stakeholders—including shareholders, customers, suppliers, employees, government bodies, non-profit organizations, communities, and the media—and oversees communication mechanisms to uphold the commitment to corporate sustainable operations.

Furthermore, Dyaco International has established a Sustainability Development Task Force. This unit is responsible for planning the direction and objectives of sustainable development, formulating relevant systems and management policies, and driving concrete action plans (including climate change issues). The task force regularly reports its progress and achievements to the Corporate Sustainability Development Committee.

《[Charter of the Corporate Sustainability Development Committee](#)》



《[Dyaco ESG Homepage](#)》



Four Strategic Pillars of Sustainable Development

- Process Improvement
Policy Direction: Smart Manufacturing and Resource Circularity



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
• Replace aging equipment to improve operational efficiency. • Implement Manufacturing Execution Systems (MES) to increase production efficiency by 20%. • Increase the use of recycled plastics, raising the material recycling and reuse rate by 15%. • Enhance ISO 14001 Environmental Management policies and implementation.	• Conduct an inventory of high-energy-consuming equipment and perform a hotspot analysis to reduce carbon emissions. • Drive continuous improvement via PDCA cycles to enhance production performance. • Reduce manufacturing scrap (leftover materials) by 5%. • Achieve full digitalization of production management.	• Complete replacement of high-energy consumption equipment with energy-efficient alternatives. • Zero-waste production. • Establish AI-driven smart manufacturing.

- Energy Transformation
Policy Direction: Energy Conservation, Carbon Reduction, and Sustainable Environment



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
• Implement ISO 50001 Energy Management Systems to institutionalize energy efficiency. • Achieve 100% visualization of energy data across all plant areas. • Expand solar power generation systems to increase onsite renewable energy capacity. • Improve energy efficiency by 25% through process optimization. • Replace high-consumption equipment to enhance overall power utilization efficiency.	• Achieve 15% green energy usage across Taiwan plants. • Prioritize integrating green power into internal electricity supply. • Evaluate the purchase of Renewable Energy Certificates (RECs). • Establish behind-the-meter energy storage systems. • Implement EMS for internal smart grid management. • Reduce Scope 2 carbon emissions by 15% compared to 2024.	• Expand 15% renewable energy usage across the entire Group globally. • Enhance self-generation and energy storage capabilities to increase energy autonomy. • Optimize surplus green power by reselling it to the grid or converting it into energy certificates. • Reduce Scope 2 carbon emissions by 35% compared to the 2024 baseline.

• Technological Innovation
Policy Direction: Green Products and Circular Economy



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
• Research and develop green products to minimize environmental impact. • Develop low-carbon and self-generating fitness equipment to promote energy autonomy. • Integrate Circular Economy design principles into the product development phase. • Implement recycled and eco-friendly materials in product manufacturing.	• Achieve 25% of total revenue from green products, driving sustainable market growth. • Enhance product design by adopting materials with low environmental impact. • Establish Product Carbon Footprint (PCF) labeling to enhance transparency. • Extend product life cycles through modularity and improved durability.	• Systematize product carbon footprint assessments across the entire product lineup. • Increase the revenue share of green products to 50%. • Adopt biodegradable materials to achieve truly sustainable products.

• Sustainable Supply Chain
Policy Direction: Corporate Governance and Responsible Supply Chain



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
• Establish management policies for the Sustainable Supply Chain Alliance to formalize ESG expectations. • Implement ESG assessment mechanisms for supplier onboarding and evaluation. • Reduce packaging materials by 20% through optimized design and material selection.	• Maintain 100% local procurement to support regional economies and reduce transportation-related carbon emissions. • Achieve 100% coverage of ESG assessments across the entire supply chain. • Ensure all key partners sign the "Sustainable and Responsible Supplier Code of Conduct." • Collaborate with suppliers to set Net-Zero targets and align the value chain with climate goals.	• Achieve 100% Net-Zero commitment from all suppliers. • Establish a comprehensive product take-back and recycling system. • Develop a green logistics network to minimize the environmental footprint of distribution and warehousing.

Stakeholder Identification

Dyaco International identifies the Group’s relevant stakeholders based on each department's communication targets, drawing on the five major principles of the AA1000 Stakeholder Engagement Standard (SES): dependency, responsibility, influence, diverse perspectives, and tension.

Furthermore, Dyaco International has designed the "Dyaco ESG Materiality Topics Survey" to collect feedback from various stakeholder groups. On an annual basis, we review and analyze the level of concern stakeholders have regarding sustainability topics. This allows us to provide appropriate responses and continue building strong, transparent communication channels.

Stakeholder Communication Channels

Dyaco International features a dedicated Stakeholder Section on its official website, managed by designated personnel to receive and respond to suggestions and feedback, ensuring a transparent, seamless communication channel. We have established the "Procedures for Ethical Management and Guidelines for Conduct" and provided reporting channels for illegal or unethical behavior. Independent whistleblowing hotlines and email addresses are available for both internal and external use.

To safeguard the rights of complainants and whistleblowers, we have implemented a Whistleblower Protection Mechanism. This ensures the anonymity of the reporter and the confidentiality of the report's content. We are committed to protecting whistleblowers from any retaliatory or inappropriate treatment. All reported incidents, their handling procedures, and subsequent review and improvement measures are reported to the Board of Directors on a regular basis.

- Whistleblowing Email: info@dyaco.com
- Whistleblowing Phone: (04)797-7123

《Stakeholder Engagement》



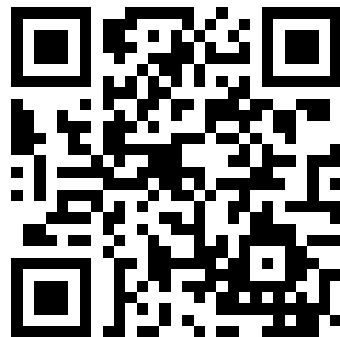
《Corporate Social Responsibility》



《Procedures for Ethical Management》



《ESG website》

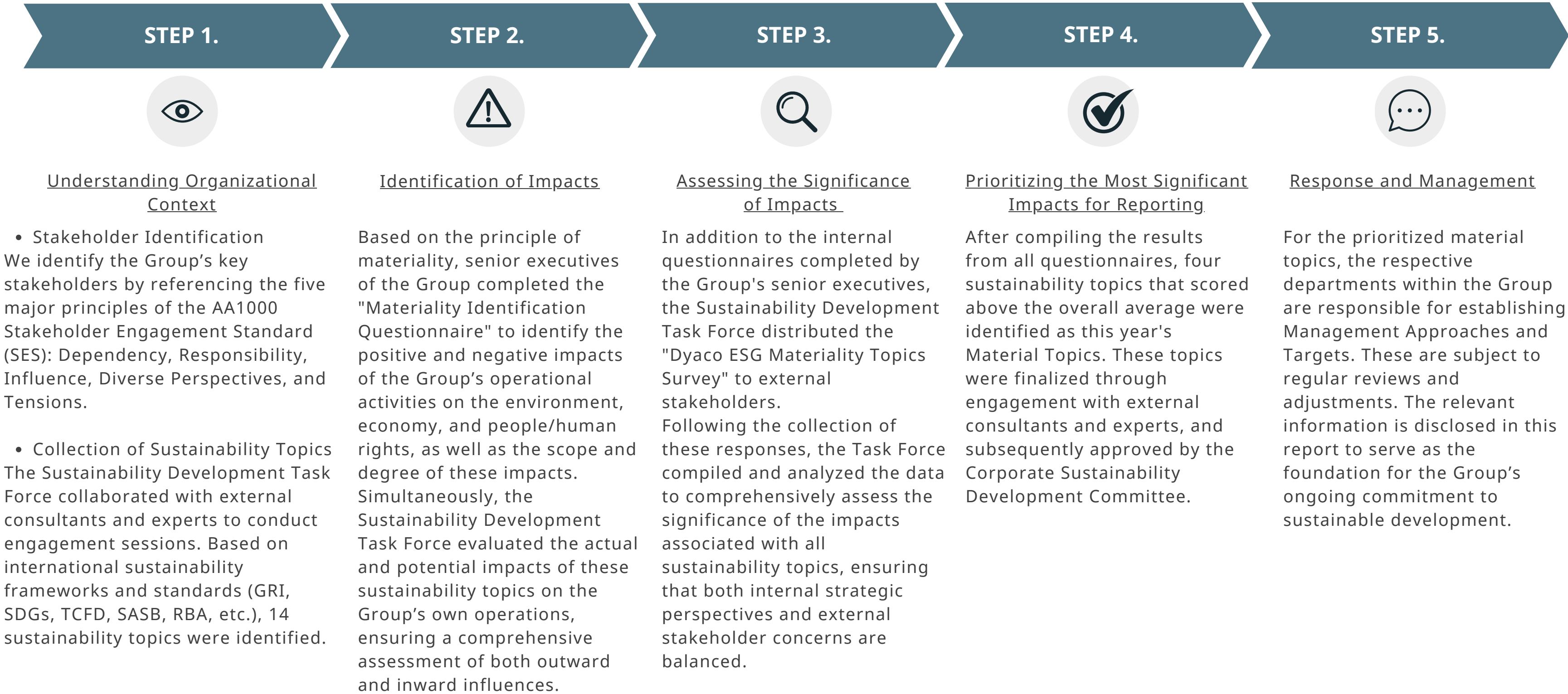


Stakeholders’ communication

Major Stakeholders	The Importance of Dyaco	Major Issues of Concern	Communication Channels and Frequency	Outcomes In 2025
Subsidiaries	Dyaco has 24 subsidiaries worldwide, each a major driver of growth. Maintaining effective communication with each subsidiary will improve corporate performance.	- Occupational Safety and Health - Technology Innovation - Operational Performance - Climate Change Adaptation	Budget meetings (Once a month)	12 meetings
Customers and Distributors	Customers and distributors are Dyaco International’s stable, long-term business partners, exerting the most direct influence on product sales. Their insights and feedback are of paramount importance to us. We are committed to maintaining continuous communication with our customers to further enhance customer satisfaction.	- Customer services management - Quality Management - Operational Performance - Technology innovation - Climate change adaptation	- Customer satisfaction survey (Once a year) - E-mail (Irregularly) - Project meeting (Irregularly) - Service contact window (According to customer needs)	100% completion rate of customer service cases. - International customer satisfaction gets an 80 score. - Domestic customer service cases respond within 24 hours.
Consumers	We insist on providing high-quality products and innovative technology. The opinions and feedback of our consumers are also crucial to us, and we will continue to communicate. Improving consumer satisfaction and building long-term relationships.	- Quality management - Technology innovation - Customer services management - Climate Change Adaptation	- Dyaco’s Website(Irregularly) - Customer Service Hotline (Irregularly) - Physical Stores (Irregularly)	

Major Stakeholders	The Importance of Dyaco	Major Issues of Concern	Communication Channels and Frequency	Outcomes In 2025
Employees	Employees are indispensable assets to us. The most important thing for our operation is to ensure employees' health and safety.	- Labor Relations and Employee Rights - Occupational Safety and Health - Operational Performance - Quality management	- Occupational safety and health Meetings (Quarterly) - Notification system (Quarterly) - Labor-management meetings (Quarterly) - Employee welfare meetings (Irregularly) - Company announcement (Irregularly) - On-the-job training (Irregularly)	- The total number of training hours is 5,645 hours. - Annual welfare expenditure over NT\$ 3 million.
Suppliers	Suppliers are Dyaco's trusted partners; they provide reliable raw materials and work together to achieve corporate sustainability	- Operational Performance - Customer services management - Technology innovation	- Consultative meeting (Irregularly) - Signing supplier responsibility commitment (Irregularly)	- Assessed environmental, safety, and social responsibility performance of 258 suppliers. - Collected hazardous substance restriction declarations from 371 suppliers. - Obtained conflict minerals declarations from 7 suppliers. - Secured safety and health commitments from 292 suppliers.
Shareholders & Investors	To achieve corporate sustainable development, Dyaco benefits from companies' transparent information, helping maintain good relationships with shareholders and investors.	- Operating performance - Technology innovation - Customer services management	- Press release (Immediately) - General meeting of shareholders (Once a year) - Investor conference (At least twice a year) - Investor relations contact window (Irregularly) - Company financial report, annual report, sustainability report (Once a year)	- Hold 1 general meeting of shareholders - Hold 2 investor conferences

Materiality Assessment Proces



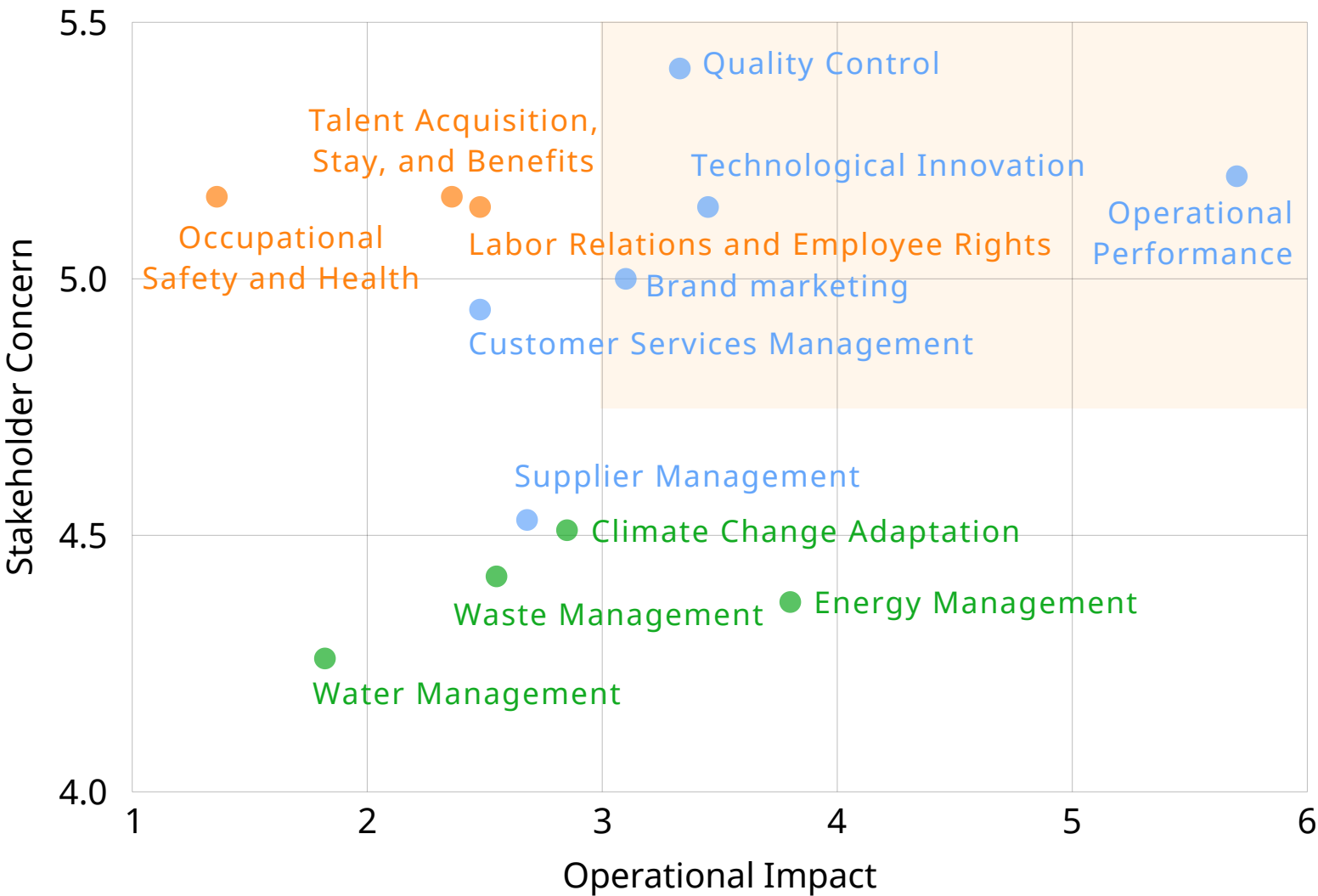
Method for Evaluating the Impact

Evaluation of Impact Significance		Stockholders of Expected Effects
Impact Evaluation Explanation	• Evaluate the significance of the negative impact: Impact range, repairability, and possibility of occurrence. • Evaluate the significance of positive impact: Impact range, possibility of occurrence. • Actual impact: Impact events have already occurred or are currently happening. • Potential impact: It didn't happen, but it might happen in the future.	Evaluate individuals or groups whose interests are affected, or potentially affected, by the economic activities of Dyaco International.
Impact Calculation Method		
• The company's senior management evaluates each sustainability topic based on the Scale of Impact and the Likelihood of Impact associated with organizational activities. These results are then compiled and scored by the Sustainability Development Task Force. • Impact Significance = Scale of Impact × Likelihood of Impact • Material Sustainability Topics are identified as those topics where both the Operational Impact and the Level of Stakeholder Concern scores meet or exceed the overall average.		

Materiality Analysis of Sustainability Topics

In 2025, a total of 97 valid questionnaires were collected, including 86 copies of the " Dyaco ESG Materiality Topics Survey" and 11 copies of the "Materiality Issue Identification Questionnaire".

Through this assessment, 4 Material Topics were identified for 2025. These represent the primary issues that have an immediate or future impact on Dyaco International's value creation. In addition to disclosing our management approaches and current practices in line with the GRI Standards, we have established mid- to long-term management targets for each material topic. These targets serve as the foundation for future performance tracking and review.



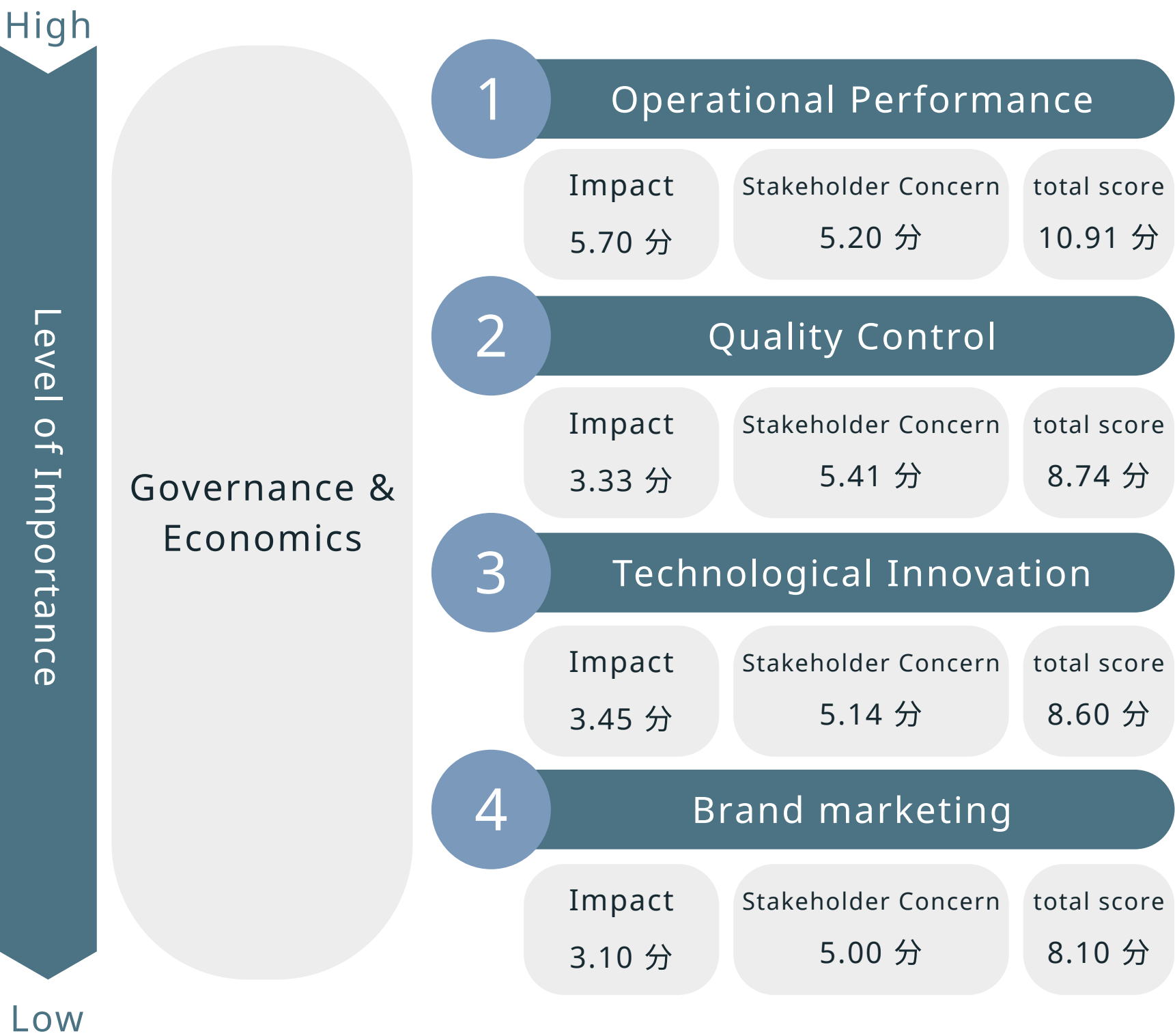
Comparison with the Previous Year

For the 2025 Material Sustainability Topics, the Sustainability Development Task Force initially identified 14 topics. Through the distribution of questionnaires, we analyzed the impact significance assessed by both senior management and stakeholders. Following internal discussions and engagement with external consultants and experts, and considering Dyaco International’s future strategic direction, the topics were categorized into 4 material topics. This refinement allows us to focus more effectively on sustainability issues with a high impact on organizational activities and to implement robust management solutions.

Compared to 2024, the material topics for 2025 no longer include Climate Change Mitigation, Recruitment, Retention & Benefits, and Customer Service Management, while introducing Technological Innovation and Brand Marketing. This shift primarily reflects the consensus among internal executives that Dyaco International has already established comprehensive and mature systems for climate action, human resources, and customer service. Observing current global trends, the importance of technological innovation and brand marketing has become increasingly prominent; therefore, these two topics have been newly designated as material topics for 2025.

Aspects	2025 Materiality Topics	2024 Materiality Topics
Governance & Economics	Operational Performance	Operational Performance
	Quality Control	Customer Services Management
	Technological Innovation	Quality Control
	Brand marketing	
Environmental		Climate Change Adaptation
Social		Talent Acquisition, Stay, and Benefits

Ranking of Materiality Topics



Management of Material Sustainability Topics

Material Topics	Impact	Statement	Boundaries			Impact Aspects			Management
			Upstream	Internal	Downstream	Environment	Social	Economic	
Technological Innovation	Actual Positive	As global consumption patterns shift toward environmental sustainability and fitness preferences transition from aerobic exercise to resistance training, and from indoor to outdoor activities, the Group is dedicated to developing products that align with these evolving consumer needs. A key example is our recently developed Electric-Assisted Bicycles (e-Bikes), which cater to both eco-friendly transportation and outdoor recreation. Moving forward, the Group will continue to expand its resistance training product line and actively penetrate the commercial market, further strengthening our comprehensive fitness product supply chain.							The Group’s primary business operations encompass ODM (Original Design Manufacturing) and OBM (Original Brand Manufacturing): ODM Business: We have established the "Development and Design Management Regulations" to govern the product development process, ensuring that all products comply with client requirements and specifications. OBM Business: Our strategic focus is on digital innovation applications, with an emphasis on creating product value and pioneering new application models. For more details, please refer to the Technological Innovation chapter.
Quality Management	Actual Positive	The Group is committed to providing customers with healthy and safe products and has implemented the international standards ISO 9001 and ISO 13485 Quality Management Systems since 2008. Through comprehensive quality management policies, all products undergo comprehensive assembly and practical-use testing before leaving the factory, ensuring high quality and absolute safety.							By implementing ISO systems and conducting regular audits by third-party certification bodies, we ensure our product quality is maintained.

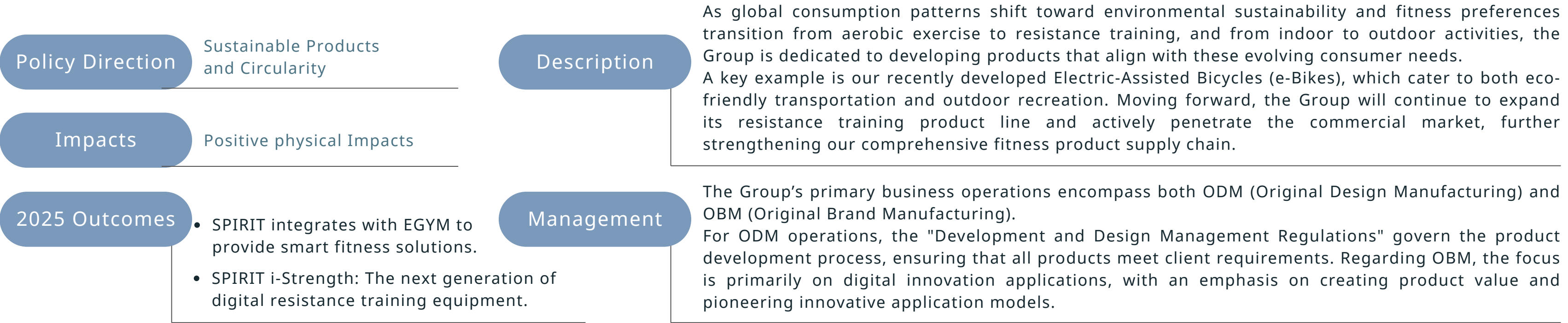
Material Topics	Impact	Statement	Boundaries			Impact Aspects			Management
			Upstream	Internal	Downstream	Environment	Social	Economic	
Brand marketing	Actual Positive	The Group implements a multi-brand strategy to precisely target diverse markets and consumer segments. We actively participate in major international exhibitions, such as FIBO, to showcase innovative products and smart fitness solutions, effectively enhancing brand visibility and international market share. These efforts not only strengthen the Group's competitiveness in the global fitness equipment industry and drive revenue growth, but also bolster brand image and customer trust, thereby positively impacting the Group's operational performance and long-term development.		●	●		●	●	Through a multi-brand strategy, the Group satisfies diverse market demands while strengthening digital marketing and participation in international exhibitions to enhance brand visibility and global influence. Simultaneously, the Group has established consistent Brand Identity (BI) guidelines to ensure a positive and professional image. By integrating core ESG principles into brand communications, we convey the values of health, environmental protection, and innovation, ultimately strengthening investor and consumer identity.
Operational Performance	Potential Positive	The Group continues to expand its global market presence. By implementing a multi-brand strategy to meet the needs of diverse demographics, we effectively enhance our market share and revenue. Furthermore, by integrating our global subsidiary structure and optimizing supply chain management, the Group improves operational efficiency and reduces redundant expenditures.		●	●		●	●	The Group conducts monthly reviews of global sales performance to allow for timely strategic adjustments. Additionally, subsidiary operations are reviewed quarterly to ensure the Group's overall business trajectory remains on a positive, sustainable path.

Sustainability and Value Creation

Technological Innovation | Brand marketing | Quality Management | Business Performance |
Partnership and Service Excellence



1-1 Technology Innovation



Targets

Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
• R&D of Green Products • R&D of Low-carbon and Self-powered Fitness Equipment • Circular Economy Design Philosophy • Application of Recycled and Eco-friendly Materials	• Increase the Revenue Proportion of Green Products • Design Optimization and Adoption of Low-Environmental-Impact Materials • Establishment of Product Carbon Footprint Labeling	• Systematization of Product Carbon Footprint Management • Biodegradable Materials • Extension of Product Life Cycle

*Note: Green products are defined based on green revenue recognized under the Taiwan Stock Exchange (TWSE) Green Revenue Classification.

Founded as a fitness equipment trading company, Dyaco International transitioned through the OEM/ODM stage to successfully develop its own brands. Today, the Group has achieved a fully integrated operational model encompassing R&D, manufacturing, sales, and after-sales service. Our diverse portfolio of fitness brands includes SOLE, Spirit, Xterra, and UFC. Additionally, under the Dyaco Medical brand, we develop specialized products for seniors and individuals with limited mobility, enabling them to enjoy the benefits of exercise and establishing a comprehensive health service platform. Through a brand differentiation strategy, the Group expands its global market presence, fostering long-term, stable sales networks with local distributors and utilizing a dual-track retail strategy—combining physical and online channels—to accurately capture global consumer trends.

Regarding manufacturing, our existing facilities have implemented modern scientific management, enterprise e-systems, and Key Performance Indicator (KPI) management. Our new factory construction integrates Automated Storage and Retrieval Systems (AS/RS) and aims for Green Building Certification. To drive sustainable development across the enterprise and its teams, these facilities will feature solar panel installations and rainwater-harvesting systems.

Furthermore, in response to rapidly evolving global fitness trends, the Group leverages innovative technology to drive product and service upgrades. We focus on developing smart fitness equipment and interconnected data applications to enhance user experience and safety. Simultaneously, we continue to invest in R&D to expand our outdoor product line—Electric-Assisted Bicycles (e-Bikes)—while actively penetrating the commercial fitness market to ensure our products remain industry leaders in functionality and performance. Through technological innovation, we not only strengthen our core competitiveness and expand our global footprint but also enhance operational performance and brand value, demonstrating the momentum behind our long-term sustainable development.

Our Brands



Provides high-quality cardiovascular training equipment for home and light commercial use. It has repeatedly been recognized by professional evaluation media in the United States as the "Best Product" in customers' minds.



The core commercial fitness brand of Dyaco. It is dedicated to enhancing customer experience and product innovation, with a wholehearted pursuit of the grand goal of "improving the quality of life for all humanity."



Products are designed for optimal performance, with almost demanding attention to detail. Each product has outstanding features, such as a user-friendly, large screen, an advanced training program that significantly enhances workout effectiveness, and an aesthetically pleasing and sturdy machine design.



Dedicated to designing and crafting high-quality e-Bikes, we provide a more comfortable and eco-friendly riding experience, bringing new perspectives and a sustainable future to modern mobility.



The ultimate pinnacle of global combat sports and the largest pay-per-view event, the UFC has granted Dyaco the international license to manufacture and distribute commercial and retail fitness equipment under the same name brand.

Product Categories

General fitness equipment

Used in households, hotels, companies, schools, and gyms to burn calories through exercise and achieve fitness goals. Include treadmills, ellipticals, exercise bikes, etc.

Medical rehabilitation equipment

Used in medical institutions, care centers, physiotherapy clinics, and for elderly or disabled individuals to use at home.

Lightweight fitness equipment

General household fitness equipment and other body-sculpting and conditioning products.

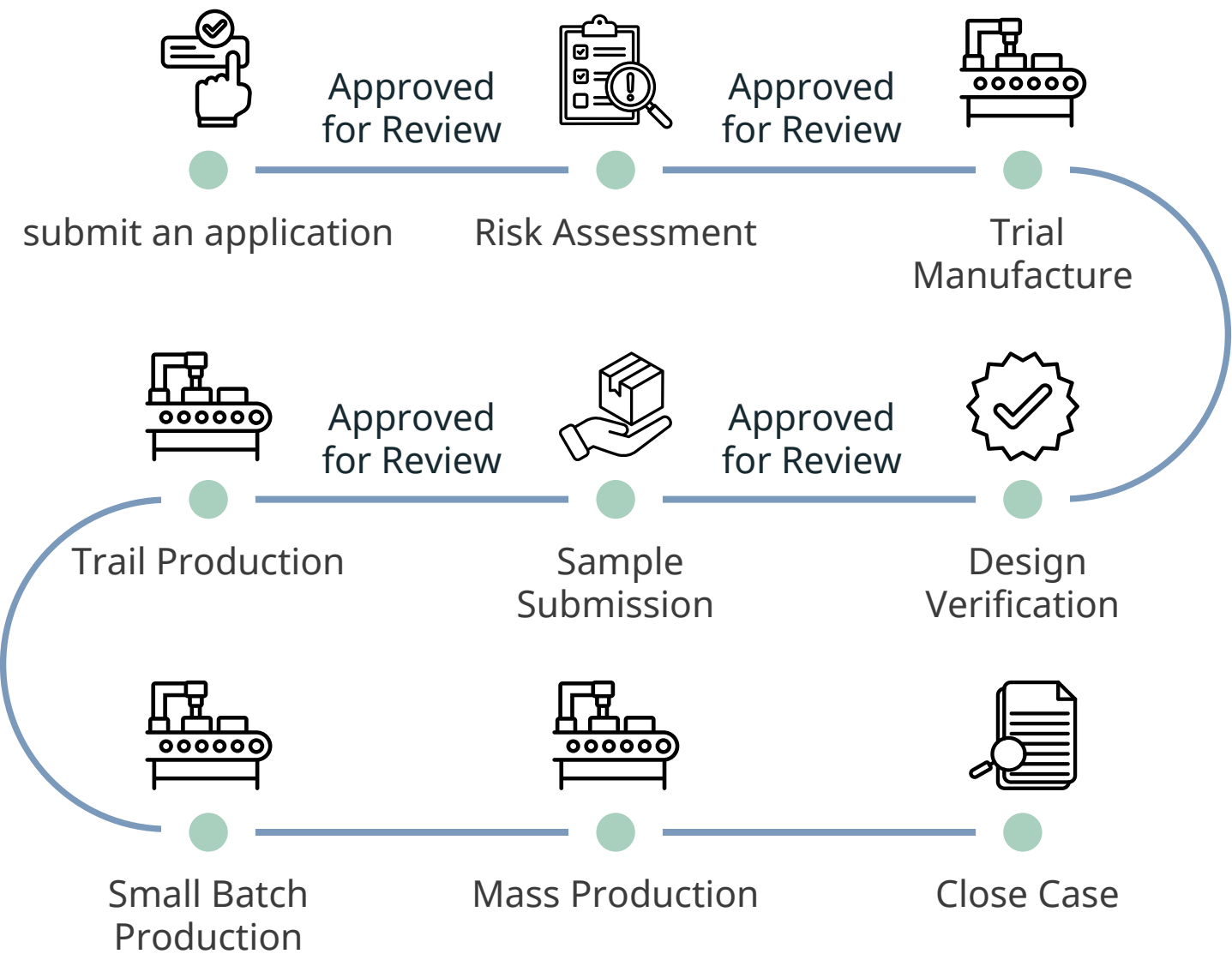
E-Bikes

With smart electric power assistance, these bicycles offer a better riding experience for general city commuting, transportation, and long-distance travel than traditional bikes.

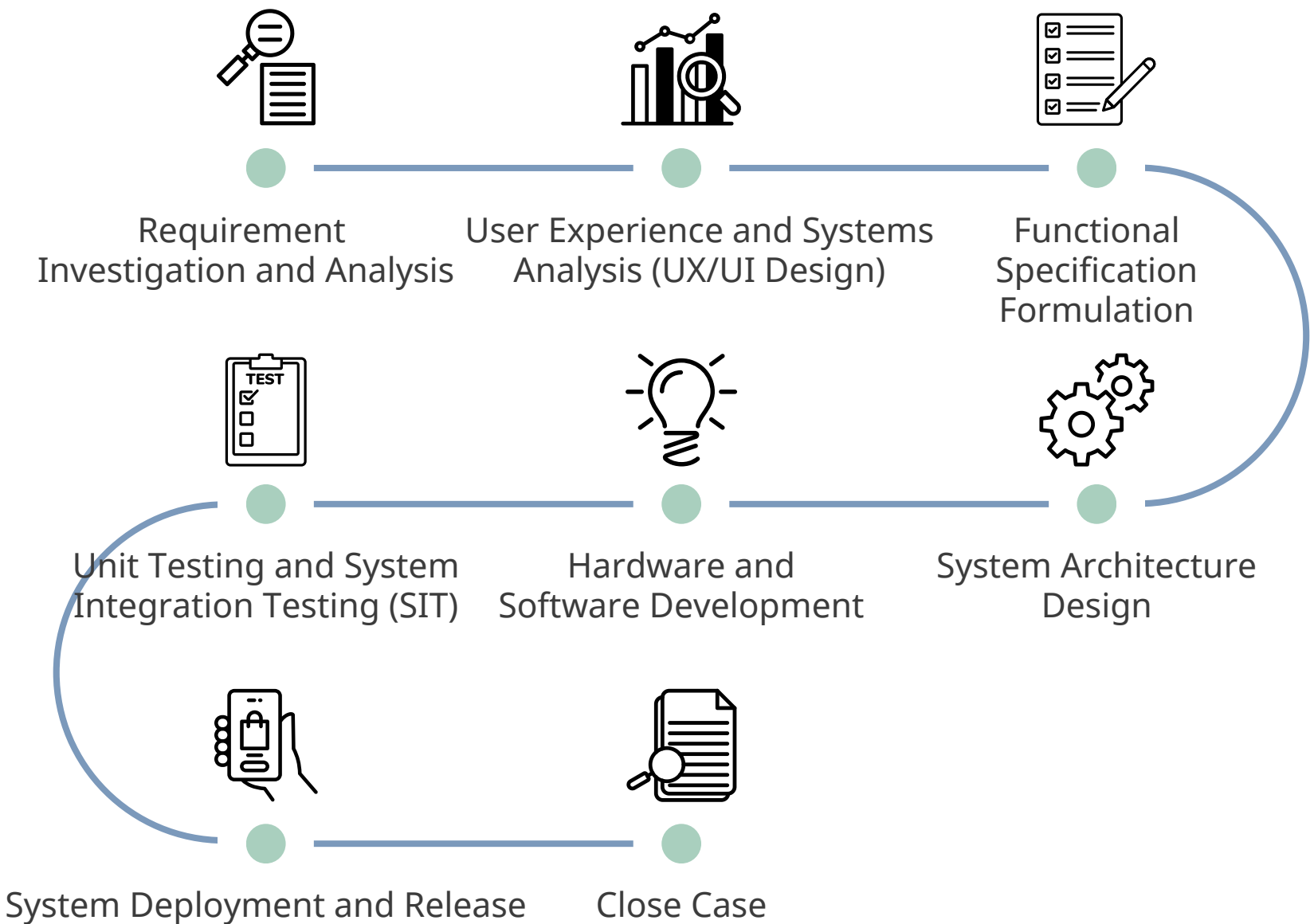
1-1-1 Product Development Procedure

Regarding OEM and ODM aspects, we formulate “Development and Design Management Regulations” to meet customer demands, market needs, or global technical trends. We accept customer feedback and demand through the sales department. Then, a design is conducted to meet their needs.If the design review passes, a new product trial is produced. Design verification, a sample submission, and trial production will be done before final mass production.

Operating Procedure



Regarding OBM (Original Brand Manufacturing), our focus remains on digital innovation applications, with a strategic emphasis on creating product value and pioneering innovative application models. To achieve these objectives, we have established a rigorous New Product Development (NPD) management process, outlined as follows:



1-1-2 Innovative Products and Development

SPIRIT

The SPIRIT CT980, CE980, CU980, and CR980, built upon the foundation of the SPIRIT 1000 Commercial Series, feature a transition from TFT touchscreen consoles to LED consoles while fully retaining both Fitness and Connectivity functionalities. Beyond supporting Over-the-Air (OTA) software updates via the internet, these models are designed to operate seamlessly with the SPIRIT+ Connect and Club App ecosystems.



CE 980



CT 980



CR 980

Integration of SPIRIT 1000 with EGYM

EGYM is a global leader in fitness technology, providing smart fitness solutions that integrate high-tech fitness equipment, software, and data analytics. Its core offerings include auto-adjusting smart equipment, fitness applications, and data platforms designed to enhance operational efficiency and drive revenue for fitness facilities. Simultaneously, it provides members with a more efficient, engaging, and personalized training experience.

Key Features and Synergy of EGYM:

- **Smart Equipment:** Provides automated machines for chest presses, leg presses, and back training. These units automatically adjust seating and resistance while tracking precise training data.
- **Data-Driven:** Training data is automatically synchronized to the cloud and remains accessible via the EGYM App.
- **Integrated Ecosystem:** An open platform that connects over 200 brands, creating a comprehensive fitness ecosystem.
- **Key Advantages:** Enhances training efficiency and boosts member retention, catering to a wide range of fitness goals.

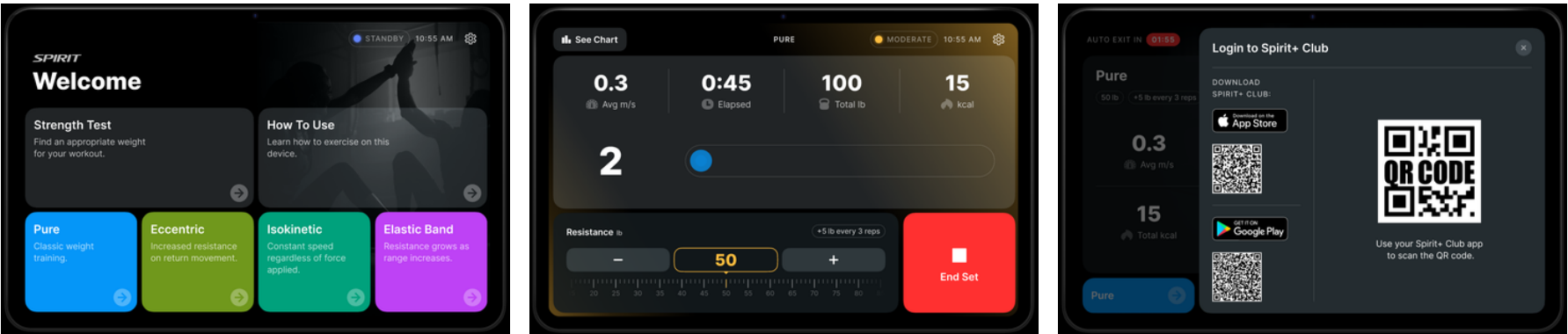
While EGYM specializes in resistance training equipment, Dyaco possesses extensive experience in cardiovascular equipment development and digital service integration. This partnership enables a highly complementary relationship, creating a win-win through combined technical expertise.

SPIRIT i-Strength

SPIRIT i-Strength represents the next generation of digital resistance training equipment. Featuring a completely redesigned UX/UI, the system allows users to intuitively select training modes and resistance levels directly on the screen. Following each workout, data is automatically uploaded to the cloud, enabling users to easily review their exercise history and track performance through comprehensive analysis.

UX/UI Design Highlights of I-Strength:

- **Diverse Training Modes:** Users can seamlessly switch between Pure (Standard), Eccentric, Isokinetic, and Elastic Band modes to suit specific fitness goals.
- **Intuitive Resistance Setting:** Setting the desired weight is effortless—users can simply swipe on the screen or manually enter the desired weight in kilograms.
- **Real-time Data Visualization:** Workout metrics are displayed clearly and intuitively on the screen, providing users with at-a-glance information during their sessions.
- **Seamless Data Synchronization:** Upon completing a workout, users can simply scan a QR code to instantly upload their exercise data to the cloud for long-term tracking.



i-Strength UI



i-STRENGTH Low Row



i-STRENGTH Biceps/Triceps



i-STRENGTH Leg Ext/Curl

Dyaco Medical

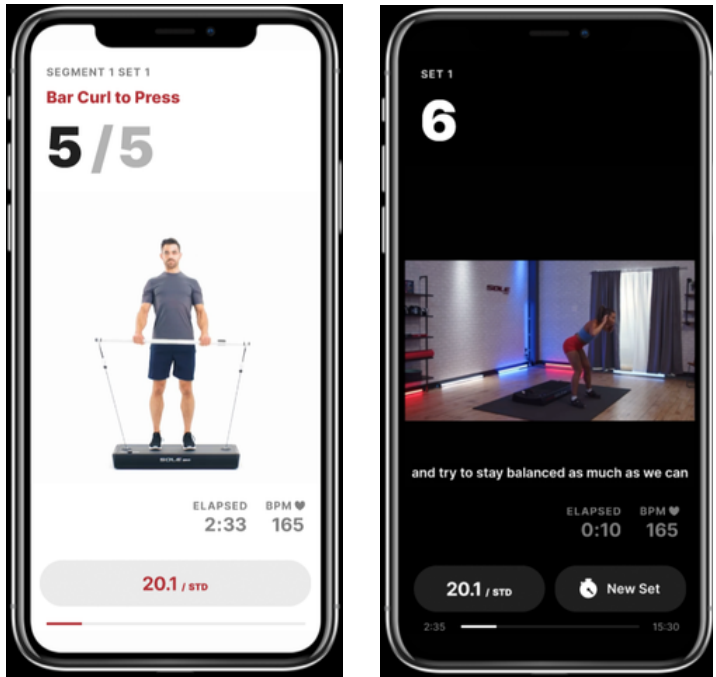
As the world transitions to an aging society, fitness centers are evolving beyond traditional workout spaces into vital hubs for rehabilitation. In response, our Medical UBE (Upper Body Ergometer) and Stepper equipment—originally developed for clinical medical use—have been upgraded with 15.6” TFT consoles. Furthermore, the software has been specifically reconfigured to meet the unique physiological needs of seniors, providing a safe and effective fitness environment for the elderly.



Medical Equipment

SOLE SRVO

The SOLE SRVO is a personal strength training device. Since its training programs differ from traditional cardio fitness equipment, the SOLE SRVO App is a standalone platform with a completely redesigned software experience. Its key features include: (1) Strength training-specific workout records and performance tracking analysis. (2) An exclusive library of SRVO training videos. (3) Training programs specially designed for ball sports. (4) Customizable workout plans tailored to individual needs. (5) Coach-led training videos professionally produced to deliver an experience similar to in-person coaching sessions.



SOLE SRVO UI

SOLE+ App

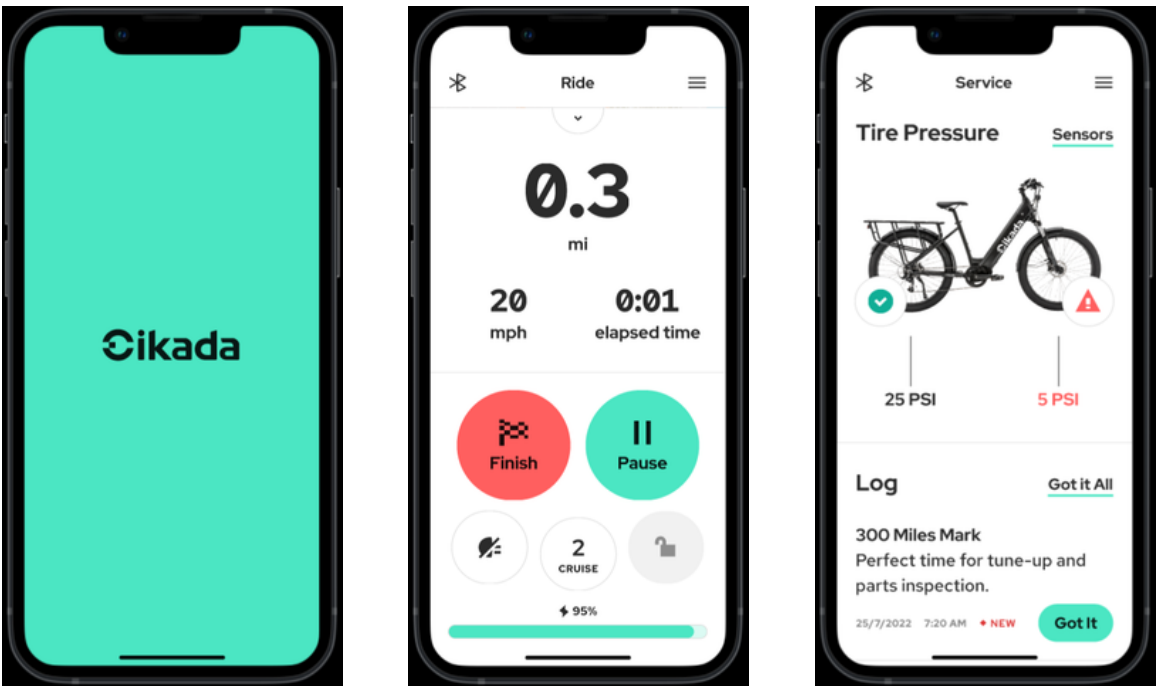
Compared to the previous version, the new SOLE+ App features a complete UX/UI redesign based on user feedback, along with several new functions. Key features include: (1) Easier Bluetooth connectivity with fitness equipment. (2) AI Training Plan: AI-generated workout programs tailored to user needs. (3) Community Function: Online fitness challenges and competitions. (4) Workout Records: Redesigned data displays that make it easier to review and compare exercise performance.



SOLE+ App UI

CIKADA

CIKADA is dedicated to designing and crafting high-quality electric-assisted bicycles (e-Bikes) with the primary mission of providing a more comfortable, eco-friendly riding experience. Central to this mission is the CIKADA App, a dedicated platform that operates seamlessly with our e-Bikes. Its key features include: 1. Assisting users in recording real-time riding data and route information. 2. Aggregating and analyzing riding statistics to help users optimize their performance. 3. Proactive alerts for scheduled maintenance and real-time diagnostic error messages. 4. Enabling users to conveniently adjust e-Bike settings and control features remotely. 5. Instant access to nearby authorized service centers and specialized bike shops. 6. Online access to instructional videos for assembly and basic maintenance.



CIKADA App UI

CIKADA Care is the warranty management platform for CIKADA e-Bikes, designed for dealers, branch offices, and HQ to manage warranty records and sales information. When a dealer registers a bike sale, the warranty is automatically activated. Key features include: (1) Bike sales and warranty status tracking. (2) Personnel and account management across HQ, branch offices, and dealers. (3) Monthly dealer sales reports. (4) Warranty and replacement records for key bike components. (5) Dealer store management with synchronized location and business hours updates for the CIKADA App. (6) Upload and management of repair and maintenance videos.



1-1-3 Technological Innovation Goals and Planning

Roadmap for digital technological innovation is summarized as follows:

Pursuing Energy Efficiency and Carbon Reduction to Achieve Eco-Friendly Fitness Enhancing Digital Functionalities to Construct Comprehensive Data Models	Develop diverse data models and leverage Big Data analytics to achieve comprehensive health management.	Platform Strategy: Integrating Fitness and Medical Rehabilitation
Our future strategy focuses on a dual-track approach: advancing eco-friendly hardware to achieve carbon-reduction goals and developing intelligent software to manage comprehensive user data. Beyond simply tracking exercise, we aim to provide a secure data environment and diverse digital content to foster long-term fitness habits. - Progressively integrating Brushless DC (BLDC) motor systems across our treadmill lines to significantly reduce power consumption and extend equipment lifespan. - Developing resistance training machines tailored for diverse user demographics, powered by advanced BLDC servo motor systems for precise and smooth operation. - Integrating a wider range of wearable devices and implementing voice control for hands-free operation. - Offering a rich library of on-demand video courses and personalized content.	We are committed to building sophisticated exercise and health data models that serve as precision indicators for personalized fitness guidance. By leveraging these models, we transition from hardware provision to comprehensive health management. - Developing tailored data models based on gender, age, and established exercise habits. - AI-driven online personal trainer that recommends customized workout and training regimens based on each user's specific goals and expectations. - Utilizing predictive analytics to assess and forecast physical fitness levels. 	- Seamlessly integrating Fitness, Entertainment, and Rehabilitation apps to enhance user engagement while promoting safe and effective exercise. This transformation enables our equipment to serve as a specialized platform for medical rehabilitation. - Synchronizing diverse peripheral devices to create virtualized fitness experiences, bridging the gap between digital interaction and physical training. - Combining hardware-software synergy with Cloud AI technology to forecast user fitness and health trends. This allows the platform to proactively recommend optimized exercise modalities and training programs, helping users sustain peak physical fitness and long-term health.

1-2 Quality Management

Policy Direction

Smart Manufacturing & Value Enhancement

Impacts

Positive physical Impacts

2025 Outcomes

- Quality management training with a total of 1,022 hours.
- We have fully complied with all regulations regarding product and service information and labeling. There were no incidents of non-compliance with regulations or voluntary codes concerning marketing communications.
- We have strictly adhered to health and safety regulations related to our products and services. No incidents resulted in fines, penalties, or warnings regarding the impact of our products on user health and safety.

Targets

Description

Dyaco International provides customers with safe and healthy products. Since 2008, we have implemented the ISO 9001 and ISO 13485 (Medical Devices) international quality management systems. Supported by our comprehensive quality management policies, every product undergoes full assembly and real-world functional testing before leaving the factory. These rigorous procedures ensure that all equipment meets the highest standards of quality and user safety.

Management

By implementing ISO management systems and undergoing regular audits by accredited third-party certification bodies, we ensure our product quality is consistently maintained and validated in accordance with international standards.

Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
- Advancing Smart Inspection technologies and Digital Traceability Systems to enhance production precision and minimize product defect rates. - Elevating Supply Chain Quality and Environmental Management to ensure all partners strictly adhere to sustainability and carbon reduction standards. - Aligning Quality Management with Decarbonization Performance to achieve our interim carbon emission reduction targets by 2030.	- Integrating Low-Carbon and Circular Economy concepts across the entire supply chain to ensure the full product lifecycle meets global sustainability standards. - Continuously enhancing customer satisfaction and brand trust to establish ourselves as an industry leader in both quality and sustainability.	- Cultivating a globally recognized high-quality brand to comprehensively enhance our corporate sustainability competitiveness. - Establishing Smart Manufacturing quality monitoring systems to achieve the goal of Zero-Defect Management. - Aligning with international standards to fulfill our Net Zero 2050 commitment, ensuring that quality, excellence, and sustainability are prioritized equally.

1-2-1 Quality Management

ISO 13485: Medical Devices — Quality Management Systems

Since 2010, Dyaco International has been engaged in the design and development of medical devices. To guarantee the safety and efficacy of our medical products while fulfilling rigorous regulatory requirements, we implemented the ISO 13485 Medical Devices Quality Management System (QMS), establishing a robust framework for medical-grade quality standards. Given our strong focus on export markets, Dyaco aligned with the MDD 93/42/EEC (Medical Device Directive) in 2019. We have since successfully transitioned to the more stringent MDR (EU) 2017/745 (Medical Device Regulation) and continuously refined our quality management policies to ensure full compliance with the latest international legal frameworks



ISO 9001: Quality Management Systems

Guided by our core corporate belief of "Respect for Products," Dyaco International enforces rigorous quality control to guarantee product excellence. To demonstrate our ability to meet both customer expectations and regulatory requirements, we implemented the ISO 9001 Quality Management System in 2008. This effective system serves as our primary framework for quality assurance and as a vital benchmark for evaluating management and quality performance.

Dyaco maintains a robust QA system that spans the entire value chain, from raw material procurement to finished goods shipping. Our process includes: IQC (Incoming Quality Control), SQE (Supplier Quality Engineering), IPQC (In-Process Quality Control), FQC (Final Quality Control / Functional Testing), OQC (Outgoing Quality Control).

Every piece of fitness equipment undergoes full-unit assembly and real-world functional testing before dispatch. To ensure absolute reliability for our medical devices, each finished unit is issued a unique Identity Card. This document provides full traceability, recording all critical parameters throughout the assembly process. Every workstation strictly adheres to Standard Operating Procedures (SOPs). To foster customer trust, all trained operators must adhere to the "Three No's Principle" on the production line:



During the procurement phase, all activities are conducted in accordance with the group's internal "Procurement Management Regulations" and "Supplier Management Regulations." Upon arrival, incoming materials are inspected by Quality Assurance (QA) personnel in accordance with the "Inspection and Testing Management Regulations."If non-conforming materials are detected prior to processing, they are handled in accordance with the "Non-Conforming Product Management Regulations." Disposal methods are categorized into Scrapping, Rework, Special Waiver (Concession), or Batch Rejection (Return).

During the New Product Development (NPD) stage, our R&D department collaborates with globally recognized testing bodies, including TÜV Rheinland, Intertek (ITS), and SGS Taiwan. At the research phase, we conduct rigorous audits against European (EU) and American (US) safety and quality standards to ensure full alignment with customer needs and international safety norms.

To ensure stable mass production and quality control, our Quality Control, Production Technology, and Manufacturing departments conduct Design and Process Failure Mode and Effects Analysis (DFMEA & PFMEA). These analyses validate the functionality, reliability, and mass-production feasibility of each product.

Furthermore, for products already on the market, Dyaco has established the "Product Recall and Notification Management Regulations" to take immediate action if any potential risks to user safety or health are identified.

2025 Worldwide Products Sales



1-2-2 Quality Management Training

Dyaco International understands that "Quality" is not only a demonstration of product competitiveness but also the fundamental cornerstone of sustainable business and brand trust. Therefore, in addition to continuously advancing manufacturing technologies and inspection mechanisms, the Group places high importance on cultivating employees' quality awareness, professional expertise, and risk-control mindset. Through institutionalized and systematic quality management training, we internalize a culture of quality as the daily work standard for all colleagues, ensuring that quality requirements are consistently implemented across all organizational levels and operational stages.

The relevant training content covers key aspects such as raw material inspection standards, in-process quality control, analysis and countermeasures for abnormal incidents, and continuous improvement and feedback mechanisms. This strengthens cross-departmental collaboration and real-time response capabilities, ensuring that every product, from R&D and manufacturing to after-sales service, meets high internal standards and fulfills the quality expectations of customers and the market.

In 2025, Dyaco International colleagues participated in 23 internal and external professional training courses on quality management. The cumulative attendance reached 641 participants, totaling 1,022 training hours. This demonstrates the Group's continuous investment in resources, steadily enhancing overall operational quality and long-term competitiveness by advancing talent cultivation and quality management in parallel.

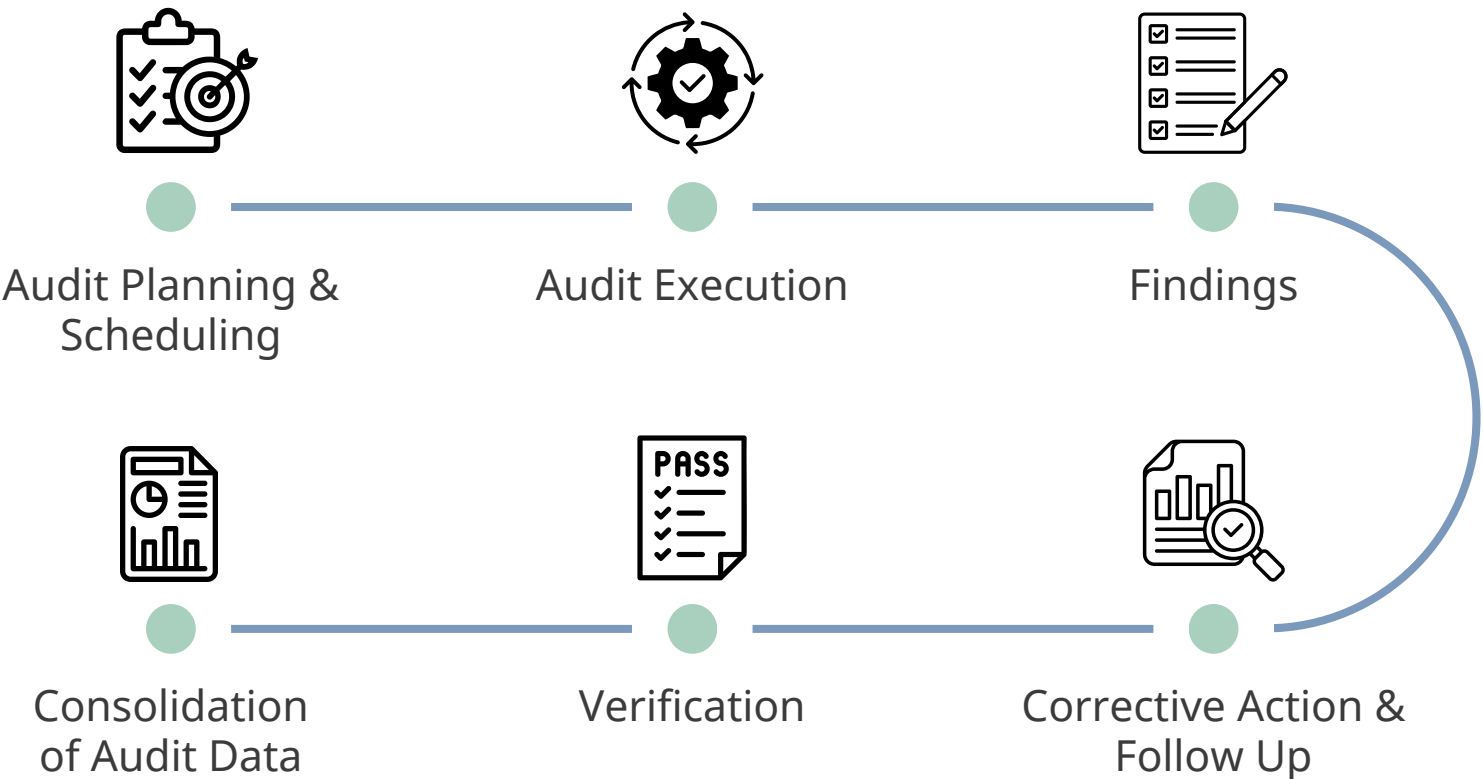
2025 key quality management training implementation is as follows:

Course Category	Course Title	Number of Participants	Total Training Hours
External	[Junior Injection Molding Engineer] Module 2: Injection Molding Technology Course	1	48
External	Computer Software and Process Validation for Medical Device Quality Management Systems	6	42
External	Training on Computer Software Validation Requirements for Medical Device Quality Management Systems	1	6
Internal	ISO 14971:2019 Medical Device Risk Management Course	22	44
Internal	Key Assembly Quality Points for MR2000	25	25
Internal	Internal Inventory Training for Materials Management Department	18	18
Internal	How FQC and OQC Inspection Support Manufacturing Product Quality Compliance	19	38
Internal	Common Defects in Welding Processes	20	40
Internal	City E-Bike Assembly Process	53	53
Internal	Safety and Quality Training at Plant B	3	24
Internal	OQC Operation Training	1	8

1-2-3 Quality Performance Management

To ensure consistency in product quality and the quality management system, Dyaco International conducts customer satisfaction surveys in accordance with the “Customer Satisfaction Management Regulations.” The results are analyzed, compiled, and reported to the Management Review Meeting for discussion. In addition, each department collects relevant data under the “Data Analysis Management Regulations” and applies appropriate statistical methods to identify issues and drive continuous improvement.

To maintain the effectiveness of internal operations, the company has established the “Internal Quality Management Audit Regulations.” Each department assigns trained internal auditors and conducts annual internal audits. In compliance with ISO standards and regulatory requirements, cross-departmental audits are performed to evaluate operational performance and identify areas for improvement. If non-conformities are found, the responsible department must confirm the findings, submit corrective action plans, and complete verification by the required deadline to ensure effective resolution and prevent recurrence.



2025 Quality Performance Targets



Monthly Defect Rate of Finished Goods

< 1 %



Monthly Line Returns

< 6 events



Monthly Quality Abnormality Incidents

< 5 events



Monthly Out-of-Box Failure

< 1 events

1-3 Brand marketing



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
- Advancing Smart Inspection technologies and Digital Traceability Systems to enhance production precision and minimize product defect rates. - Elevating Supply Chain Quality and Environmental Management to ensure all partners strictly adhere to sustainability and carbon reduction standards. - Aligning Quality Management with Decarbonization Performance to achieve our interim carbon emission reduction targets by 2030.	- Integrating Low-Carbon and Circular Economy concepts across the entire supply chain to ensure the full product lifecycle meets global sustainability standards. - Continuously enhancing customer satisfaction and brand trust to establish ourselves as an industry leader in both quality and sustainability.	- Cultivating a globally recognized high-quality brand to comprehensively enhance our corporate sustainability competitiveness. - Establishing Smart Manufacturing quality monitoring systems to achieve the goal of Zero-Defect Management. - Aligning with international standards to fulfill our Net Zero 2050 commitment, ensuring that quality, excellence, and sustainability are prioritized equally.

Since its inception, Dyaco International has adhered to the core philosophy of "People-Oriented, Health First." Beginning as an Original Equipment Manufacturer (OEM) for fitness equipment, the Group has strategically evolved to develop its own prestigious portfolio, which now includes diverse brands such as SOLE, Spirit, XTERRA, and UFC. We offer comprehensive product lines tailored to the specific needs of different market segments and consumer groups. The Group continues to deepen its brand positioning, expanding beyond the professional fitness market into home fitness, senior wellness, and rehabilitation assistance. We are dedicated to creating "Comprehensive Health and Fitness Solutions for All Ages," ensuring that our impact on wellness spans every stage of life.

1-3-1 Brand Marketing Strategies

Dyaco International places high importance on integrity and responsibility throughout the brand marketing process. To prevent misleading advertising and excessive packaging, all marketing content complies with local regulations, ensuring that all information provided is transparent, authentic, and accurate.

Dyaco International implements the following measures to safeguard and strengthen consumer trust:



Product Transparency

We provide full disclosure of product materials, technical specifications, and usage instructions. Furthermore, our products undergo rigorous verification against international safety standards across multiple countries to ensure user safety and compliance.



Integrity in Communication

We ensure that all marketing and advertising messages are authentic and factual, strictly avoiding any exaggerated claims regarding product efficacy or performance to maintain honest communication with our customers.



Digital Interaction

We proactively utilize our official website, social media, and digital platforms to provide real-time interaction and after-sales support. These digital channels strengthen the bond of trust between our brands and consumers by providing responsive, accessible service.

In brand marketing strategy, Dyaco International takes "Bringing Health, Shared with You" as the core mission, continuously driving brand value and market influence. The Group places branding, service, and innovation at the heart of our operations, utilizing a diverse global brand portfolio and differentiation strategies to meet consumer needs in professional fitness, home exercise, and health management. Dyaco International does more than just communicate product features; it emphasizes its role as a "Health Promotion Service Platform." By integrating physical products with digital services, the Group is progressively realizing its corporate vision of fostering a healthier global community.



Brand-Oriented

Leverage brands such as SOLE, Spirit, XTERRA, and UFC to strengthen positioning and value across different markets.



Service-Oriented

Each brand offers a dedicated app to deliver a more holistic health experience for consumers.



Innovation-Oriented

We actively develop smart fitness technologies and advocate a more intelligent and efficient approach to fitness.

As Dyaco International continues expanding across more than 100 countries, the Company remains committed to respecting local markets through culturally responsive strategies, localized services, and community engagement initiatives that amplify the positive impact of the health and wellness industry. Recognizing the diverse needs of each region, Dyaco International tailors its marketing approaches to align with local cultures and consumer expectations. Moving forward, Dyaco International will uphold “Brand as a Promise” as its core philosophy, leveraging innovative marketing initiatives and ESG-driven practices to foster sustainable growth and advance the positive development of the global fitness industry.

Group Brand Marketing Strategy Planning:



Digital Marketing Transformation

AI and big data analytics have been implemented to enable a more precise understanding of consumer needs.



Sustainable Brand Marketing

Grounded in carbon reduction, energy efficiency, and the circular economy, the Group promotes sustainable products.



Deepening Social Engagement

The Group partners with sports organizations and charitable foundations to enhance its brand influence in promoting healthy lifestyles.

1-3-2 Brand Marketing Achievements

In response to shifting global consumer habits—particularly the growing trend toward online shopping in the United States, the world's largest fitness equipment market—Dyaco International has proactively invested in developing and managing online sales platforms. By designing superior user interfaces and implementing strategic marketing promotions, we continue to expand the market visibility of our diverse brand portfolio. Furthermore, the Group leverages international exhibitions and prestigious industry awards to showcase innovative products across all brands, effectively attracting new customers and expanding global distribution channels.

2025 IHRSA Convention

From March 12 to March 14, 2025, Dyaco International participated in the 2025 IHRSA Convention in Las Vegas, USA. During the event, we showcased the Spirit Commercial 800, 900, and 1000 series of cardio equipment, alongside our brand-new strength training product lines.

In recent years, Dyaco has proactively expanded its footprint in the commercial fitness market. By leveraging the Spirit brand's premium positioning, the Group aims to acquire new commercial clients and strengthen its global market share in professional fitness facilities.



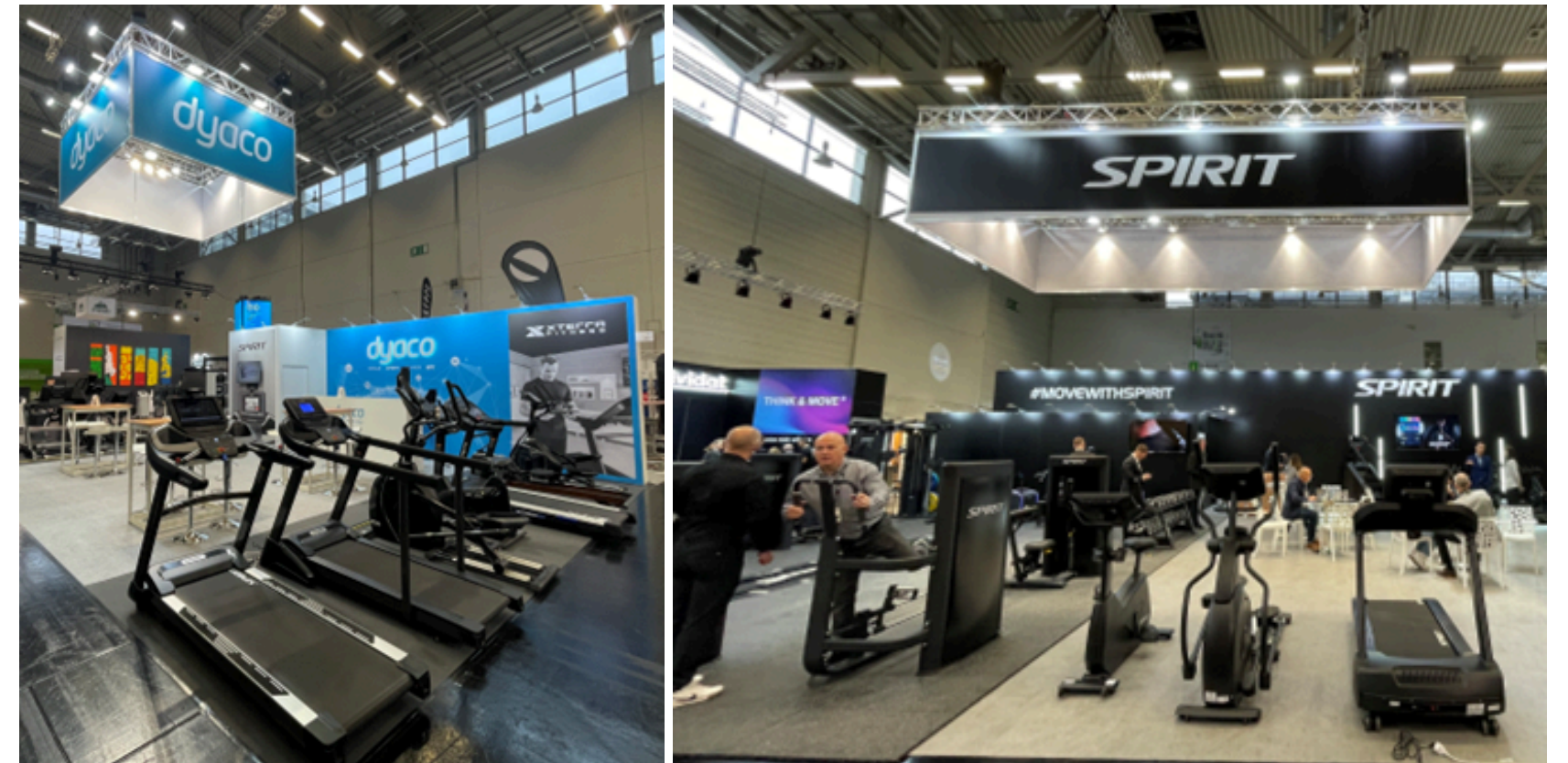
2025 Taispo

From March 26 to March 29, 2025, Dyaco International participated in the Taiwan International Sports and Fitness Show (TaiSPO) at the Taipei Nangang Exhibition Center. The Group showcased a comprehensive lineup of fitness equipment from its brand portfolio, including SOLE, Spirit, Xterra, and UFC, as well as various rehabilitation and medical products. This exhibit fully demonstrated the Group's product competitiveness and its commitment to the global sports and fitness market.



2025 FIBO

As the world's leading trade fair for the commercial fitness industry, FIBO remains a pivotal platform for Dyaco's global strategy. From April 10 to April 13, 2025, Dyaco International participated in FIBO 2025 in Cologne, Germany. During the event, the Group showcased its professional Spirit commercial series, while simultaneously presenting the latest home fitness equipment from the SOLE and XTERRA brands, successfully capturing the attention of both professional and home-use segments.



2025 Medica

Dyaco International participated in MEDICA 2025 from November 17 to November 20 in Düsseldorf, Germany, one of the world’s largest and most influential medical trade exhibitions. During the event, Dyaco International showcased its rehabilitation and medical product lines, including the 7.0 and newly launched 8.0 Series.

The 7.0 Series featured rehabilitation treadmills integrating multiple core functions. Designed with detachable rear step access, the equipment enhances safety and accessibility for users with limited mobility. The series also includes an advanced console capable of displaying and downloading key training data, enabling clinical professionals to efficiently monitor rehabilitation progress.

The new 8.0 Series, positioned as a flagship product line for 2026, includes treadmills, recumbent bikes, and upper- and lower-body rehabilitation equipment. In addition to upgraded safety and user-friendly features, all products are equipped with integrated tablet systems, allowing healthcare professionals to more intelligently and efficiently assess patient rehabilitation conditions.



2025 Taiwan Excellence

Dyaco International’s brands SOLE and SPIRIT were recognized at the 33rd Taiwan Excellence Awards for their outstanding product innovation and quality performance. This achievement reflects the Group’s continued commitment to technological R&D, product design excellence, and brand management, earning strong recognition from both industry experts and the market.



SOLE SB1200

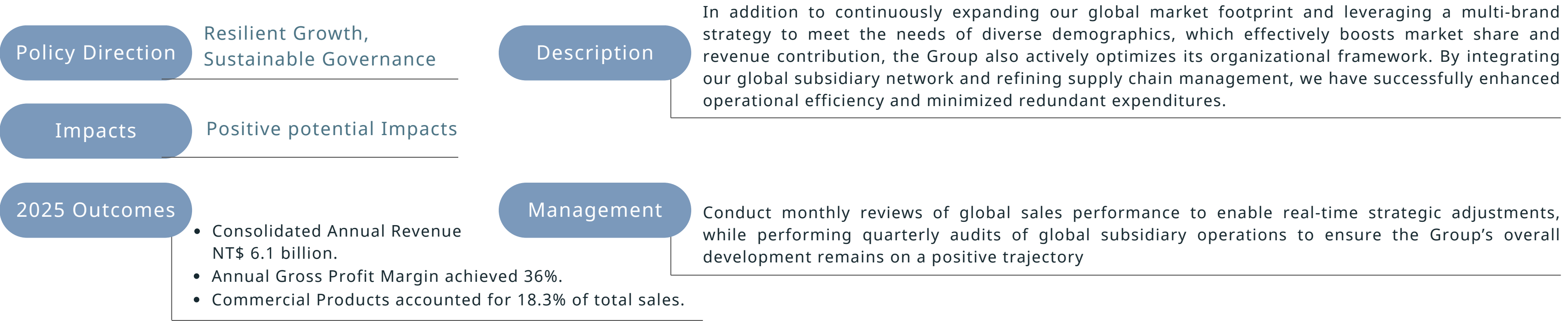


SOLE ST90



SPIRIT Commerical CT1000

1-4 Operational Performance



Short-term Targets (2030)	Mid-term Targets (2040)	Long-term Targets (2050)
- Expand digital marketing and e-commerce channel layout to enhance brand awareness and accelerate customer acquisition rates. - Establish a foundational framework aligning ESG KPIs with financial performance, fostering sustainable value creation. - Continuously optimize supply chain efficiency to drive cost reduction and operational excellence.	- Elevate global brand influence to cement our leadership position within the international fitness and wellness industries. - Integrate sustainability metrics—such as carbon reduction and green supply chain management—into core performance evaluations, aligning operational results with environmental responsibility.	- Sustain steady growth in revenue and profitability to drive the continuous enhancement of long-term shareholder value. - Establish a brand with global competitiveness and sustainable impact, actively fulfilling our corporate mission: "Healthy Living, Sustainable Earth." - Become a global leader in fitness and wellness solutions, concurrently advancing operational performance and ESG excellence.

Impacted by reciprocal tariffs in the United States, the global home fitness equipment market—particularly in North America—faced significant headwind. Consequently, Dyaco International’s consolidated annual revenue for 2025 was NT\$ 6.121 billion (YoY -15%). Although the expansion of our commercial equipment segment successfully bolstered the gross profit margin to 36%, the total gross profit was insufficient to cover operating expenses, resulting in an Earnings Per Share (EPS) of NT\$ -3.35.

Dyaco International has designated 2026 as a critical year for strategic transformation and profitability. Our core strategy focuses on "Expanding Commercial Footprint" and "Deepening ReFit Operational Optimization." The definitive objective is to achieve a financial turnaround from net loss to net profit, driving double-digit growth in both revenue and profitability.

- 1. Accelerating Growth in the Commercial Market: Capitalizing on shifting competitive dynamics—where global clients actively seek multi-supplier diversification—Dyaco is aggressively penetrating the commercial fitness sector by enriching our strength training product lines. The Group anticipates explosive, double-digit annual growth in commercial revenue for 2026, with a long-term goal of elevating our global market share from the current 0.3% to over 1% by 2030.
- 2. Implementing the "ReFit" Optimization Initiative: The Group is enforcing rigorous expense controls by centralizing selective overseas marketing operations back to headquarters to maximize marketing Return on Investment (ROI). Concurrently, by revitalizing underutilized manufacturing capacities and idle assets, we aim to maximize capital efficiency. Through these measures, the operating expense ratio is projected to decrease significantly from 42.7% to 36.6% in 2026.
- 3. Financial Reversal and Growth Trajectory: Driven by an increased revenue mix of high-margin commercial products and strict cost-containment measures, the Group targets a total revenue of NT\$ 6.41 billion in 2026 (YoY +4.7%). Operating income is projected to turn positive, formally instigating a long-term profitable growth trend.

In 2025, the Company participated in the Industrial Upgrading and Innovation Platform Program (specifically the Inclusive Technology R&D and Demonstration Subsidy Project for the Elderly) sponsored by the Ministry of Economic Affairs (MOEA), receiving a total government subsidy of NT\$ 3 million.

1-4-1 Sales Ratios in Various Regions

Historically, the United States market has been the primary revenue driver for Dyaco International. However, in recent years, the Group has strategically deepened its presence in the European market, systematically increasing the revenue contribution from the European region. Through this proactive market optimization, the Group aims to mitigate market concentration risks and enhance our long-term financial resilience against regional macroeconomic fluctuations.

Regions		2023	2024	2025
Domestic Sales		1.83%	2.20%	2.28%
Export Sales	America	71.50%	66.11%	61.60%
	China	3.16%	2.83%	2.85%
	Europe	17.71%	21.56%	21.26%
	Others	5.81%	7.30%	12.01%
Total		100.00%	100.00%	100.00%

1-4-2 Profitability Analysis

Unit: TWD in Thousands	2023	2024	2025
Operating revenue	7,786,471	7,217,077	6,121,041
Cost of Goods Sold	5,119,386	4,639,826	3,918,469
Gross profit	2,667,085	2,577,251	2,202,572
Gross profit margin (%)	34.25%	35.71%	35.98%
Operating expenses	2,765,508	2,547,377	2,616,480
Operating Income	(99,605)	29,874	(413,908)
Operating margin (%)	-1.28%	0.41%	-6.76%
Net profit after tax	(110,372)	69,883	(629,356)
Earnings Per Share	(0.88)	0.45	(3.35)
Total Paid-in Capital (in Billions)	15.96	16.71	17.91

1-4-3 Production Volume of Major Products

Unit: Pieces

Product / Year	2023	2024	2025
	128,393	132,155	89,081
	28,844	37,955	30,120
	16,869	65,328	34,236
Total	174,106	235,438	153,437

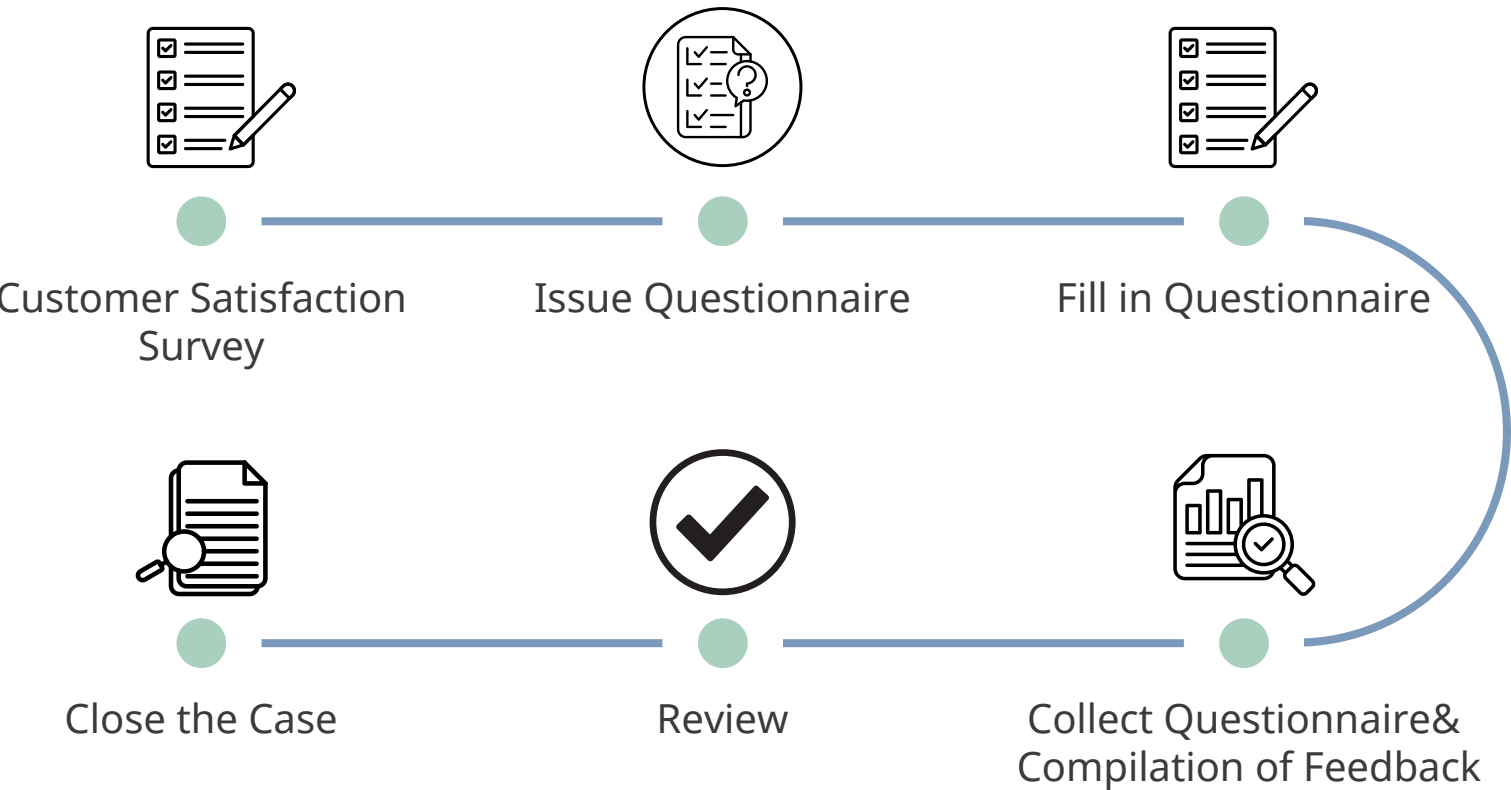
1-5 Partnership and Service Excellence

Dyaco International firmly believes that sustainable corporate growth stems not only from internal R&D and operations but also from close connections with our global partners. We view suppliers, distributors, retail channels, after-sales service teams, and technical collaborators as vital members of our ecosystem. Through transparency, integrity, and long-term cooperation, we co-create a resilient value chain for the wellness industry. In terms of service, guided by our core philosophy of "Customer Respect," Dyaco continuously enhances the reliability and accessibility of our products and services. By integrating digital tools and localized support, we ensure that every user enjoys a safe, convenient, and rewarding workout experience. We regard "Service Excellence" as an extension of our brand promise—from product design, delivery, and installation to after-sales maintenance, we provide comprehensive solutions that exceed customer expectations. Moving forward, Dyaco will continue to strengthen its global collaborative network, pioneer innovative service models, and embed ESG principles into partner management and customer care, building a mutually prosperous and sustainable ecosystem.

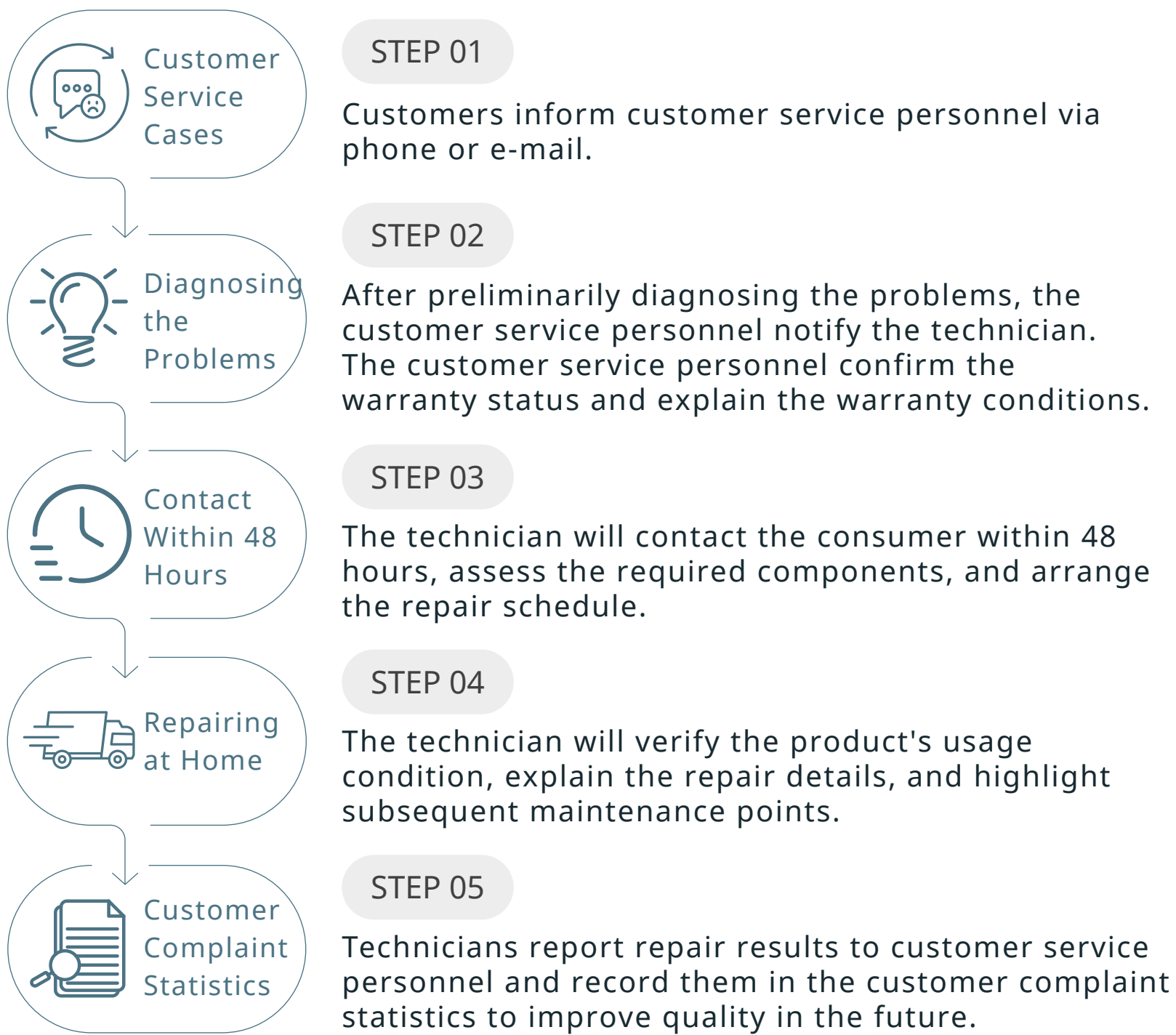
1-5-1 Customer Services Management

More than 90% of Dyaco’s business is exported, mainly to importers and distributors. To ensure a long-term cooperative relationship, maintain high-quality standards, and meet customer expectations, we formulated “Customer Satisfaction Survey Management Measures.” The business unit will conduct an annual mid-year questionnaire targeting the top 10 customers to track customers’ feedback on the price, service, delivery, quality, packaging, technical support, etc. The satisfaction analysis will be completed before the International Organization for Standardization (ISO) management review meeting. Subsequent reviews and improvements will be conducted based on customers' feedback, and we will present the reports and solutions then incorporate them into the risk management scope. Dyaco continuously improves service quality through a standardized, real-time issue-resolution workflow. Upon receiving a customer complaint, the Group guarantees an initial feedback response within 24 hours, followed by the formulation of follow-up investigation, corrective action plans, and preventive measures within 48 hours. Through this disciplined efficiency, our international customer satisfaction scores have consistently exceeded 80 points over the past three years, reaching 82 in 2025.

Customer Satisfaction Survey Process



In domestic sales, we serve general consumers by providing timely customer service handling and follow-up, further gaining insights into customer feedback and needs.



1-5-1 Supplier Management

Dyaco considers global and future sustainable development, forms alliances with suppliers to become sustainable partners, creates a win-win situation, and commits to promoting sustainable operations in line with international trends, global regulations, and social responsibility standards. The procurement department considers the “Supplier Management Measures” and “Supplier Management Procedures in the Social Responsibility Management Manual” essential for supplier management, evaluation, and assessment. We also follow the Responsible Business Alliance (RBA) and commit to labor, health, safety, environmental standards, business ethics, and other management strategies.

Supplier Management and Selection

Dyaco’s main suppliers supply raw materials, packaging materials, transportation services, warehouse services, equipment, etc. New supplier assessments are conducted by the procurement department based on development designs and production operation requirements. They reference guild directories, procurement lists, and peer recommendations for manufacturers searching and investigation. Each department evaluates the cooperation suppliers on 20 items, such as production management procedures, process control, records, etc. After the evaluation by the three units, if the supplier reaches a B level or above, it is listed as a qualified company supplier. For international freight contractors, qualified certification vendors are engaged for handling. Based on the suppliers with whom transactions are conducted will be assessed monthly according to their delivery performance at the end of each year. Suppliers achieving a B level or above will be classified as qualified suppliers, while those with a C level will be categorized as suppliers under observation.

Supplier Performance Management and Goals

Dyaco will prioritize the suppliers who perform well and cooperate with them in social standards. The procurement department will conduct at least one annual survey of suppliers' environmental, occupational safety, and social responsibility management based on the "Supplier Social Responsibility Audit Form." This examination covers 60 items across five categories: labor, health and safety, environment, ethics, and management. Suppliers must coordinate with the implementation and improvement and promise to comply with labor laws and social responsibility standards. If one fails to meet our environmental, occupational safety, and social responsibility standards, we will suspend their contracts or revoke their supplier qualification. Furthermore, since European Union countries are one of our major export markets, we ensure that products comply with EU restrictions on hazardous substances by following the "Hazardous Substance Operation Standards." This regulation requires materials provided by suppliers to meet the regulatory standards of RoHS, REACH, and PAHs. Suppliers must give certified test reports or self-declaration statements to ensure the safety of humans and reduce environmental risks.

Additionally, the procurement department is proactive in conducting quarterly reviews on supplier websites to execute electronic materials conflict mineral investigations. This ensures our supply chain doesn't contain conflict minerals such as tantalum, tin, tungsten, and gold mined from the eastern Democratic Republic of Congo and neighboring countries. We continuously monitor our supply chain to uphold social and environmental responsibility commitments.

2025 Supplier Management Performance



Climate Action and Environmental Management

Climate Change Mitigation and Adaptation | Energy Management | Water Management |
Waste Management | Biodiversity Policy



2-1 Climate Change Adaptation

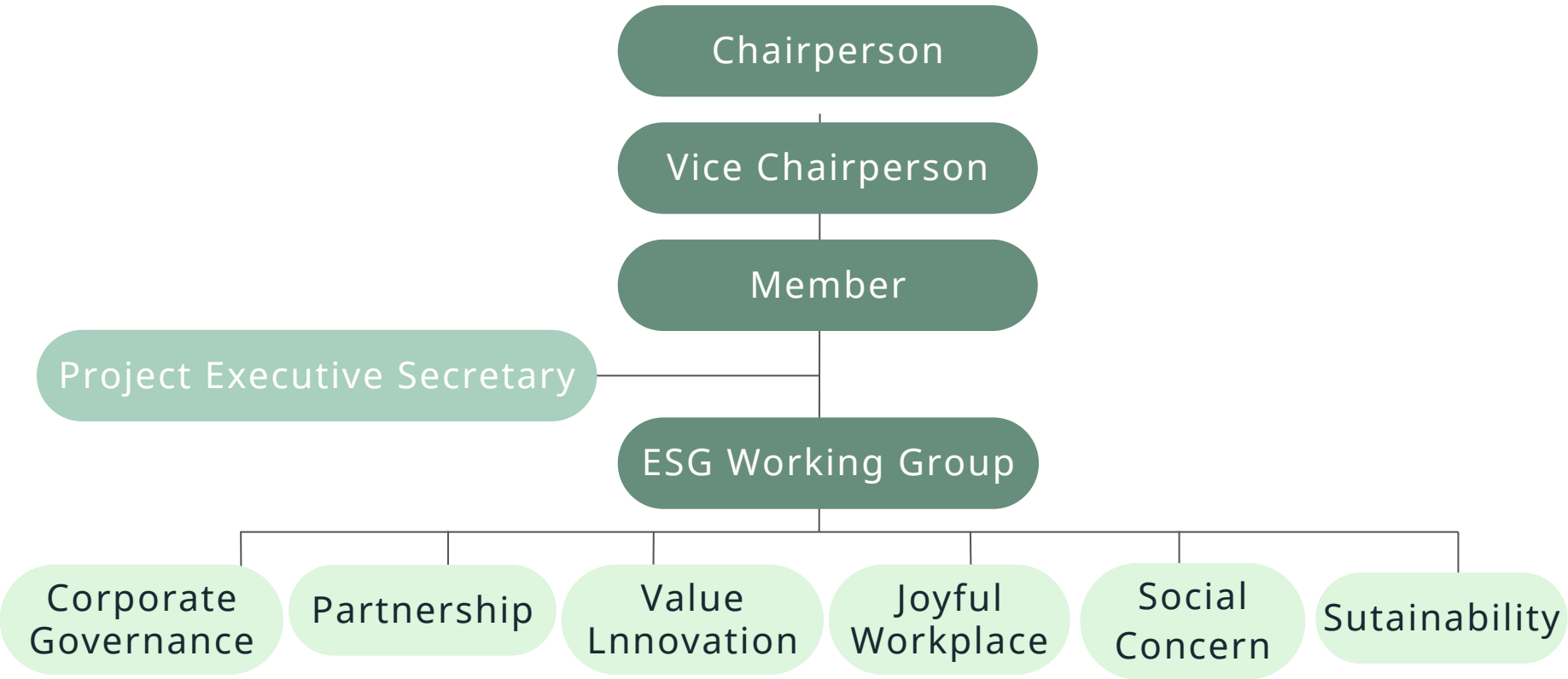
In response to UN SDG 13: Climate Action, Dyaco International established a comprehensive sustainability governance framework through the [Sustainable Development Best Practice Principles](#) approved by the Board of Directors. These principles define the Group’s overall direction for advancing Environmental, Social, and Governance (ESG) initiatives and aim to integrate sustainable development into business operations and decision-making as a key part of the Group’s long-term strategy.

In addition, Dyaco formulated its Sustainable Development Policy and Implementation Plan, setting short-, medium-, and long-term goals while strengthening the Group’s ability to respond to climate change and reduce operational impacts caused by environmental risks. Since 2023, Dyaco has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB). Based on TCFD’s four core pillars — Governance, Strategy, Risk Management, and Metrics & Targets — Dyaco identifies climate-related risks and opportunities through questionnaires distributed to department managers and develops corresponding response strategies.

Using 2024 as the base year, Dyaco conducted greenhouse gas (GHG) inventories for its Changhua Plants 1, 2, and 5, as well as its Taipei and Taichung offices in Taiwan. In the first quarter of 2025, Dyaco obtained ISO 14064-1 third-party verification for its GHG inventory. To align with future Financial Supervisory Commission (FSC) requirements, Dyaco expanded the inventory boundary in 2024 to include all subsidiaries under the consolidated financial statements, enabling the Group to develop more effective emission reduction strategies, reduce environmental impact, and achieve its 2050 net-zero emissions target.

2-1-1 Task Force on Climate-Related Financial Disclosures (TCFD) Governance

Dyaco International has established the 'Corporate Sustainable Development Committee,' with Chairman Mr. Yu-Ying Lin as the Chairperson and Independent Director Mr. Chin-Po Wu as the Vice Chairperson. This committee is responsible for reviewing the company's sustainable development policies, formulating management strategies for climate change issues, setting short-, medium- and long-term goals, and conducting periodic performance reviews. Regular reports are submitted to the board of directors. The ESG working group is tasked with formulating the direction and goals of sustainable development, and proposing and executing plans for related management policies, including climate change. Regular reports are submitted to the Corporate Sustainable Development Committee.



Strategy

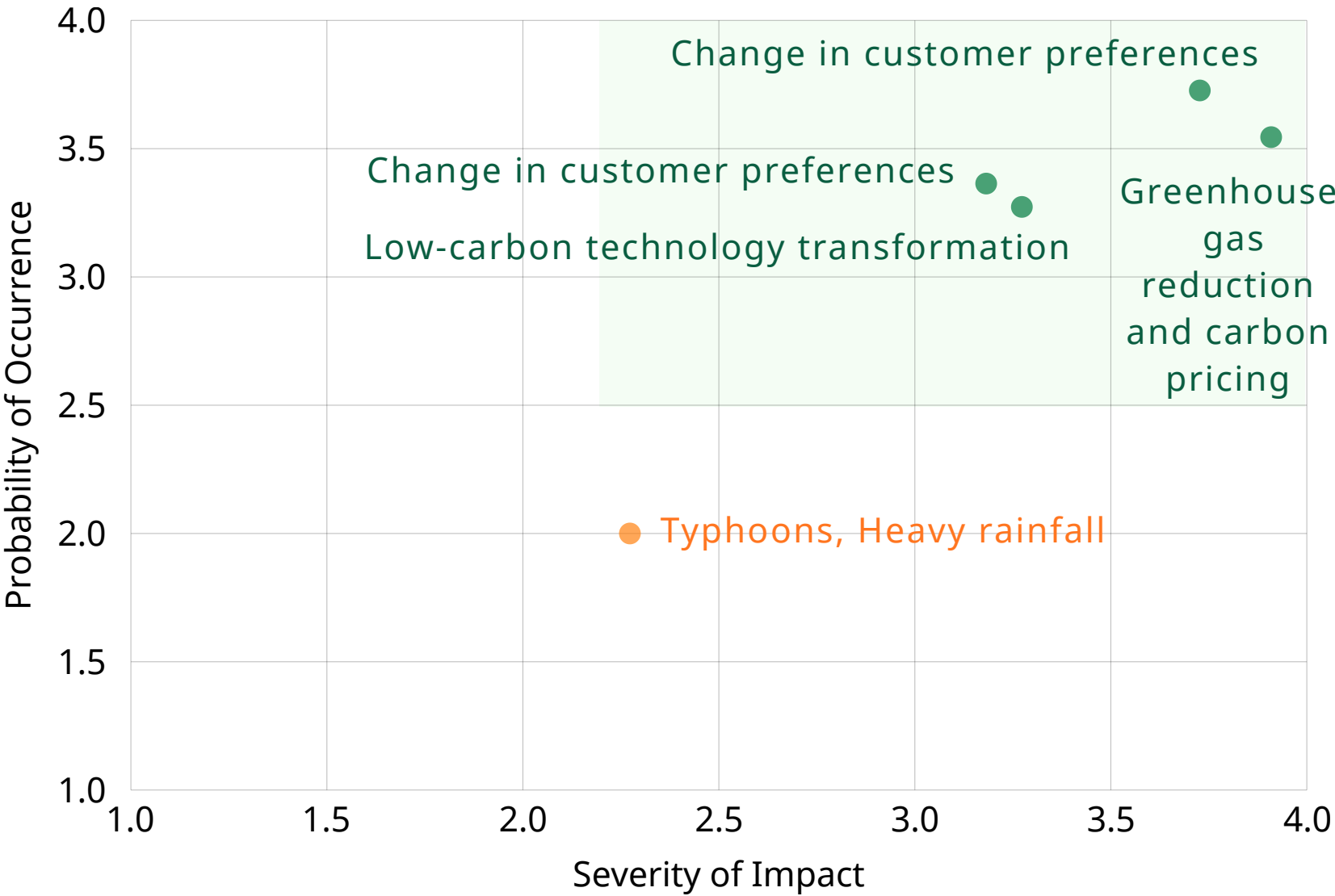
To collectively achieve 'Net Zero Emissions by 2050,' Dyaco International is actively enhancing the awareness of climate issues among internalmanagement executives and employees. In addition to arranging periodic training sessions, Dyaco releases a Sustainability Bi-weekly Report, disseminating sustainable knowledge to improve adaptive and problem-solving capabilities when facing the impact of climate change. This initiative aims to reduce the operational impacts on the environment.Dyaco has set short-term goals (3 years) for managing energy consumption, greenhouse gas emissions, and inventory. Mid-term (5 years) and long-term (10 years) goals will focus on improving resource consumption based on carbon inventory results, progressively reducing greenhouse gas emissions each year.

Climate Change Risk and Opportunity Assessment Process

We conducted a climate change-related risk questionnaire among senior internal executives to identify risks and their financial impacts under climate change conditions and discuss opportunities arising from climate-related risks. From this investigation, we identified 4 major risks and 1 minor risk, including greenhouse gas reduction and carbon pricing, customers preferences changing, increasing raw material costs, transitioning to low-carbon technologies, a typhoons and heavy rainfall. Additionally, we identified 2 opportunities, there are participating in renewable energy projects, adopting energy-saving measures, and entering new markets to increase consumers purchasing intentions.

Dyaco International, in reference to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB), is assessing potential climate-related risks and opportunities. Dyaco is actively gathering and studying international climate change trends and industry-related developments to identify risks and opportunities.

Subsequently, Dyaco will use matrix analysis to assess the likelihood and impact of the identified risks. Based on this assessment, Dyaco will formulate strategic policies and mitigation measures for climate change.



Risk Management

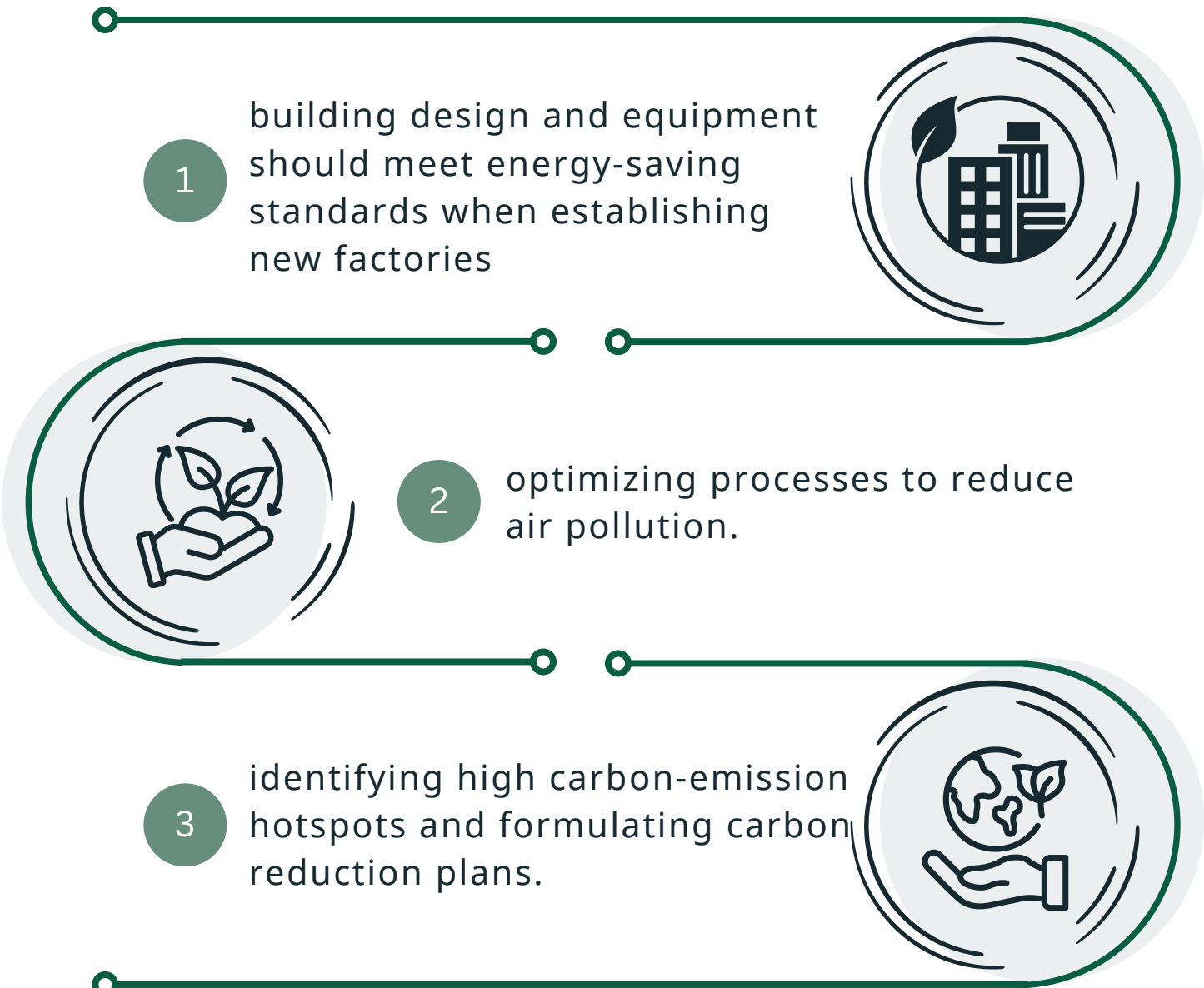
Risk Level	Risk Type		Risk Factors	Risk Description	Financial Impact	Impact Duration	Response Strategies and Objectives for Dyaco
Significant	Transition Risks	Policy and Legal Risks	Greenhouse gas reduction and carbon pricing	Following the carbon reduction goals set by domestic regulatory authorities in response to climate change, the company must conduct carbon inventories and implement carbon reduction plans. Additionally, with the government promoting carbon pricing mechanisms, exceeding carbon emission limits may result in fines, leading to additional operational costs.	Increase in operating costs	Short-term (3 years)	To respond to the global carbon pricing mechanism, Dyaco has initiated the ISO 14064-1 greenhouse gas inventory. Subsequently, Dyaco will identify emission hotspots and come up with carbon reduction plans.
		Market Risk	Change in customer preferences	In response to the global or regional rise in sustainability awareness, customers prefer low-carbon or environmentally friendly products. Products that do not meet consumer demands may face market elimination.	Decrease in income. Increase in research and development expenses.	Short-term (3 years)	Dyaco follows the global trend of energy conservation and carbon reduction by developing and manufacturing green energy products that meet consumer demands, such as electric-assist bicycles. The company evaluates the use of recyclable materials in manufacturing and aims to increase the revenue share of green energy products in the future.
			Rise in raw material costs	Climate change leads to an increase in the cost of raw materials. This results in suppliers raising the costs with the company, thereby causing an increase in manufacturing costs.	Increase in operating costs.	Medium-term (5 years)	Conducting supplier audits and surveys to understand the greenhouse gas emissions of each supplier, reducing collaboration frequency with suppliers that have high greenhouse gas emissions or have not set emission reduction targets. This strategy aims to effectively mitigate the risks associated with increased costs of raw materials.
		Technology Risk	Low-carbon technology transformation	Due to the factors associated with climate change, adopting innovative processes or procedures under existing conditions, or altering the way services are provided, becomes necessary to meet the low-carbon demands of both the government and customers.	Increase in operating costs. Increase in operating expenses.	Short-term (3 years)	Dyaco plans to conduct an inventory of existing factories and equipment, assessing the greenhouse gas emissions at various stages of the production process. Identifying high-emission hotspots will enable the formulation of a carbon reduction plan.

Risk Level	Risk Type		Risk Factors	Risk Description	Financial Impact	Impact Duration	Response Strategies and Objectives for Dyaco
Minor	Physical Risks	Acute Risk	Typhoons, Heavy rainfall	The increased frequency of severe typhoon impacts and extreme rainfall may result in operational disruptions for the company.This could potentially lead to flooding or water accumulation in the factory, causing asset losses and impacting equipment production schedules.	Decrease in operating income. Increase in operating costs.	Short-term (3 years)	Dyaco will enhance disaster preparedness drills and awareness at various locations, ensuring personnel safety. Additionally, the company will implement supply chain management measures to reduce the risk of disruptions due to shortages or breaks in the supply chain.

Opportunities Type	Opportunities Factors	Response Strategies and Objectives for Dyaco	Financial Impact	Impact Duration
Resilience	Participation in renewable energy programs and adoption of energy efficiency measures	Dyaco has installed solar panels on the roofs of all three factories in Changhua. Solar power generation has been planned on the rooftops in constructing new facilities and participating in renewable energy projects.	The initial setup of solar power generation may incur additional cost expenditures, but subsequent solar power generation can increase revenue through selling excess electricity.	Short-term (3 years)
Markets	Access to new markets and increasing consumer willingness to purchase	Dyaco is entering the green energy market, not only developing and manufacturing electric-assist bicycles but also continuing research and development of low-carbon products. This aims to meet consumer demand for green energy, enhancing the company's green and sustainable image and reputation.	The product will incur increased research and development expenses during the development and manufacturing stages. However, once the product is sold, it will contribute to higher operating income.	Medium-term (5 years)

Metrics and Targets

Dyaco International has devised specific measures in response to the '2050 Net Zero Emissions' goal. These measures include:



Dyaco will formulate key climate performance indicators for green energy adoption, water and electricity consumption reduction, and product design. Dyaco has already obtained the Taiwan region's ISO 14064-1 Greenhouse Gas Inventory Statement. Regarding greenhouse gas reduction, Dyaco will regularly review emissions to achieve the targets and establish a Net Zero Emissions plan by 2050.

2-1-2 Greenhouse Gas Emissions Management

In recent years, countries worldwide have reached a consensus on regulating greenhouse gas emissions. In response to environmental protection efforts and to mitigate operational risks, Dyaco International has prioritized greenhouse gas (GHG) emission management as a key policy. The company is committed to gradually reducing GHG emissions year by year within its capacity, contributing responsibly to environmental sustainability

Greenhouse Gas Emissions

Tons CO2e/Year	2023	2024	2025
Category 1	522.6757	1,590.9909	1,150.4867
Category 2	1,606.1177	3,112.6458	2,087.1121
Category 3	366.6228	437.5051	423.7335
Category 4	8,822.2289	8,948.4409	13,927.4586
Total Emissions	11,317.645	14,089.583	17,588.4586

CO₂ Emissions Intensity

Item	Unit	2023	2024	2025
Total Emissions	Tons/CO2e	11,317.645	14,089.583	17,590.459
Revenue	NT\$ million	7,786	7,217	6,121
Emission Intensity	tCO ₂ e / NT\$ million	1.45	1.95	2.87

*Note: The 2023 GHG emissions inventory boundary covers only operations in Taiwan.

Greenhouse Gas Emissions Reduction Targets and Strategies

In response to global climate change and net-zero trends, Dyaco International is committed to reducing greenhouse gas emissions within its operational processes, driving energy efficiency improvements, and transitioning to a low-carbon environment to achieve corporate sustainable development goals, fulfill our commitment to the global environment, and collaboratively realize the vision of "2050 Net-Zero Emissions." Dyaco International has established a management system and four strategic pillars of sustainable development based on the ISO 14064-1 greenhouse gas inventory standard. The Sustainability Development Working Group coordinates the planning of carbon-reduction strategies and target settings and conducts annual greenhouse gas inventories and third-party verifications to confirm emission volumes and reduction outcomes. The results are also submitted annually to the Board of Directors for review to ensure consistency between targets and implementation progress.

	Short-term (2030)	Mid-term (2040)	Long-term (2050)
Greenhouse gas emission reduction target	• With 2024 as the base year • Category 1 : 3% reduction • Category 2 : 8% reduction	• With 2024 as the base year • Category 1 : 10% reduction • Category 2 : 15% reduction • Categories 3-6 : 12% reduction	• With 2024 as the base year • Category 1 : 30% reduction • Category 2 : 35% reduction • Categories 3-6 : 30% reduction
Implementation measures	• Implementing a Manufacturing Execution System (MES) within the production process improves production efficiency by 20% and increases the utilization of recycled plastics, elevating the recycling and reuse rate of raw materials. • Mitigating environmental impacts on the product side by developing low-carbon products, adopting circular-economy design principles, and reducing packaging materials. • Continuously replacing legacy equipment with solar photovoltaics, energy storage, and Energy Management Systems (EMS) in terms of energy, while expanding solar power	• Conducting inventories and hotspot analyses for high-energy-consumption equipment and continuously executing PDCA cycles to improve production performance, establishing carbon footprint labels, setting the revenue share target for green products at 25%, and assisting suppliers in establishing their own net-zero emissions targets. • Evaluating the installation of front-of-the-meter (FTM) energy storage systems to prioritize the integration of existing solar power generation into internal power consumption and introducing an EMS management system into the internal smart grid	• Replacing high-energy-consuming equipment, driving smart manufacturing with AI, setting a zero-waste production target, and systematizing product carbon footprint data to increase the revenue share of green products to 50%. • Regarding Categories 3 to 6, establishing a product recycling system and a green logistics network, and achieving a 100% net-zero commitment rate among suppliers. • Continuously enhancing self-generation and energy storage capacities, expanding green electricity usage to 15% across the entire Group, and reducing Category 2 emissions by 25% compared to 2024.

2-1-3 Sustainability Progress and Achievements

Dyaco International continues to embed the concept of sustainable development into its operational strategies and day-to-day management, with Environmental, Social, and Governance (ESG) principles serving as its core framework for systematically advancing sustainability initiatives. Over the past year, we have strengthened our governance mechanisms and cross-functional collaboration, while tracking implementation outcomes through concrete performance indicators. These efforts not only respond to the expectations of stakeholders but also enhance corporate resilience and long-term competitiveness, demonstrating our steady progress and commitment toward sustainable business development.

- Real-time Electricity Monitoring and Recording

The replacement of smart meters aims to enhance the accuracy of electricity measurement and improve management efficiency. These smart meters are equipped with advanced communication technologies that enable two-way data exchange between users and the power company. This facilitates optimized electricity usage, reduces energy waste, and promotes the development of smart grids.
- Green Building

When constructing new facilities, energy storage and renewable energy are considered from the outset, with priority given to purchasing smart and energy-efficient equipment. The new Taichung Dajia plant has been completed, featuring solar panels installed on the rooftop, and has received the Green Building Label – Silver Level.
- Ice Storage System Installation

To reduce energy consumption and save electricity for daily office use, the ice storage air conditioning system supplies the air conditioning of the administrative building in Changhua and assembly lines. The system is scheduled at times to prevent unnecessary operation.
- Process Improvement

Natural gas is used as the heating material, and powder electrostatic coating is adopted for the painting process, effectively reducing air emission pollution.
- Local Procurement

Maintain 80% local procurement to reduce upstream carbon emissions from raw material sourcing.
- Consolidated Group Greenhouse Gas Inventory

The Group has conducted a consolidated greenhouse gas inventory of its subsidiaries and obtained third-party verification ahead of regulatory requirements.



2-2 Energy Management

Dyaco's primary energy sources are electricity, natural gas, diesel, and gasoline, with purchased electricity being the primary source used during production. Following the ["Regulations on the Management of Energy Consumption and Greenhouse Gas Emissions,"](#) energy-saving measures have been formulated, and plans are promoted from top to bottom within Dyaco. To increase the use of green energy, Dyaco has established a solar power generation system policy to maximize the efficiency of the factories. Six sets of solar power generation systems are operated on the roofs of three factories in Changhua. They are leased to operators and then sold back to Taiwan Power Company.

Dyaco International’s primary energy sources include purchased electricity, natural gas, diesel, and gasoline, with purchased electricity being the largest source and the most critical energy input for production. Therefore, the Group has installed a smart meter system at its Changhua main plant. Through smart gateways, the system enables monitoring of energy consumption across the factory, including electricity usage (kWh), real-time power consumption, electricity consumption trends, power demand trends, and group comparison data.

Solar Power Generation

Location	Activation Date	Storage	Power Generated in 2025 (kWh)	CO2 Reduction (kg)
No.36, Xinggong Rd.	2015 / 10	499.5 kW	585,714.70	277,628.7678
No. 1, Gong 1st Rd.	2016 / 01	499.5 kW	567,306.10	268,903.0914
	2024 / 06	369.5 kW	488,396.00	231,499.7040
	2024 / 12	499.6 kW	616,472.00	292,207.7280
No. 4, Gongdong 3rd Rd.	2018 / 10	477.3 kW	532,908.00	252,598.3920
No. 1200, Section1,Zhongshan Road	2024 / 05	499.7 kW	473,297.00	224,342.7780

*Note: Statistical period from January 1 to December 31, 2025.
*Note: Based on the announcement of the power carbon emission coefficient for the year 2022 by the Energy Bureau of the Ministry of Economic Affairs: 0.474 kgCO2e/kWh.

Energy Usage Graph

Gigajoule (GJ)		2023	2024	2025
Direct Energy Sources	Motor Gasoline	850.749	1,388.456	1,307.274
	Diesel Oil	910.903	1,767.601	1,375.408
	LPG	-	-	36.520
	Natural Gas	2,728.535	19,232.142	12,506.344
Indirect Energy Sources	Electricity	5,958.983	23,356.584	19,539.996
Total Energy Use		10,449.170	45,744.783	34,765.541

*Note: In 2023, the greenhouse gas inventory boundary covered only operations in Taiwan, including Changhua Plants 1, 2, and 5; the Taipei office; the Dajia Plant in Taichung; the Taichung office; and the Taichung dormitory facilities.

*Note: Unit conversion: natural gas 8,000 Kcal/m³, diesel 8,400 Kcal/L, gasoline 7,800 Kcal/L.

*Note: 1 Kcal (Kilocalorie) = 4,186.8 J (Joules).

*Note: From 2025 onward, calorific values are based on those announced by the Climate Change Administration, Ministry of Environment for FY2025 (Year 114), covering gasoline, diesel, LPG, and natural gas

*Note: Unit conversion: natural gas NG 1 8,067 Kcal/m³、natural gas NG 2 8,728 Kcal/m³、diesel 8,636 Kcal/L、gasoline 7,586 Kcal/L、Liquefied Petroleum Gas 5,993 Kcal/L

2-2-1 Energy Intensity

We calculate the energy consumption of fitness equipment produced by the consolidated subsidiaries of Dyaco International based on unit volume. Since the Group began including the energy consumption of newly consolidated subsidiaries in 2024, the energy intensity has increased compared with previous years. However, the Group has established an energy management policy to reduce long-term energy use. The energy intensity for 2023–2025 is presented below:

Item	Unit	2023	2024	2025
Total energy consumption	GJ	10,449.170	45,744.783	34,765.541
Production quantity	Piece	174,106	235,438	153,437
Energy Intensity	GJ / Piece	0.087	0.194	0.227

Item	Unit	2023	2024	2025
Total Energy Consumption	GJ	10,449.170	45,744.783	34,765.541
Revenue	NT\$ million	7,786	7,217	6,121
Energy Intensity	GJ / NT\$ million	1.34	6.33	5.68

2-2-2 Energy Management Policy

In response to global climate change and energy transition trends, Dyaco International views energy management as a vital core of environmental sustainability and operational resilience. We have formulated a clear energy management policy to serve as the foundation for promoting energy conservation, carbon reduction, and enhancing energy efficiency. Through systematic management mechanisms, we continuously inventory and monitor energy usage, introduce energy-saving equipment, optimize manufacturing processes, and strengthen employee awareness of energy conservation to mitigate the environmental impact of our operations. By steadfastly implementing this energy management policy, we aim to effectively reduce energy risks, enhance energy utilization efficiency, and progressively advance toward our goals of low-carbon transition and sustainable management

	Short-term (2030)	Mid-term (2040)	Long-term (2050)
Targets Policy	Foundation Strengthening and Data-Driven Management	Process Optimization and Energy Transition	Net-Zero Value Chain and Circular Management
Implementation Measures	• Energy Monitoring: Compiling monthly energy consumption statistics and introducing ISO 50001, smart meters, and MES systems to achieve comprehensive visualization of energy data. • Data Analysis: Periodically analyzing energy consumption trends to identify, track, and resolve energy anomalies in real time. • Equipment Optimization: Replacing legacy, high-energy-consumption equipment and implementing energy-saving improvements, such as factory insulation. • Energy-Saving Culture: Promoting daily energy-saving behaviors among employees through continuous communication and training initiatives. • Low-Carbon Transition: Advancing low-carbon product designs, expanding solar power systems, and increasing the utilization rate of green electricity.	• Clean Energy: Reducing fuel use in stationary equipment, installing front-of-the-meter (FTM) energy storage systems and an EMS, and increasing solar self-generation and self-consumption to over 15%. • Energy Efficiency Management: Replacing outdated high-energy-consuming equipment, conducting hotspot analyses on key equipment, and introducing high-efficiency machinery. • Supply Chain Collaboration: Maintaining 100% local procurement, including indirect emissions in inventories, incorporating energy efficiency into supplier evaluations, and encouraging suppliers to set mid- to long-term net-zero targets. • Product Transformation: Establishing product carbon footprint labels and increasing the proportion of products with carbon footprint disclosures to 25%.	• AI-Driven Smart Manufacturing: Utilizing AI to drive smart production, with "zero waste" set as the primary manufacturing goal. • Comprehensive Green Logistics: Establishing a product recycling system and a green logistics network, while requiring a 100% net-zero commitment signing rate among suppliers. • Energy Self-Sufficiency: Continuously enhancing self-generation and energy storage capacities to achieve 15% green electricity usage across the entire Group. • Circular Economy: Promoting product recycling, remanufacturing, or the adoption of renewable raw materials.

2-3 Water Management

Water resources represent an indispensable element in our manufacturing processes and operational activities. In response to the challenges of global climate change and the uneven distribution of water resources, Dyaco International commits to "water conservation, recycling, and reuse" as our core principles. We actively implement water resource risk management, continuously enhancing circular economy efficiency and water reuse rates to minimize environmental impact and ensure corporate sustainability.

The Dyaco International Changhua plant has legally applied for and obtained groundwater rights, utilizing groundwater from an existing well for non-potable purposes such as garden watering and landscaping. Across all remaining operating sites, water usage is divided into process and non-process water, both of which are sourced entirely from municipal tap water. The largest consumption of tap water occurs during the surface pre-treatment stage of the powder coating process—specifically, the degreasing and film-forming operations—while the remainder is allocated to domestic use.

To mitigate water waste, Dyaco International has set a target to reduce water consumption intensity by 1% to 3% annually. To achieve this, we promote active employee participation in water-saving initiatives and have installed rainwater harvesting systems in new plant areas to supply non-potable water. For manufacturing processes that consume large volumes of tap water, we have implemented a recycling and reuse system for the wastewater generated during degreasing and film-forming operations. Any wastewater that cannot be reused is channeled through dedicated pipelines to our wastewater pretreatment system in accordance with regulations, while the remaining domestic sewage is properly treated and discharged into the public sewerage system.

Total Water Consumption

Million Liters	2023	2024	2025
Water Usage	15.567	22.603	24.186
Water Discharge	15.221	20.821	23.189
Water Consumption	0.346	1.782	1.223

*Note: Water Usage is based on the three factories in Changhua and Taichung office water bills.
*Note: Total Water Discharge = Wastewater + Sewage
*Note: Water Consumption = Total Water Usage – Total Water Discharge

Total water consumption density

The comparative data below represent the greenhouse gas emissions and operating revenues of consolidated subsidiaries.

Item	Unit	2023	2024	2025
Total Water Consumption	Million Liters	0.346	1.782	1.223
Operating revenue	NT\$ million	7,786	7,217	6,121
Water Use Intensity	Million Liters per NT\$ Million	0.00004	0.00025	0.00020

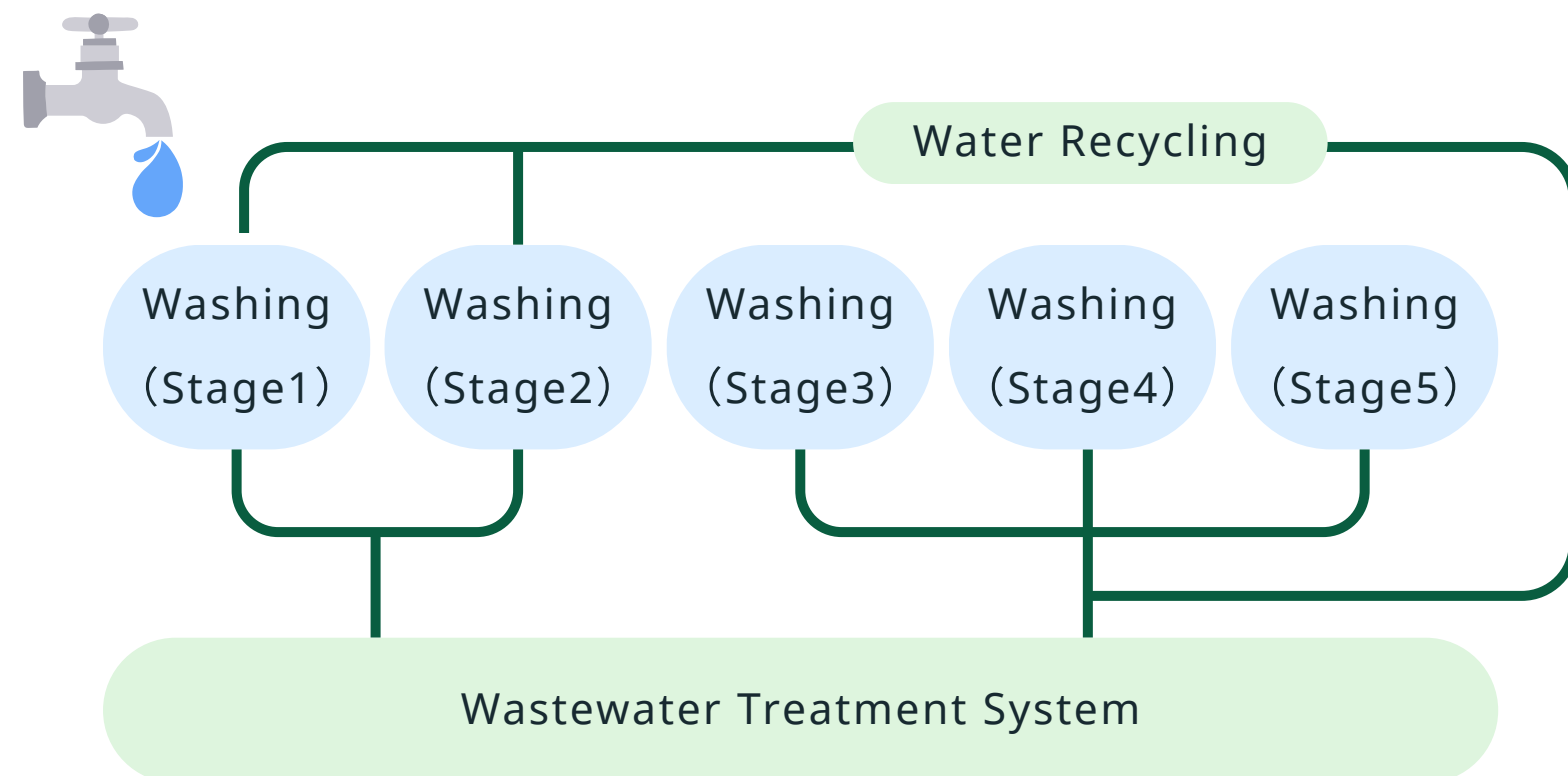
2-3-1 Wastewater Management Policy

Process and domestic wastewater generated by Dyaco International shall be conveyed through dedicated pipelines to the wastewater pre-treatment system. The system treats Chemical Oxygen Demand (COD), Suspended Solids (SS), dissolved iron from oils, and other environmentally harmful substances to reduce the load on the industrial park's sewage treatment system and comply with discharge standards. All departments shall strengthen the centralized collection and treatment of waste liquids, waste lubricants, and other hazardous waste. Direct discharge into the drainage system is strictly prohibited. Dyaco International monitors wastewater discharge quality monthly. If any non-compliance is identified, discharge must be stopped immediately and corrective actions implemented.

Wastewater Treatment System

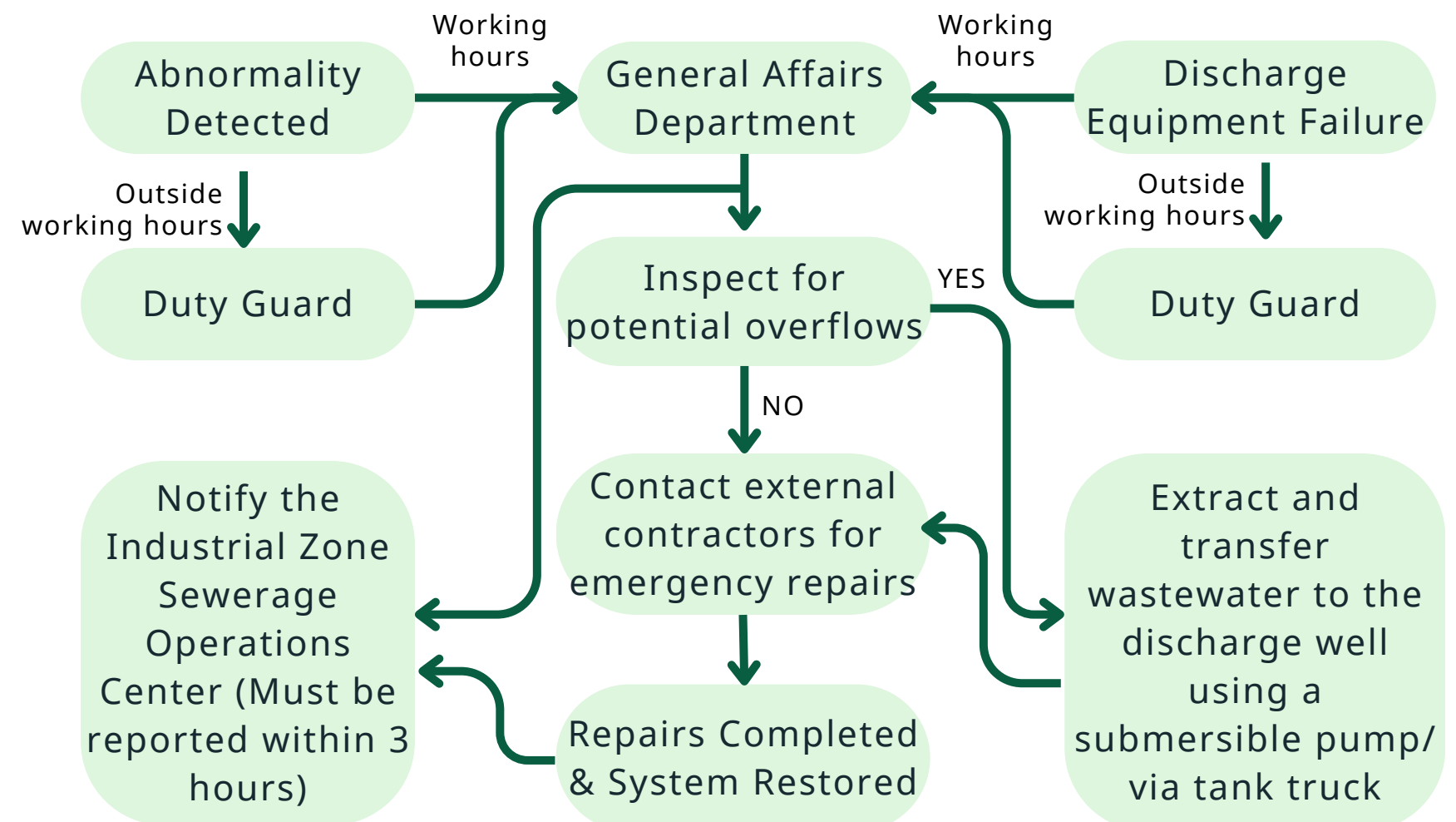
Water Recycling and Reuse of Painting Process

There are five steps needed to go through the painting process. According to the requirements, water from the third to fifth processes can be partially recycled and sent back to the first and second processes to use. The daily repeatedly used water is about 12 tons.



Emergency Response Procedure

In the event of non-compliance or abnormal operations within the wastewater/sewage pre-treatment system, discharges must be suspended immediately, emergency response measures initiated immediately, and the local competent authority notified within 3 hours.



2-4 Waste Management

Dyaco International highly values the environmental factors arising from its corporate operations and manufacturing activities. We specifically identify and control key environmental issues to ensure the smooth operation and continuous improvement of our environmental management system, thereby achieving our established environmental policies, targets, and indicators. The Group drives its waste management practices in accordance with the Environmental Operations Management Measures and the Waste and Recyclable Materials Management Procedures. Furthermore, we have implemented the ISO 14001:2015 Environmental Management System to provide comprehensive oversight, ensuring that storage, transportation, recycling, and incineration or landfilling of waste are conducted in accordance with the principle of "minimal environmental impact." All relevant waste, noise, solid waste, and sewage discharges must comply with applicable technical standards and regulatory requirements. The Group has also established a waste reduction target, aiming for an annual reduction of 1% to 3%. In 2025, revenue from resource recycling totaled NT\$117,370. The following information pertains exclusively to the Taiwan region.

Classification of Solid Waste Generated by Dyaco International



Recyclable Waste

Reusable non-conforming items or scraps generated during production, including iron, paper, PE film, and plastic raw material bags.



Hazardous Waste

Wastes officially listed on the national regulatory catalog of hazardous wastes, including cutting fluids, chemical packaging containers, waste wipes, waste lubricants, and oil-contaminated gloves.



General Domestic Waste

Standard refuse and solid waste generated from daily corporate operations and administrative activities.

Waste Control Principles



Source Reduction

strictly controlling the generation of solid waste and driving continuous, gradual reductions throughout production.



Harm Mitigation

Ensuring the handling and disposal of waste materials are carried out through scientifically sound and rational methods that fully comply with national regulatory standards.



Resource Recycling

Promptly reclaiming and rationally reusing recyclable materials and waste. Non-conforming raw and auxiliary materials must be returned or exchanged without delay to prevent the accumulation of idle stock and minimize financial loss.

General Business Waste

The waste generated by Dyaco International consists of factory-derived inorganic sludge and waste dust, as well as general domestic waste from both production facilities and office areas. The Group remains committed to actively promoting waste reduction, aiming to decrease total waste volumes while simultaneously enhancing recycling and reuse rates.

Beginning in 2025, the recycling volumes across all plant locations were comprehensively integrated into our tracking data, resulting in a significant increase in the recorded volume of recycled materials. Moving forward, we will further refine and categorize our recycling items to facilitate the formulation of clearer, more targeted waste reduction goals.

Item (Metric Tons)		2023	2024	2025	Methods
Waste	Inorganic Sludge (D-0902)	26.73	23.10	20.40	Physical Treatment
	Waste dust (D-1099)	3.22	3.01	4.50	Physical Treatment
	Recycling	0	2.58	301.99	Recycle & Reuse
	Household Waste (D-1801)	14.00	39	25.56	Incinerate
Total Waste Volume		43.95	67.69	352.45	

*Note: The total weight of waste generated over the past two years was 404.89 metric tons.

2-4-1 Waste Disposal

Dyaco International has established designated collection bins and temporary storage areas across production and office areas to ensure waste is sorted at the source and properly labeled. Departments regularly transfer classified waste to designated storage locations. Waste generated during operations includes inorganic sludge, collected dust, and general domestic waste. All waste is handled and transported by qualified contractors in compliance with environmental regulations. To ensure proper disposal, Dyaco International conducts periodic audits of disposal contractors and tracks final disposal certificates. In addition, the Group continuously monitors waste management practices throughout the supply chain and works closely with suppliers to reduce environmental impacts through waste reduction and minimization, promoting environmental sustainability.

Management of Recyclable Waste

All departments are required to practice resource conservation and ensure the rational utilization of materials. Production waste must be sorted and transferred promptly. Recyclable waste is collected and centralized, then handed over to external manufacturers with specialized recycling capabilities, or to licensed resource recovery centers for appropriate processing and recycling.

Hazardous Waste Management

Prior to signing hazardous waste disposal contracts, an evaluation of the hazardous waste disposal enterprises must be conducted, and contracts shall only be signed with those that meet the evaluation criteria. The General Affairs Department shall also establish a "Hazardous Waste Inventory" to implement focused management over the hazardous waste generated by each department. It is strictly prohibited to store hazardous waste or its packaging materials outdoors. Subsequently, they shall be stored separately and disposed of within the specified time limits, in accordance with the relevant regulations of the competent government authorities. Finally, they shall be delivered to authorized units for disposal, and the waste transfer and disposal records must be preserved.

Municipal Solid Waste Management

The General Affairs Department designates centralized storage areas and trash bins inside the company for general domestic waste and dining food waste, while the remaining clearing and disposal responsibilities are handled uniformly by the General Affairs Department.

2-5 Biodiversity Policy

As a manufacturing enterprise, Dyaco International deeply understands the potential impacts of its operational activities on the natural environment, species diversity, and forest ecosystems. Biodiversity is not only critical for environmental stability, but it is also intricately linked to climate regulation, water resource management, and human well-being. In response to the United Nations Convention on Biological Diversity and to implement UN Sustainable Development Goal 15 (SDG 15)—"Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss"—Dyaco International has established the "Dyaco International Biodiversity and No-Deforestation Commitment." The scope of this commitment applies to all operational sites across the entire Group.

Our Commitments

- If the company's operational activities are located within or adjacent to critical biodiversity areas or areas of high ecological value, an inventory of the dependencies and impacts on biodiversity and ecosystem services must be conducted. To achieve No Net Loss (NNL), mitigation hierarchy measures—namely, avoidance, minimization, rehabilitation/restoration, and compensation/offset—must be applied sequentially to reduce ecological impacts.
- The company commits that its operational and procurement activities shall not involve the conversion of natural forests, conversion to non-forest uses, or severe or continuous degradation activities.
- No development or construction shall be conducted in legally protected biodiversity areas.
- Key suppliers are encouraged to establish their own "Biodiversity and No-Deforestation Policy/Commitment," which shall be integrated into procurement criteria.
- We promote the concepts of biodiversity and forest conservation to raise the preservation awareness of employees, partners, suppliers, and local communities.
- We support biodiversity conservation activities or initiatives.

Chairman and Chairperson of the
Sustainability Development Committee

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Governance Structure and Policy Management

Corporate Governance | Integrity Management and Anti-Corruption | Risk Management



3-1 Corporate Governance

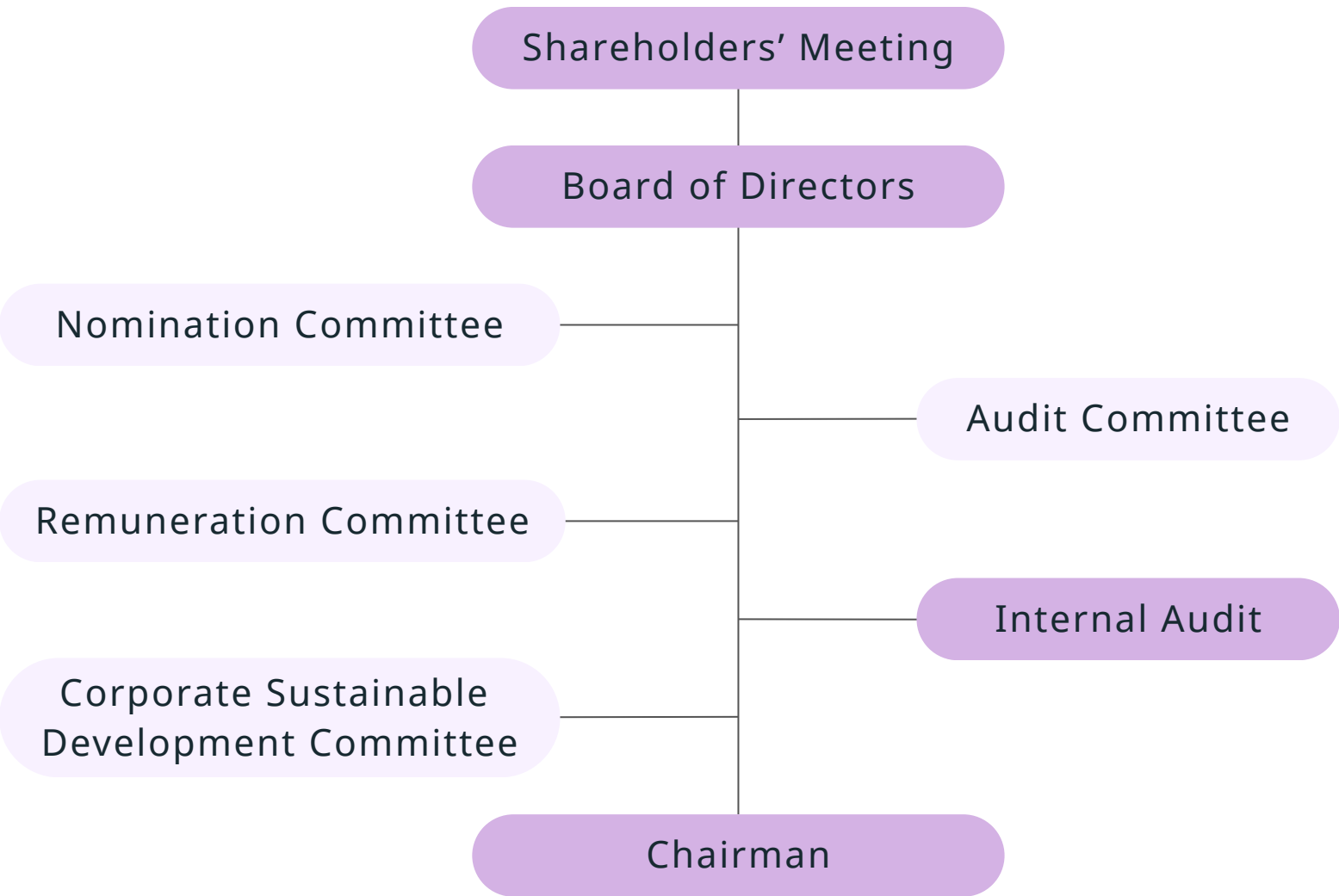
3-1-1 Governance Structure

Dyaco International is committed to strengthening corporate governance through its “Corporate Governance Best Practice Principles.” The Vice President of Finance oversees corporate governance affairs, ensuring directors receive the information and regulatory updates necessary for legal compliance and effective decision-making. Operational effectiveness is reviewed and reported to the Board annually to further enhance Board functions and committee performance.

With a diversified Board composition, Dyaco International leverages members’ professional expertise and experience to effectively oversee operations and manage risks. The Group also engages external professionals to evaluate the performance of the Board, directors, and functional committees, receiving an overall rating of “Excellent.” In the 11th Corporate Governance Evaluation, Dyaco International ranked within the top 2%–10% in the “Companies with Market Value Under NT\$5 Billion” category, outperforming industry peers.

To ensure the professional and independent operation of our board of directors and functional committees, we will nominate and review the 13th board director election following legal regulations. In addition, we shall present our annual work schedules to each functional committee since 2025. We realize that business performance is the foundation of corporate sustainability. Therefore, we continuously observe the global fitness industry trend under reasonable risk assessment. We are aggressively expanding to other recreation and sports industries, growing business fields, and enhancing business performance.

Corporate Governance Structure and Organizational Chart



3-1-2 Selection of the Board of Directors

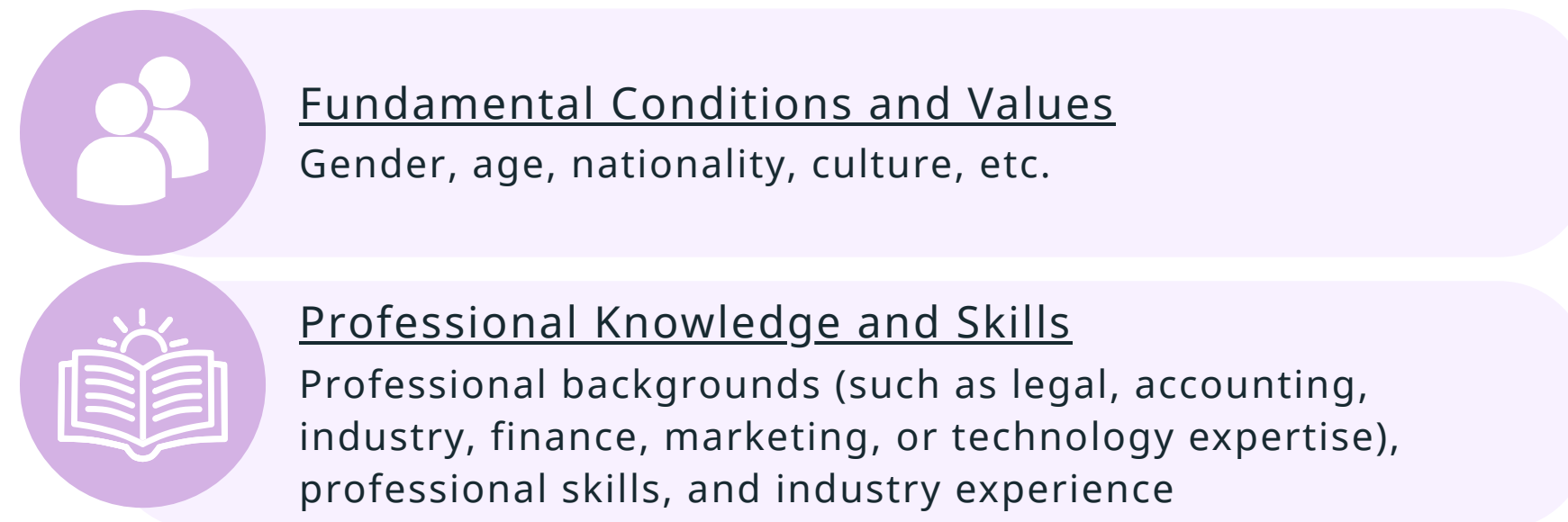
To ensure a fair, just, and open election of directors, Dyaco International has established the "[Rules for Election of Directors](#)" in accordance with Articles 21 and 41 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies." The election of the Company's directors and independent directors shall be conducted under the cumulative voting method. Each share shall possess voting rights equivalent to the number of directors or independent directors to be elected, which may be pooled to elect a single candidate or distributed among multiple candidates.

Regarding the selection of the Group's directors, the overall configuration of the Board of Directors shall be taken into consideration. The composition of Board members should emphasize diversity, and an appropriate diversity policy shall be formulated based on the Company's operational functioning, business model, and developmental needs. Furthermore, Board members should generally possess the knowledge, skills, and competencies necessary to execute their duties. Additionally, more than half of the director's seats must not be held by individuals who are spouses or relatives within the second degree of kinship to one another.

Board Diversity Policy

- The selection of the Company's directors shall consider the overall composition of the Board of Directors. The composition of Board members should encompass diversity, and an appropriate diversity policy shall be formulated in alignment with the Company's operational functioning, business model, and developmental needs.

The criteria should include, but are not limited to, standards in the following two core dimensions:



- Board members should generally possess the knowledge, skills, and competencies necessary to execute their duties.

The overall capabilities it should possess are as follows:



3-1-3 Members of the Board of Directors and Their Professional Qualifications and Experiences

The board of directors is the highest governing body of Dyaco, and it is responsible for managing and supervising the group's businesses. For implementing the diversification of the board members, the core criteria which relevant directors must have been stipulated in the Directors Election Regulations. All members unanimously approved the amendments of the ninth board at the sixteenth meeting. The diversity policy was disclosed to the Market Observation Post System and [our website](#). The 12th Board of Directors consists of seven directors. To enhance the supervisory function of the board, the number of independent director seats has been increased to 4, in addition to 3 director seats and 1 corporate director seat. To emphasize gender equality in the composition of the board members, we have recruited 1 female director among the board members. In the future, the number of female director seats will gradually increase at each session to achieve gender balance.

Position	Name	Gender	Professional Qualifications and Experiences
Corporate Director/ Chairman	Quanfeng Investment Co., Ltd. Representative:Lin, You-Ying	Male	• Dyaco's chairman • Former general manager of Dyaco Canada Inc. • Has the ability of operating the multi-national enterprise management, familiar with the development of the fitness equipment industry • Possesses professional leadership abilities and business strategy
Director	Zhuang, Zhu We	Female	• Director & General Manager of CHANITEX CO., LTD. • Chairman of CHANITEX education foundation • Serving as an independent director for other OTC companies • With abundant management experiences and extended into diverse industries • Possesses professional leadership abilities and business strategy
Corporate Director	Yunhen Investment Inc. Representative:Qiu, Shi-Jian	Male	• Vice chairman of Hwa Fong Rubber Ind. Co., Ltd., and Mediera Corporation • Hold a post of other listed and OTC companies' advisor • With abundant management experiences and extended into diverse industries • Possesses professional leadership abilities and business strategy
Independent Director	Wang, Kai-Li	Male	• Professor of Department of Finance, The Tunghai University • Independent director of other listed and OTC companies • Possesses practical expertise on finance and corporate governance
Independent Director	Wang, Zhi Cheng	Male	• Director of The Securities and Futures Investors Protection Center • An arbitrator of Chinese Arbitration Association, Taipei • Dean of law school and the department chair and director of Department of Law, The Chinese Culture University • Independent director of other listed companies • Possesses the practical expertise on law and corporate governance
Independent Director	Du, Qi-Yao	Male	• Former partner in Deloitte & Touche • Independent director of other listed companies • Possesses practical expertise on tax, accounting, and corporate governance
Independent Director	Wu, Jin-Bo	Male	• Former associate professor of Department of Information Management, The Tamkang University • The former 8th and 9th supervisor of Dyaco • Considerably familiar with Dyaco's businesses • Possesses practical expertise on information and corporate governance

Diverse Core Items Directors Name	Operational Judgment Capability	Accounting and Financial Analysis Capability	Operation and Management Capability	Crisis Management Capability	Domain Knowledge	International Market Vision	Leadership	Decision Making Capability
Quanfeng Investment Co., Ltd. Representative:Lin, You-Ying	●	●	●	●	●	●	●	●
Zhuang, Zhu We	●	●	●	●		●	●	●
Yunhen Investment Inc. Representative:Qiu, Shi-Jian	●	●	●	●		●	●	●
Wang, Kai-Li	●	●	●	●		●	●	●
Wang, Zhi Cheng	●	●	●	●		●	●	●
Du, Qi-Yao	●	●	●	●		●	●	●
Wu, Jin-Bo	●	●	●	●		●	●	●

3-1-4 Functions of The Board of Directors and Functional Committees

To strengthen the Board of Directors' capabilities, Dyaco International regularly establishes goals and evaluates progress toward them. For further details, please visit the Corporate Governance section on the official [Dyaco International website](#).

The Board of Directors

- 1 The Board of Directors passed the self-evaluation or peer evaluation method for the Board of Directors on November 11, 2016. The recent evaluation was completed by the end of 2025, and the results are expected to be reported in the first quarter of 2025. The Board of Directors report will be disclosed on our website for investors' reference.
- 2 We will announce significant operational news through major announcement channels to raise information transparency.
- 3 After the board meeting, we promptly posted important resolutions on the Market Observation Post System (MOPS) to protect shareholder rights. A dedicated individual is assigned to collect and disclose company information, establishing a spokesperson system to ensure timely and proper disclosure of significant information regarding the company's financial and business-related information for shareholders' and stakeholders' reference.
- 4 We periodically arrange for directors to attend professional refresher courses. From the most recent fiscal year to the printing date of the annual report, the total number of director education and training hours amounted to 51.

Audits Committee

The Audit Committee assists the Board in overseeing the integrity and quality of the Company's accounting, auditing, financial reporting, and internal control systems. The Internal Audit Department submits monthly audit reports to the independent directors, while the Head of Internal Audit regularly reports key findings and improvement actions to the Audit Committee and the Board. Committee feedback is addressed promptly, with relevant managers invited to provide explanations when necessary. Conclusions and recommendations are then submitted to the Board for implementation.

Remuneration Committee

The remuneration committee aims to exercise due diligence in managing the attention of management personnel. Its responsibilities include formulating and regularly reviewing policies and systems to evaluate the performance and compensation of Dyaco's directors and executives. For detailed information, please refer [here](#).

Corporate Sustainable Development Committee

The Corporate Sustainability Committee oversees the formulation, implementation, and review of the Company's sustainability policies, and reports annual results to the Board. The Committee also monitors stakeholder concerns and supervises communication on material issues to promote sustainable operations.

Nomination Committee

The Nomination Committee establishes criteria for the professionalism, experience, diversity, and independence of directors and senior executives, and is responsible for candidate selection, review, and nomination. It also plans the structure of the Board and its committees, conducts performance evaluations, and reviews the independence of independent directors.

3-1-5 Performance Evaluation of the Board of Directors and Functional Committees

Dyaco International periodically conducts performance evaluations of the Board of Directors and functional committees. The scope of these assessments encompasses dimensions such as organizational operation, decision-making quality, oversight effectiveness, and regulatory compliance. This practice ensures that the Board and all committees effectively fulfill their functions, continuously enhance the quality of corporate governance, and serve as a reference basis for future operational advancements and institutional adjustments.

The Board of Directors



Directors' Self-Evaluation: **4.90** Points



Board of Directors Self-Evaluation: **5.00** Points

In the fiscal year 2025, the Board of Directors convened 6 times, achieving an attendance rate of 95.24%. At the end of the fiscal year, the Company conducted performance evaluations for both individual Board members and the Board of Directors as a whole, with both assessments achieving top marks of 5 out of 5.

Audit Committee



Audit Committee Members' Self-Evaluation: **4.94** Points

In fiscal year 2025, the Audit Committee met 6 times with 4 members, achieving an attendance rate of 100%. At the end of the fiscal year, the Company conducted a performance evaluation of the Audit Committee, with a maximum score of 5 points. The evaluation criteria included:

- (1) Degree of participation in company operations.
- (2) Awareness of the duties of the Audit Committee.
- (3) Enhancement of the decision-making quality of the Audit Committee.
- (4) Composition of the Audit Committee and selection of its members.
- (5) Internal control

Remuneration Committee

Remuneration Committee Members' Self-Evaluation: **4.74 Points**

In fiscal year 2025, the Remuneration Committee met 2 times, with 1 convener and 3 committee members, achieving an attendance rate of 100%. At the end of the fiscal year, the Company conducted a performance evaluation of the Remuneration Committee, with a maximum score of 5 points. The evaluation criteria included:

- (1) Degree of participation in company operations.
- (2) Awareness of the duties of the Remuneration Committee.
- (3) Enhancement of the decision-making quality of the Remuneration Committee.
- (4) Composition of the Remuneration Committee and selection of its members.

Corporate Sustainability Development Committee

Sustainability Committee Members' Self-Evaluation: **4.82 Points**

In the fiscal year 2025, the Corporate Sustainability Development Committee convened 2 times, achieving an attendance rate of 100%. At the end of the fiscal year, the Company conducted a performance evaluation of the Corporate Sustainability Development Committee, with a maximum score of 5 points. The evaluation criteria included:

- (1) Degree of participation in company operations.
- (2) Awareness of the duties of the Corporate Sustainability Development Committee.
- (3) Enhancement of the decision-making quality of the Corporate Sustainability Development Committee.
- (4) Composition of the Corporate Sustainability Development Committee and selection of its members.

Nomination Committee

Nomination Committee Members' Self-Evaluation: **4.75 Points**

In the fiscal year 2025, the Nomination Committee convened 1 time, achieving an attendance rate of 100%. At the end of the fiscal year, the Company conducted a performance evaluation of the Nomination Committee, with a maximum score of 5 points. The evaluation criteria included:

- (1) Degree of participation in company operations.
- (2) Awareness of the duties of the Nomination Committee.
- (3) Enhancement of the decision-making quality of the Nomination Committee.
- (4) Composition of the Nomination Committee and selection of its members.

3-2 Integrity Management and Anti-Corruption

3-2-1 Governance System

Integrity in business operations is the cornerstone of Dyaco. In 2012, Dyaco implemented the "Sustainable Development Practice Guidelines," "Integrity Operation Guidelines," and "Code of Ethics" as the highest guiding principles to comply with the company act, securities and Exchange Act, Commercial Accounting Act, etc., and other relevant laws and regulations governing business practices. We also follow the "Integrity Operation Guidelines" and "Procedures for Ethical Management and Guidelines for Conduct" as our guide, which outlines management procedures for conducting business with integrity, protecting whistleblowers, and avoiding inappropriate gains. Dyaco's management department is responsible for planning and implementing relevant measures. It requires all employees and business partners to follow the norms and regulations to ensure compliance with ethical policies and professional standards.

Dyaco International encourages both internal and external stakeholders to report any dishonest or improper conduct, with rewards granted based on the severity of the case. However, if internal personnel make false reports or malicious accusations, disciplinary actions will be taken, and in severe cases, termination of employment may be imposed.

In 2025, Dyaco International conducted a comprehensive review of all operating sites across the Group and confirmed that no material legal violations or penalties occurred. This includes no involvement in corruption, bribery, conflicts of interest, fraud, insider trading, anti-competitive practices, antitrust violations, monopoly or market manipulation. Furthermore, the Group was not subject to any regulatory fines, suspension of operations, or license revocations due to non-compliance with applicable laws and regulations.

Operational Procedures

If a reported case involves an entry-level or general employee, it must be reported to the department head; if it involves directors or senior executives, it must be reported directly to the independent directors. Upon receiving a report, the dedicated unit and relevant managers will immediately investigate. If the allegations are substantiated, appropriate disciplinary and corrective measures will be taken instantly. The receipt, investigation process, and final outcomes of whistleblowing cases must be documented in writing or electronically and retained for 5 years. Furthermore, for confirmed cases, the relevant internal controls and operational procedures must be reviewed and improved, and the dedicated unit must report on the handling status and corrective actions to the Board of Directors.



The Whistleblowing System and Complaint Channels

To ensure business integrity and prevent unlawful behavior, we have established a whistleblowing system that includes an internal and public mailbox and hotline for internal and external individuals. We have also established a protection management procedure to ensure the confidentiality of whistleblowers and allow for anonymous reporting. The management department is responsible for compiling all whistleblower events, processing methods, subsequent reviews, and improvement measures and periodically reports to the board of directors.



Whistleblowing Email: info@dyaco.com
Whistleblowing Phone: 04-7977888

Whistleblower Protection Mechanism

Dyaco International encourages employees and business associates to report and expose corrupt behavior. Strict confidentiality must be maintained at every stage of the process, including the receipt and investigation of reports. The disclosure of the whistleblower's name, department, company name, or any other identifying details is strictly prohibited. Under no circumstances may information regarding the report be disclosed to the person or department being accused. When investigating and verifying the facts, original reporting materials or copies must not be shown, and the whistleblower's identity must not be disclosed. For anonymous reporting letters and materials, handwriting analysis is strictly forbidden, and reporting materials may not be loaned out or accessed externally without authorization.

3-2-2 Ethical Corporate Management and Anti-Corruption Training

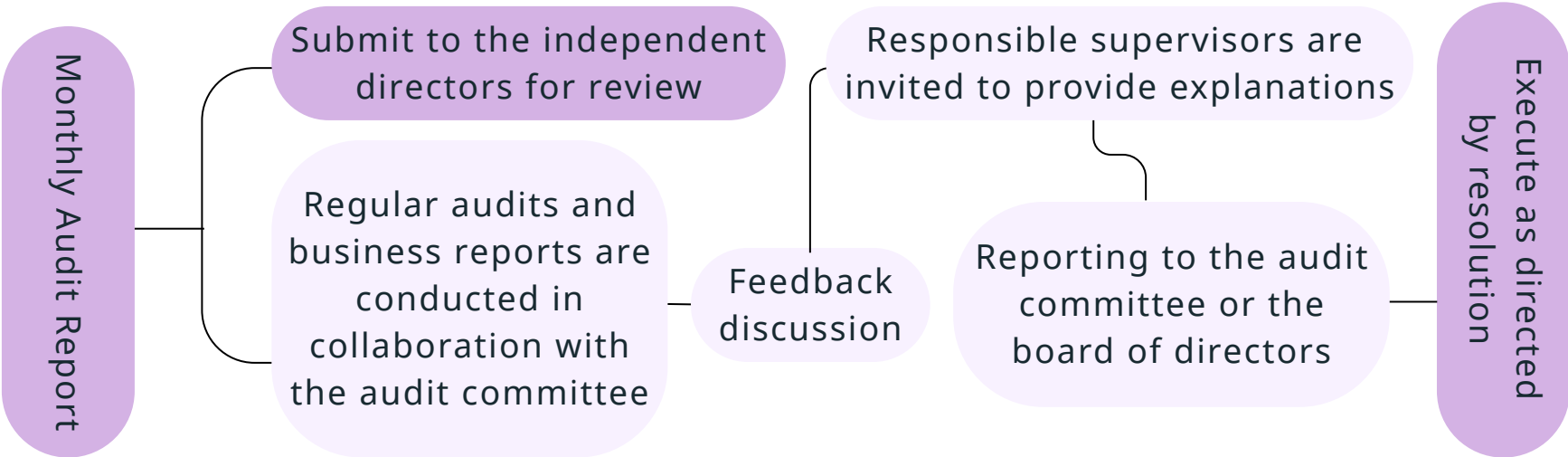
To strengthen internal controls and reinforce advocacy for insider trading prevention, Dyaco International conducts dedicated training sessions each year for company employees and the internal audit department.

The implementation status for 2025 is as follows:

Course Title	Participants	Total Hours
Awareness training on social responsibility, counter-terrorism, anti-bribery, information security, and personal data protection requirements	545	545

3-2-3 Audit System

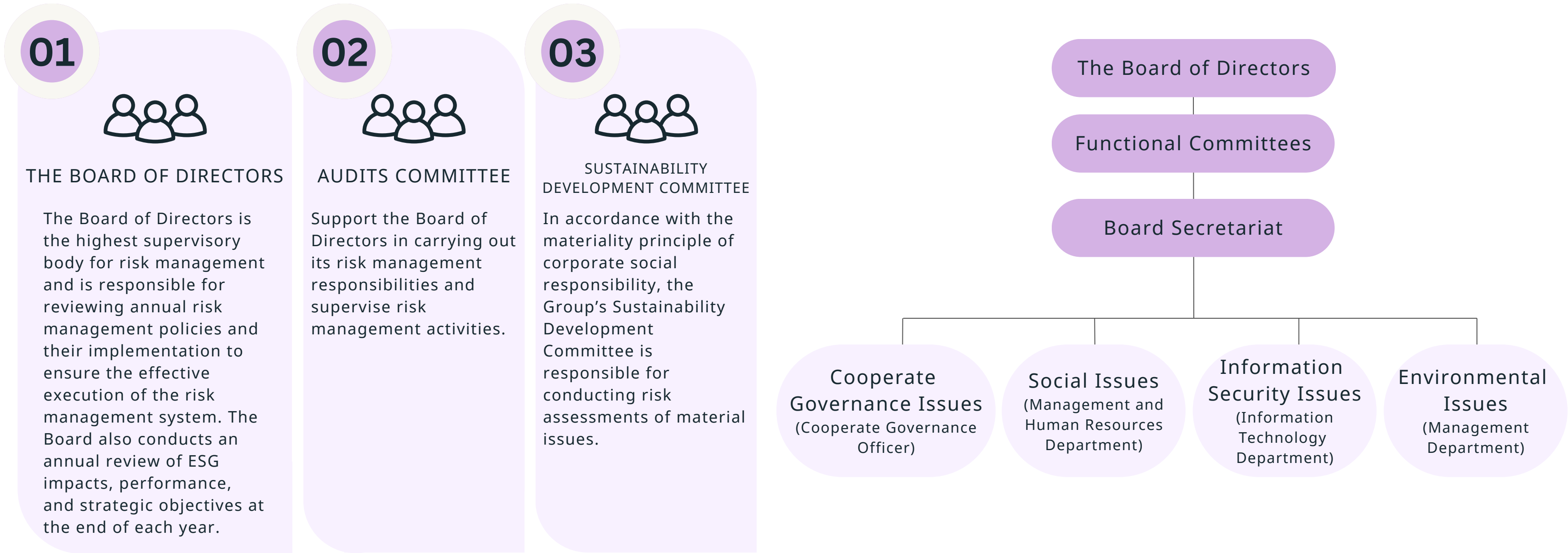
To strengthen its operational framework and mitigate risks, Dyaco International has established [Internal Control and Internal Audit Systems](#). An internal audit unit, independent and objective under the Board of Directors, assists the Board and management in reviewing internal control deficiencies, assessing operational effectiveness, and providing improvement recommendations. The unit reports to the Board and Audit Committee at least quarterly. During the reporting period, the Group had no violations of corporate governance, environmental, or social laws and regulations.



3-3 Risk Management

In business management, prevention and control measures are taken for potential risks, and relevant warning measures are formulated. Risk assessment is conducted based on the principles of materiality regarding environmental, social, corporate governance, and information security issues related to Dyaco's operations.

Risk Management Organizational Structure



Risk Management Policy

We have established Risk Management Best-Practice Principles. These principles aim to consider various risks that may affect the enterprise's ability to achieve its goals and manage through complete risk management frameworks. We also integrate risk management into business activities and daily management processes.

Environmental Issues

Please refer to Section [2-1 Climate Change Response](#).

Social Issues

Dyaco prioritizes employees' safety and health. To ensure employees' health and enhance the workplace environment's safety, we have established a "Corporate Social Responsibility Management Manual." Regular health checks, fire drills, training programs, etc., to promote workplace safety and emphasize the importance of health

Cooperate Governance Issues

We aim to avoid damaging our reputation by violating regulatory laws. Therefore, we have established an audit committee, a remuneration committee, a corporate sustainability development committee, and a corporate governance officer position to jointly supervise the company's compliance with relevant regulations and promote corporate governance.

Information Security Issues

Our information security strategy focuses on information security management, regulatory compliance, and technological applications, aiming to comprehensively enhance our information security protection capabilities from personnel to organizations. In response to emerging trends in information security, such as Distributed Denial of Service (DDoS), ransomware, social engineering attacks, and phishing websites, we regularly communicate with international information security vendors, pay attention to related issues, and plan response strategies.

Information Security Risk Management Policy		
Information Security Governance	• Improve management system • Risk control and standards enhance • Build a joint defense system	Continuously enhance management system, including strengthening education and training, designing information security basic structures, and deepening customer technique.
Regulatory Compliance	• Regular review/revision • Establish a compliance cycle mechanism	Establish a compliance cycle mechanism, regularly review and revise internal operating regulations to conform with international information security standards and acts in various overseas regions.
Utilization of Technology	• Internal and External Data Collection • Utilize data analysis • Threat predicting and decision-making	Utilize new technologies to predict information security risks and make safe decisions early.

Risk Management Implementation

Environmental Issues

Risk Factors	Status
Greenhouse gas reduction and carbon pricing	To respond to global carbon pricing mechanisms, the Company has implemented an ISO 14064-1 greenhouse gas inventory covering the entire Group boundary and obtained third-party certification. With 2024 set as the baseline year, carbon reduction targets have been established, aiming by 2030 to reduce Category 1 emissions by 3%, Category 2 by 8%.
Change in customer preferences	In line with global energy-saving and carbon-reduction trends, the Company develops green energy products that meet consumer needs, including electric assist bicycles, and evaluates the use of recyclable materials in production. Revenue from electric assist bicycles increased from 1% in 2024 to 7% in 2025.
Rise in raw material costs	Conducting supplier audits and surveys to understand the greenhouse gas emissions of each supplier, reducing collaboration frequency with suppliers that have high greenhouse gas emissions or have not set emission reduction targets. This strategy aims to effectively mitigate the risks associated with increased costs of raw materials.
Typhoons, Heavy rainfall	In response to physical risks from extreme weather, the Company conducts disaster-prevention drills and awareness campaigns at all sites every six months to ensure personnel safety. At the same time, it strengthens supply chain management to reduce the risk of operational disruptions caused by shortages or disruptions. A total of 2 disaster-prevention drills were conducted in 2025.
Supply Chain Management	The Company is committed to building a sustainable and resilient supply chain. A total of 371 suppliers have signed Hazardous Substance Free (HSF) Guarantee letters, and 7 suppliers have undergone conflict minerals investigations for electronic materials. In addition, 292 suppliers signed the Supplier Safety and Health Commitment in 2025, jointly fulfilling environmental and social responsibilities.

Social Issues

Implementation Items	Status
Employee Health Management	Dyaco International provides employees with biennial health examinations and follow-up management for abnormal findings, maintaining an annual participation rate above 95%. The 2025 annual health examination was conducted in July. In addition, the Company holds 6-8 health promotion activities and seminars each year and sends weekly emails to promote health and safety awareness.
Fire Drills and Disaster Prevention	To mitigate disaster risks and guarantee personnel safety, the Company comprehensively strengthens disaster prevention drills and propagation across all operational sites. In strict accordance with Article 13 of the Fire Services Act and Article 15 of the Enforcement Rules of the Fire Services Act, fire safety training and drills are conducted semi-annually to reinforce employees' emergency response and evacuation capabilities.
Workplace Environment and Physical Safety Protection	The Company has established an on-site medical room staffed with full-time occupational nurses to provide basic injury treatment, vital sign monitoring, and emergency medical assistance, averaging 5 minor cases per month. Across all sites, 31 first-aid kits and 2 Automated External Defibrillators (AEDs) are deployed to ensure timely treatment for injured or ill personnel.
Safety Advocacy and Talent Training	Dyaco International values employees' long-term career development and skills enhancement. In addition to mandatory occupational safety and health training, the Company encourages participation in internal and external training programs to strengthen practical capabilities. In 2025, employees completed 499 hours of external training and 5,146 hours of internal training.

Cooperate Governance Issues

Implementation Items	Status
Communication between CPAs and the Governing Body	The Audit Committee of the Company is composed of all independent directors. To enhance operational efficiency and effectiveness while strengthening interaction with external auditors, the Audit Committee conducted independent communication meetings between the CPAs and the governing body on May 12, 2025, and December 29, 2025, respectively.
Communication between the Chief Internal Auditor and the Governing Body	An independent communication meeting between the Chief Internal Auditor and the governing body was held on December 29, 2025. Additionally, the actual execution results of internal audits were reported to the Audit Committee a total of 5 times throughout 2025.
Corporate Governance Evaluation	In the latest Corporate Governance Evaluation, the Company ranked in the Top 2%-10% within the category of "Non-Financial and Non-Electronics Companies with a Market Capitalization of Less Than NT\$5 billion" (among all listed and OTC companies).
Establishment of Additional Functional Committees	In addition to the statutory Remuneration and Audit Committees, the Company has established the Corporate Sustainability Development Committee, Nomination Committee, and Information Security Committee. These committees review execution results on matters within their respective scopes, and each held 1 meeting in 2025.
Increased Frequency of Board Meetings	Exceeding the legal requirement of at least one meeting per quarter, the Company held 8 Board of Directors meetings in 2025, with an average director attendance rate exceeding 100%, reflecting strong engagement in key corporate matters.

Information Security Issues

Implementation Items	Status
Establishment of a Dedicated Information Security Unit	The Company has established an Information Security Section, which includes one Information Security Officer and at least one information security personnel member, responsible for the planning and execution of cyber and information security matters. The Information Security Officer reports major issues and strategic plans to the Board of Directors during quarterly business review meetings at least once a year.
Firewall Protection	1.Connection rules are configured on the firewalls. 2.If there are special connection requirements, an additional application for access must be submitted.
User Internet Access Control Mechanism	1.An automated website protection system is utilized to control and monitor users' internet browsing behavior. 2.The system automatically filters out and blocks websites that users might connect to that contain Trojan horses, ransomware, or malicious software.
Antivirus Software	Antivirus software is deployed and configured to automatically update virus definitions, thereby reducing the likelihood of malware infections.
Operating System Updates	1.Operating systems are set to update automatically. For systems that fail to update for any reason, the IT Department assists in completing the update. 2.Automated email threat protection scanning is implemented to proactively intercept unsafe attachments, phishing emails, and spam before users receive them, while expanding the protection scope against malicious links.
Email Security Control	After personal computers receive emails, antivirus software will also scan them to check for unsafe attachments.
Data Backup Mechanism	Daily backups are configured for the databases of all major and critical information systems.
Uploading Critical Files to the Server	Critical files from various departments within the company are stored on servers and are centrally backed up and preserved by the IT Department.
Cyber Insurance	1.As the Company primarily serves corporate clients (B2B) and does not retain consumer personal data, no significant consumer data protection risk is identified. After evaluating available cyber insurance coverage and industry applicability, the Company has decided not to purchase cyber insurance at this stage. Nevertheless, the Company has implemented information security measures, including firewalls, antivirus software, and intrusion prevention systems (IPS), and continues to strengthen employees' security awareness and incident response capabilities. 2.The Information Security Section reviews and monitors the progress of key security tasks quarterly, including operating system and critical software upgrades, as well as disaster recovery drills. Through periodic social engineering tests and security assessments, the Company evaluates users' security awareness and identifies potential system vulnerabilities, with improvement measures implemented based on the approved information security budget.

Social Responsibility and Employee Commitment

Talent Attraction and Development | Human Rights Policy and Management |
Occupational Safety and Health | Committed to Social Welfare



4-1 Talent Attraction and Development

4-1-1 Talent Inclusivity and Diversity

As of the end of 2025, Dyaco International had 994 employees worldwide, with 612 employees in Taiwan (including all the subsidiaries), 165 in China, and 217 in other operating locations. Due to difficulties in data collection, information regarding non-employee workers is not disclosed. Employee structure distribution, training, and occupational health and safety-related data mainly pertain to Dyaco International in Taiwan, including offices in Taipei, Taichung, and three factories in Changhua. The following disclosed information is primarily based on the employees insured at Dyaco Taiwan, with 600 employees.

Dyaco International possesses a highly stable, seasoned workforce. The average tenure of our employees is 9.25 years, with those with over 10 years accounting for 41.67% of the workforce. This structural stability serves as a pillar for the Company’s long-term sustainable development and the cultivation of its technical expertise. Regarding gender and age distribution, as manufacturing is the Group's core business, the proportion of male employees at our production sites is higher, accounting for 65.20% of the total workforce. In terms of age demographics, the prime working-age group of 30 to 49 years constitutes the backbone of our operations, accounting for 63.96% and providing a solid, mature foundation for corporate growth.

Regular non-employee workers

Catering Personnel

Year	Female	Male
2023	6	0
2024	5	1
2025	6	0

Security Personnel

Year	Female	Male
2023	0	7
2024	0	10
2025	0	5

Dyaco Taiwan Employee Distribution

Geographic Distribution - Northern

Year	Headcount	Percentage
2023	102	16.53 %
2024	97	14.88 %
2025	93	15.20 %

Geographic Distribution - Central (Taichung & Changhua)

Year	Headcount	Percentage
2023	515	83.47 %
2024	536	82.21 %
2025	519	84.80 %

Employment Contract Type – Fixed-Term

Year	Female	Male
2023	219	279
2024	225	287
2025	204	269

Employment Contract Type – Non-Fixed-Term

Year	Female	Male
2023	8	111
2024	9	112
2025	9	130

*Note: The difference between fixed-term and non-fixed-term employees lies in the type of labor contract.

*Note: Fixed-term employees: continuous employment with indefinite-term contracts.

*Note: Part-time employees: Partial-time employees.

Employment Contract Type – Full-Time

Year	Female	Male
2023	226	387
2024	233	395
2025	212	395

Employment Contract Type – Part-Time

Year	Female	Male
2023	1	3
2024	1	4
2025	1	4

*Note: Non-fixed-term employees: temporary, short-term, seasonal, or specific-term employment with fixed-term contracts.

By Ages – Below 29

Year	Headcount	Percentage
2023	122	19.77 %
2024	111	17.02 %
2025	119	19.44 %

By Ages - 30~49

Year	Headcount	Percentage
2023	400	64.83 %
2024	417	63.96 %
2025	395	64.54 %

By Ages – Above 50

Year	Headcount	Percentage
2023	95	15.40 %
2024	105	16.10 %
2025	98	16.01 %

By Nationality - Taiwanese

Year	Female	Male
2023	212	275
2024	220	284
2025	199	265

By Nationality - Foreigner

Year	Female	Male
2023	15	115
2024	14	115
2025	14	134

Workforce Category - Management

Year	Headcount	Percentage
2023	68	11.02 %
2024	64	9.82 %
2025	58	9.48 %

Workforce Category - Production

Year	Headcount	Percentage
2023	339	54.94 %
2024	350	54.60 %
2025	345	56.37 %

Workforce Category – R&D

Year	Headcount	Percentage
2023	100	16.21 %
2024	98	15.03 %
2025	94	16.36 %

Workforce Category – Administrative

Year	Headcount	Percentage
2023	110	17.83 %
2024	115	17.64 %
2025	115	18.79 %

Management(Assistant Manager & above).

Year	Female	Male
2023	10	26
2024	10	25
2025	10	23

General Staff

Year	Female	Male
2023	217	364
2024	224	374
2025	203	376

4-1-2 Talent Acquisition and Retention

At Dyaco, we are committed to sustainable business practices and view our employees as essential partners. We prioritize hiring based on job responsibilities, educational and professional qualifications, and skill sets, and we offer competitive salaries accordingly. In 2025, we recruited 172 individuals to increase our innovation potential and cultivate our future leaders. And a total of 196 employees resigned, with the majority from the central region. This is primarily because the Company's manufacturing facilities are in central Taiwan, where a number of foreign migrant workers are employed. The higher turnover rate in this region is mainly due to contract duration and residency permit limitations.

Number of New Employees

Geographic Distribution - Northern

Year	Female	Percentage	Male	Percentage
2023	10	8.26 %	15	12.40 %
2024	16	19.51 %	3	3.66 %
2025	15	8.72 %	10	5.81 %

Geographic Distribution - Central (Taichung & Changhua)

Year	Female	Percentage	Male	Percentage
2023	17	14.05 %	79	65.29 %
2024	20	24.39 %	43	52.44 %
2025	28	16.28 %	119	69.19 %

By Ages – Below 29

Year	Headcount	Percentage
2023	72	59.50 %
2024	13	15.85 %
2025	97	56.40 %

By Ages – 30~49

Year	Headcount	Percentage
2023	40	33.06 %
2024	63	76.83 %
2025	67	38.95 %

By Ages – Above 50

Year	Headcount	Percentage
2023	9	7.44 %
2024	6	7.32 %
2025	8	4.65 %

Number of Resigned Employees

Geographic Distribution - Northern

Year	Female	Percentage	Male	Percentage
2023	17	14.17 %	17	14.17 %
2024	14	21.12 %	3	4.55 %
2025	25	12.76 %	7	3.57 %

Geographic Distribution - Central (Taichung & Changhua)

Year	Female	Percentage	Male	Percentage
2023	13	10.83 %	73	60.83 %
2024	14	21.21 %	35	53.03 %
2025	43	21.94 %	121	61.73 %

By Ages – Below 29

Year	Headcount	Percentage
2023	60	50.00 %
2024	12	18.18 %
2025	75	38.27 %

By Ages – 30~49

Year	Headcount	Percentage
2023	48	40.00 %
2024	45	68.18 %
2025	97	49.49 %

By Ages - Above 50

Year	Headcount	Percentage
2023	12	10.00 %
2024	9	13.64 %
2025	24	12.24 %

Employee New Entry Rate and Turnover Rate

Year	New Entry Rate	Turnover Rate
2023	19.61 %	19.45 %
2024	12.58 %	10.12 %
2025	28.10 %	32.03 %

*Note: New Entry Rate= total new entry employee/total year-end employee

*Note: Turnover Rate= total turnover employee/total year-end employee

Pension Plans

Year	New Labor Pension System	Old Labor Pension System
2025	474	0
2025(voluntarily)	33	0

*Note: In accordance with Taiwan's Labor Pension Act (New Labor Pension Scheme).

4-1-3 Remuneration System

The compensation of Dyaco International’s employees is structured by job grade and role type, comprising base salary, meal allowances, supervisory allowances, responsibility allowances, and professional stipends. Salary standards are benchmarked against market peers in the industry. Final remuneration is determined through a multi-faceted evaluation of job categories, academic backgrounds, work experience, seniority, professional knowledge, technical skills, and capabilities.

The Group conducts performance appraisals once a year to recognize employee contributions and to align performance with the rewards system. This process is designed to motivate employees to improve performance, enhance overall organizational results, unlock employee potential, and harmonize individual development with organizational growth needs. Appraisals are based on key performance metrics, work capabilities, and professional attitudes. Year-end bonuses and annual salary adjustments are determined based on these performance appraisal results. In addition, various performance and project bonuses are provided based on the specific nature of business lines and departments. Furthermore, based on annual profitability and subject to the Board of Directors' resolution, Dyaco International allocates employee compensation at a rate of no less than 1% of the current year’s profits.

Average and Median Salaries of Full-Time Non-Managerial Employees

Non-Managerial Employees Average and Median Salaries

Year	Average (NTD thousand)	Median (NTD thousand)
2023	538	471
2024	555	485
2025	560	491

Remuneration of Full-Time Non-Managerial Employees

Year	Number of Full-Time Employees	Total Remuneration (NTD thousand)
2023	549	295,198
2024	593	321,358
2025	580	324,836

ESG Performance-Linked Remuneration Mechanism

Dyaco International has established a remuneration mechanism that links compensation to ESG performance for managers and senior executives. By achieving pre-defined ESG performance indicators, corresponding bonuses are awarded to reinforce the implementation of sustainability goals and accountability commitments

ESG Metrics	Weighting Percentage	Description
Climate Change Mitigation (Greenhouse Gas Emissions Reduction, Sustainable Development Goals Planning)	10%	To support the Company's greenhouse gas reduction efforts and sustainability goals, climate change-related KPIs have been incorporated into senior executives' performance evaluations.
Performance of Annual Material Topics	10%	Led by senior executives, various departments are assisted in setting KPIs for annual material topics, with sustainability metrics aligned with each department's specific duties and responsibilities.
Corporate Governance Evaluation	10%	The various indicators in the Corporate Governance Evaluation are integrated into the performance metrics for senior executives, based on their respective categories.
Mitigation and Adaptation of High-Risk Indicators, etc.	10%	In response to the high-level risks faced by the Company, the proposal and execution of relevant mitigation and adaptation policies are integrated into the performance metrics of the Company's senior executives.

4-1-4 Talent Cultivation

Dyaco International has established training programs to enhance employees' vitality, initiative, and global competitiveness. New hires receive onboarding training, while current employees may join internal or approved external training programs funded by the Group. Through strengthening talent development, the Company aims to improve employee performance, professional capabilities, and workplace quality.

In addition to providing employees with opportunities for self-evaluation, this system serves as a valuable reference for the Company's future training course planning. Employees are strongly encouraged to continuously expand their capabilities outside of work and cultivate diverse perspectives to support strategic decision-making. In 2025, 57 colleagues applied for and received continuing education subsidies.

Recruit Training

Assist new employees in understanding Dyaco's profile, which will be helpful for future work execution.

General Training

The Human Resources Department coordinates recruit training, including company profile, environment, system, occupational safety training, welfare measures, etc.

Professional Training

Each department has a professional foundation, and each department's personnel is responsible for professional training, such as system use, department duties, production process, machine operation, etc.

On-The-Job Training

In line with Dyaco’s development and the functional needs of employees, we arrange annual professional training to help achieve work goals and stimulate potential among the employees:

Annual Internal Training

The Human Resources Department will confirm the annual demand with department supervisors and assign the yearly training plan.

External Training

The department presented the study requirements to the company, aiming to provide professionals with the latest knowledge and technology through training.

Internal Training

Courses are held within the company, and suitable professional lecturers are invited to teach relevant lessons, including fire drills, workplace health, production operations, etc.

In 2025, Dyaco provided 106 internal and external training courses, with a total training time of 5,645 hours. Dyaco values production processes and employee occupational safety and arranges quarterly training for technical employees, covering process-related professional courses, labor safety, and occupational safety to ensure compliance with safety standards and certifications. To maintain the quality of education and training and achieve training objectives, we provide trainees with a post-training feedback form, which allows employees to self-evaluate and serves as a basis for future training course arrangements.

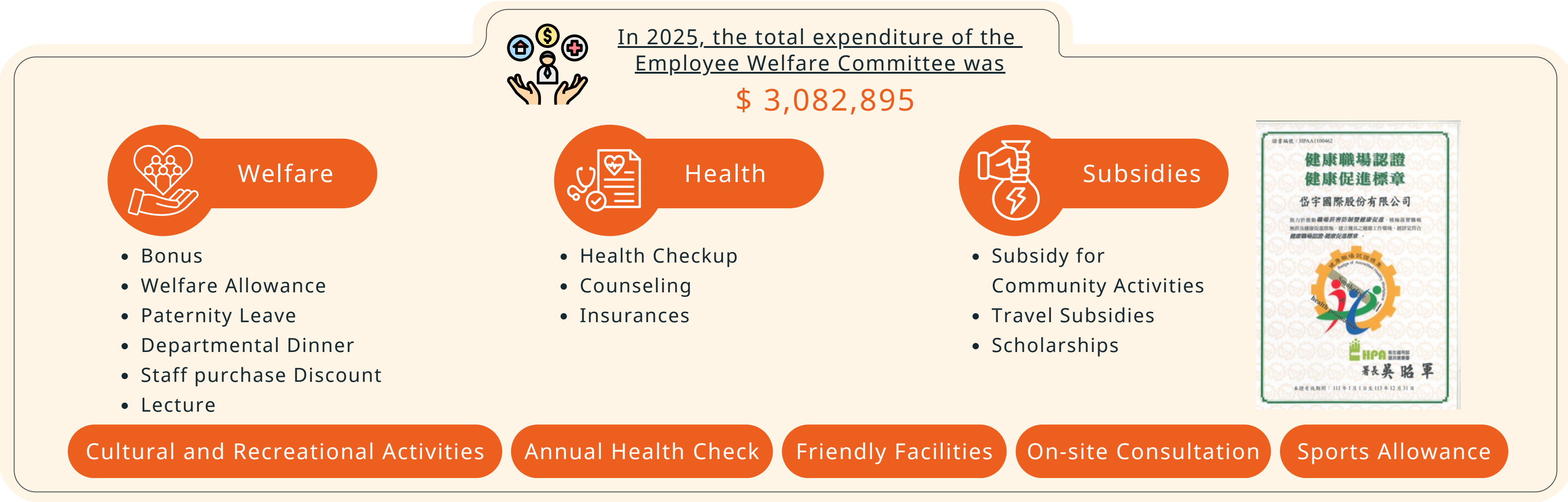
2025 Training Hours (By Gender)

	Hours			Number of People		Average Hours	
	Female	Male	Total	Female	Male	Female	Male
Manufacturing	175	182	357	83	68	2.11	2.68
R&D	908	3,076	3,984	631	1660	1.44	1.85
Administrative	119	419	538	75	234	1.59	1.79
Management	585	181	766	233	91	2.51	1.99
Total	1,787	3,858	5,645	1,022	2,053	1.75	1.88

4-1-5 Employee Benefits

At Dyaco, we value not only professional work but also the overall work-life balance of our employees. To maintain employee welfare and promote related activities, we have established an Employee Welfare Committee of 35 labor and management representatives responsible for providing various activities and subsidies for regular employees.

At Dyaco International, we consider employees to be our most valuable asset, and ensuring employees’ health and safety is our responsibility and obligation. In addition to providing regular health check-ups and specialized examinations, we actively promote a culture of corporate sports. Supervisors encourage employees to participate in sporting events, diverse sports clubs, and wellness programs, fostering a habit of exercise among employees. Since 2015, we have continuously implemented workplace smoking prevention and health promotion activities, examining ourselves to establish a safe environment and promote a healthy workplace.



Retirement Pension Security

Dyaco International has established Employee Retirement Regulations in accordance with the Labor Standards Act and contributes a fixed percentage of total monthly salaries to a retirement reserve fund deposited with the Bank of Taiwan, as required by relevant regulations. Any shortfall in the reserve upon pension payment is recognized as a current expense.

Additionally, in alignment with the enforcement of the Labor Pension Act, Dyaco International adopts a defined contribution plan. In accordance with the statutory provisions, the Company contributes an amount equal to 6% of each employee’s monthly wage to the Bureau of Labor Insurance. Furthermore, if an employee voluntarily chooses to contribute an additional percentage, the Company will withhold the corresponding amount from their salary and deposit it into their personal pension account.

Employee Stock Ownership Trust (ESOT) Plan

Dyaco International has implemented an Employee Stock Ownership Trust (ESOT) Plan to strengthen employees’ sense of belonging and long-term commitment. Through regular subsidies for company share investment, employees can share in the Group’s growth and operating results. The Employee Stock Ownership Trust Plan helps employees build long-term financial security, strengthens trust and engagement, and enhances talent retention. By becoming shareholders, employees are encouraged to think from an ownership perspective, supporting sound corporate governance. Through this plan, Dyaco International demonstrates its commitment to “Sharing Success, Creating Value Together,” while promoting employee participation and welfare as part of its sustainable development goals.

Health Checkups

Dyaco International has provided employee health checkups for over 10 years, offering examinations every two years—exceeding legal requirements. To improve accessibility, the Group partners with medical institutions in Northern, Central, and Southern Taiwan, allowing employees to receive checkups at nearby locations. Employees may also choose additional self-funded screening items based on personal needs. Annual special occupational health checkups are arranged for employees exposed to workplace hazards such as noise or dust. Based on health checkup results, employees are classified into four health management levels (A–D) to support early detection and treatment. Employees requiring further attention are reminded to seek medical follow-up, while those under special occupational health management receive additional examinations and job suitability guidance from occupational health nurses and specialists.

2025 Health check-up

	Should attend	Actual attend	Didn’t attend	Attendance
Changhua				
Taichung	387	379	8	97.9%
Dajia				
Taipei	67	56	11	83.6%
Total	454	435	19	95.8%

On-Site Consultation

In addition to providing health check-ups to help employees understand their physical health status, Dyaco also emphasizes employees' mental health. Every month, we invite a physician from Changhua Christian Hospital to provide on-site consultations. Employees can make appointments in advance and consult the physician about any current mental or physical issues. Pregnant female employees can also seek consultation to understand their pregnancy status better.

Health Seminars and Education

To promote employee health and workplace safety, Dyaco International implements diverse wellness and workplace-friendly initiatives. Through workplace violence prevention training, the Company promotes a zero-tolerance policy toward bullying, harassment, and discrimination to foster a safe and respectful work environment. The Company also organizes health seminars featuring medical professionals on topics such as genetic testing, disease prevention, and health checkup interpretation to strengthen employees' health awareness and early prevention capabilities. In addition, wellness activities, including stretching exercises, help relieve muscle discomfort and reduce occupational health risks. Senior health seminars are also provided to support employees in balancing career development with family caregiving needs.

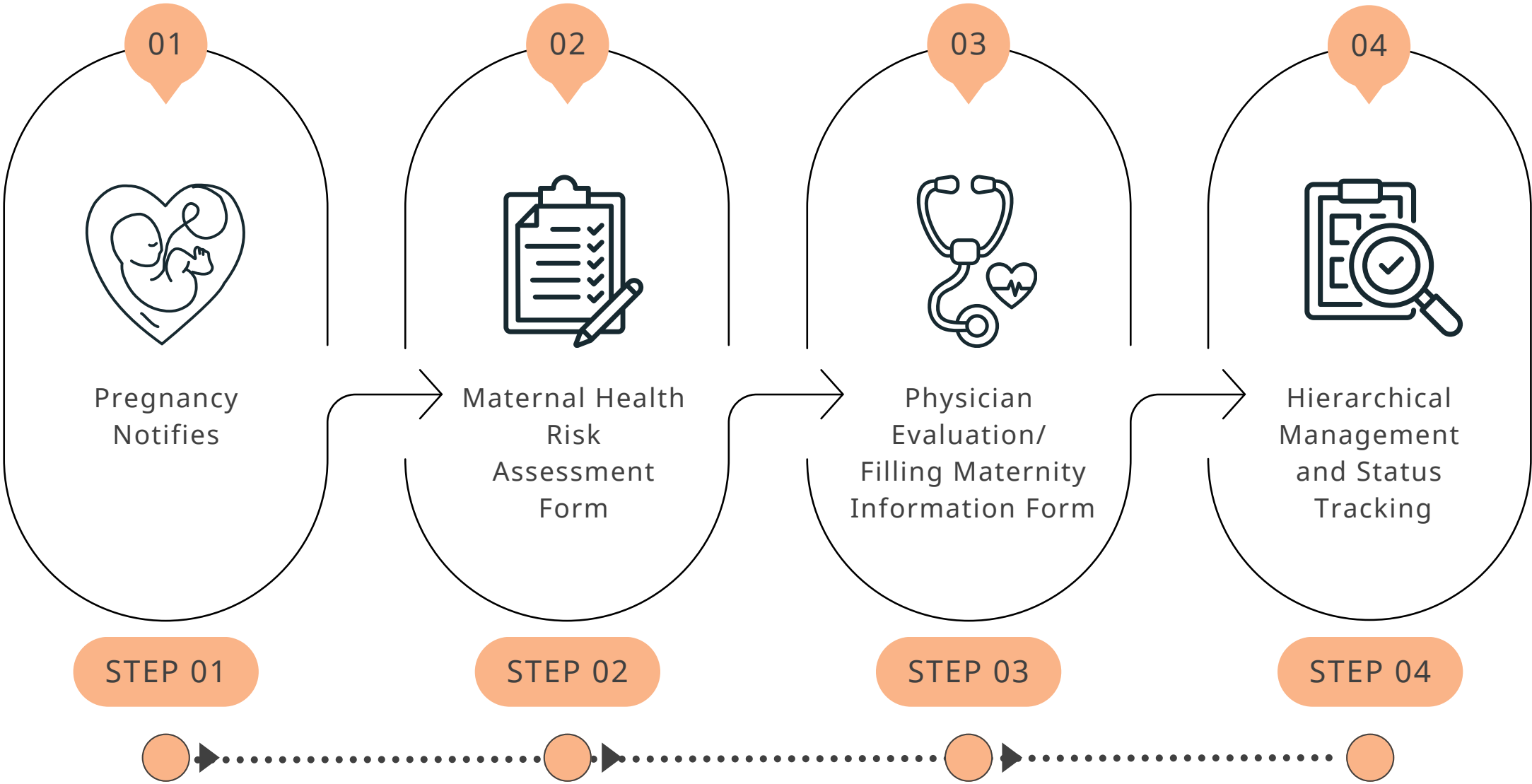
The Status of the 2025 Courses Held						
Course	Workplace violence	Disease Prevention Through Genetic Testing	Towel Stretching Routine for Shoulder, Neck, and Back Relief	Health issues among seniors	Unlocking the Health Secrets Behind Your Checkup Report	Total
Hours	1	1	1	2	2	7
Number of Participants	8	52	30	35	43	168
Total Number of Employees	90.75%	96.88%	97.53%	92.46%	93.53%	94.23% (average)
Participation Rate	90%	96.73%	97.33%	92.29%	93.37%	93.34% (average)

*Note: As there may be duplicate attendees across different seminars, the number of participants is calculated based on the number of participations. The statistics are updated as of December 31, 2025.

Maternal Health Protection and Childcare Program

Employees are among the most critical human resources of Dyaco International. To safeguard the physical and mental health, as well as workplace safety, of employees during pregnancy, less than one year postpartum, and during lactation, and to protect the health of both the mothers and their fetuses/infants, Dyaco International has established a Workplace Health Protection Plan in accordance with the Occupational Safety and Health Act and related regulations. This plan drives a range of health and safety measures to cultivate a safe, family-friendly work environment.

This plan applies to employees who are pregnant, within one year postpartum, or breastfeeding. For work that may affect health, the company implements preventive measures, including hazard assessment and control, physician consultations and health guidance, risk classification management, and suitable job adjustments. Dyaco International also provides professional support to help employees understand and manage their prenatal and postnatal health. Through job reassignment, working-hour adjustments, and related benefits, the company supports employees in balancing work and well-being, promoting a safe and healthy workplace. In 2025, 5 employees participated in the Workplace Health Protection Plan.



Parental Leave Status

Item	2024		2025	
	Male	Female	Male	Female
Number of employees entitled to parental leave	26	26	18	19
Number of employees taking parental leave	0	6	2	7
Number of employees due to return to work after parental leave	0	5	2	7
Number of employees that did return to work after parental leave	0	3	1	5
Number of employees that did return to work after parental leave in the previous year	0	1	0	3
Number of employees retained 12 months after returning to work following parental leave in the previous year	0	0	0	3
Return to work rate	0.00%	60.00%	50.00%	71.43%
Retention rate	0.00%	0.00%	0.00%	100.00%

*Note: The number of employees eligible to apply for parental leave in 2025 refers to the total number of employees who have applied for maternity leave or paternity leave within the years 2023 to 2025 (with children under the age of three).

Employee-friendly facilities, including a fitness center, lactation room, and maternity rest room

The lactation room established at Dyaco International's Changhua office was awarded the Changhua County Certified Breastfeeding-Friendly Room Label in 2025. A maternity rest room is also provided, offering female employees a safe and comfortable space for breastfeeding and rest when needed. In addition, the Group has established a fitness center equipped with treadmills, elliptical machines, rowing machines, and exercise bikes, available for employee use at all times.



4-2 Human Rights Policy and Management

Dyaco International complies with Taiwan’s Labor Standards Act, Occupational Safety and Health Act, Act of Gender Equality in Employment, Employment Service Act, and Personal Data Protection Act, and places strong emphasis on workers’ fundamental rights and a safe working environment. To uphold stakeholder expectations, the Company has established its Social Responsibility Management Manual, Sustainable Development Practice Manual, and Personal Data Protection Policy to protect employees’ rights, ensure equal employment opportunities, and maintain a safe and healthy workplace.

The Company also conducts periodic training to strengthen employees’ legal awareness, engagement, and teamwork, thereby enhancing overall competitiveness. In addition, labor rights, occupational safety and health, and prohibitions on child labor and forced labor are integrated into supplier management and audit processes, requiring suppliers to comply with relevant regulations and continuously improve their ESG performance.

Human Rights Training Information in 2025

Course Category	Participants	Hours
Labor Insurance and Labor Law Compliance Management Specialist Course	1	36
Human Resources Management Specialist Course	1	36
Workplace Sexual Harassment Prevention and Disciplinary Policy Training	75	75
Personal Data Protection Management Guidelines Training	75	75

Dyaco International strictly prohibits any form of threats, abuse, exploitation, coercion, or sexual harassment in the workplace. The Group fully complies with applicable labor and corporate social responsibility regulations, including the Labor Standards Act, and has established a [Child and Young Worker Management Procedure](#) that prohibits child labor and provides corrective actions if any case is identified. The Company also conducts annual reviews of occupational health and safety and ethical compliance policies, and prohibits all forms of forced labor and employment discrimination. HR policies are designed to ensure equal treatment regardless of gender, race, socioeconomic status, age, marital status, or family background, covering recruitment, compensation, benefits, training, performance evaluation, and promotion. All employment is strictly voluntary. If any violation is identified, labor and management representatives will jointly conduct a preliminary investigation and implement corrective actions within one week. No such incidents occurred in 2025.

We established a human resources hotline for employees and job seekers to appeal when needed.



Whistleblowing mailbox: info@dyaco.com
Whistleblowing hotline: (04)797-7123

Free to choose employment

Avoid child labor

No gender discrimination

Humane treatment

Comply with regulations

Free to establish association

4-2-1 Enhance Labor Relations and Communication

Dyaco maintains online and offline communication channels between labor and management. Employees can communicate directly with department supervisors and utilize other communication channels to facilitate mutual understanding and achieve common goals promptly and comprehensively. In response to the employment of foreign workers, we also provide multilingual support to ensure the conveyance of complete information. As of December 31, 2025, no significant labor disputes existed.



Labor-Management Meeting :

Dyaco holds a labor management meeting quarterly. During this meeting, labor and management discuss planning and negotiation, and significant issues are announced afterward.



Human Resources Announcement :

HR occasionally publishes essential matters on the internal website, such as on-leave regulations, annual calendars, and updates of internal management systems.



Bulletin Board :

Dyaco has bulletin boards in each department and the management office, providing employees with timely information and important announcements.



Minimum Notice Period :

When Dyaco intends to adjust the employee's position due to operational needs, we will notify them by the Labor Standards Act to ensure they suffer the most negligible impact.

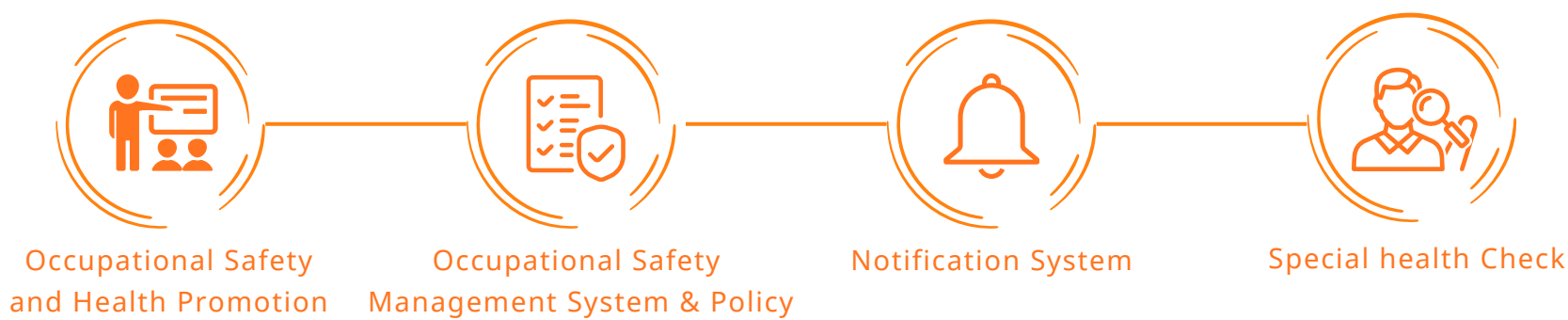
Shortest Notice Period for Operational Changes

Through labor-management communication meetings, Dyaco implements significant operational changes that may affect employee rights. After communication, these changes are executed, and affected employees are notified in advance according to legal requirements. Additionally, we provide related support measures, such as assisting in transferring to other internal units or helping employees apply for relevant government subsidies. For example, in Taiwan, we comply with the Labor Standards Act, providing a notice period of 10 to 30 days in advance based on employees' length of service. Representatives from senior management and various departments compose the labor-management meetings, held regularly every three months, to discuss issues related to amendments to labor conditions. We adhere to Taiwan's government labor regulations and exercise the shortest notice period for terminating labor contracts as the law requires. In recent years, there have been no significant operational changes that could severely impact employee rights; thus, no mass termination of labor contracts has been executed.

4-3 Occupational Safety and Health

In line with the philosophy of caring for employees and emphasizing workplace health and safety, Dyaco implemented the ISO 45001 Occupational Health and Safety Management System. According to the "Risk and Opportunity Management Measures," we identify relevant internal and external issues within the scope of the management system, as well as the needs and expectations of stakeholders, to identify risks and opportunities that must be addressed. This ensures the achievement of expected outcomes of the occupational health and safety management system, aiming to prevent accidents or reduce negative impacts on the company and the external environment. Additionally, we comply with the "Environmental Operations Management Measures," "Energy Consumption and Greenhouse Gas Emission Management Measures," and "Health and Safety Management Measures" to implement daily management actions, establish operating guidelines, and ensure compliance among employees, contractors, visitors, and other stakeholders with Dyaco's environmental health and safety policies, objectives, and obligations.

In 2025, Dyaco in Taiwan did not experience any significant occupational accidents. The following information only discloses the three factories in Changhua, Taiwan: Changhua Main Factory with 349 personnel (including nine contractors), Changhua Second Factory with 73 personnel (including one contractors), and Changhua Fifth Factory with 31 personnel (including one contractors). We are committed to continually improving environmental health and safety performance by constructing an environmental health and safety management system. According to the "Environmental Considerations and Occupational Safety Risk Assessment Management Measures," each process (or operation) requires an assessment of various environmental impacts, followed by regular audits conducted annually.



4-3-1 Occupational Safety and Health Promotion

According to the "Occupational Safety and Health Act" and "Occupational Safety and Health Education and Training Regulations," new employees will take 6 hours of pre-employment classes, including regulations, work inspection, standard operation procedures, emergency response, first aid, etc., to prevent and remind employees to pay attention while working. In addition, only employees with a bridge crane or forklift license can operate to ensure safety.

In accordance with relevant regulations and the Company's Environmental, Safety, and Health (ESH) Management Manual—including the ESH Policy and Environmental Operation Management Procedures—the Company ensures that emissions related to air, water, and waste are managed and controlled in compliance with legal standards. The General Affairs Department is responsible for inspection and oversight. In addition, employees are encouraged to conserve water, as the Company integrates green management practices into its long-term sustainability strategy.

Occupational Health and Safety Training in 2025

Course Category	Participants	Hours
External training	46	211
Internal training	1,234	2,060
Total	1,280	2,271

4-3-2 Occupational Safety Management System & Policy



Working Environment Monitoring Report

To ensure the employees’ health and safety, grasp the working environment's actual conditions, and assess the risk exposure to employees, three factories in Changhua entrust a qualified monitoring company to implement the risk assessment every six months.



Chemical Classification Management

According to the Chemical Control Banding (CCB) of the Occupational Safety and Health Administration of the Ministry of Labor’s safety data sheet, chemical factory operations can be divided into different hazard groups. Employees are educated to identify hazards accordingly to avoid them from happening.



Strengthen On-Site Inspections

At Dyaco, we believe prevention is always better than treatment. This makes the on-site safety observation and auditing a critical task, discovering the unsafe behaviors, environments, and equipment in advance and improving to ensure that every employee is working under safety protection. Therefore, it is required for the supervisor to frequent on-site patrol. Any unsafe behavior will be communicated and corrected immediately; if there is danger (such as fire, explosion, etc.) during work, employees should retreat to a safe place without endangering their safety and immediately report to the supervisor.

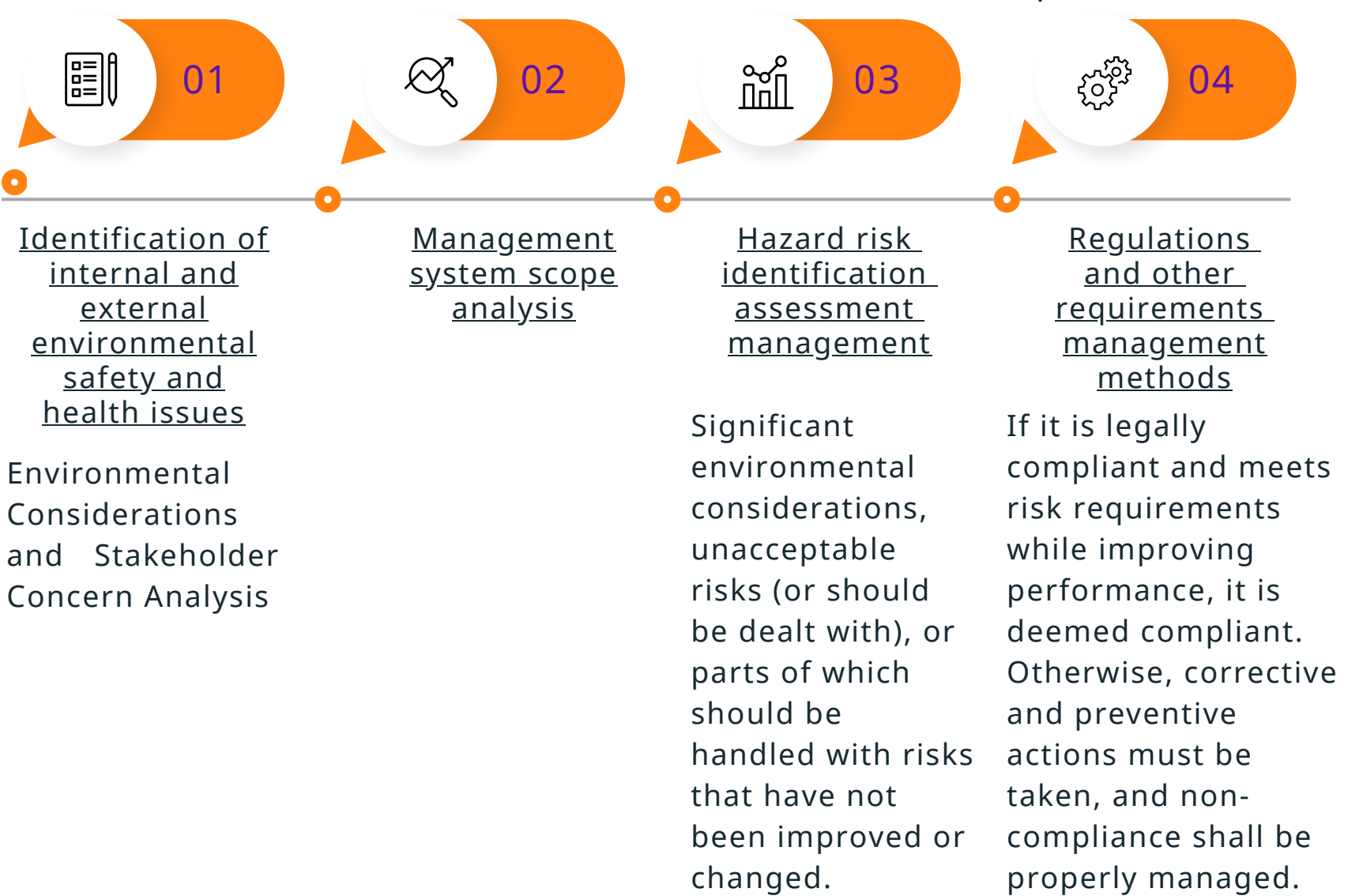


Safety And Health Management of Contractors

Contractors must fill in a hazard notice, which indicates the construction time, location, and possible hazards and provides instructions for safety precautions when entering the factory for construction.

4-3-3 Risk and Opportunity Management Process

Dyaco International adopts a systematic approach to identify and assess operational risks and opportunities. Based on the evaluation results, preventive and improvement measures are implemented to reduce unsafe practices and environmental impacts in production processes. Identified risks and opportunities are managed through target setting and daily management, supported by ongoing monitoring, measurement, analysis, and evaluation to drive continual improvement. The Group also maintains comprehensive records management to ensure transparency, traceability, and its commitment to risk control and sustainable development.



4-3-4 Prevention and Remediation Measures

Notification System

When an accident occurs , the department personnel must follow the protocol and report to the related people, and the on-site nurses will assess the injury status. Injury analysis reports are announced every three months at the occupational safety and health meeting, and relevant improvement and protective measures will be carried out to reduce accidents.

Special Health Check

In addition to general health checks, employees in particular work areas, including noise, dust, dimethylformamide, n-hexane, etc., will receive special health inspections.

In 2025, there were no cases of occupational disease among employees caused by work within the plant. In terms of occupational disease prevention, the following management measures are implemented:

Health check grading management

The employees’ health examination results are divided into four levels. The on-site consultant will individually remind employees to seek medical attention and follow up according to the severity and urgency.

Unique working area management

Employees working under noise, dust, and n-hexane are given yearly medical examinations and protected with suitable equipment.

4-3-5 Disaster Prevention and Firefighting Services

A safety protection device (infrared anti-pinch sensor) is installed outside the on-line testing equipment area (soundproof room) on the production line. If a person is detected near the door while it is closing, the door will stop and cannot be closed. In addition, a warning light is installed near the door to alert personnel that the door is in operation.

In addition to conducting two fire drills annually, Dyaco International also carries out chemical spill and earthquake drills to enhance emergency response capabilities at each facility. Employees are thoroughly trained in the proper use of firefighting equipment, including hands-on operation. All fire safety equipment is installed in accordance with regulatory requirements and is regularly maintained and inspected to ensure functionality in case of emergencies. In compliance with fire safety regulations, the Company conducts annual inspections of all fire safety equipment. Inspection results are submitted to the fire department as required, and any identified deficiencies are promptly addressed and corrected..



4-3-6 Occupational Hazard Statistics

Dyaco International reported no major occupational accidents in Taiwan. Most workplace injuries occurred in manufacturing areas. To reduce risks associated with manual handling, the factories have gradually introduced automated equipment such as sealing machines, lift platforms, and robotic arms.

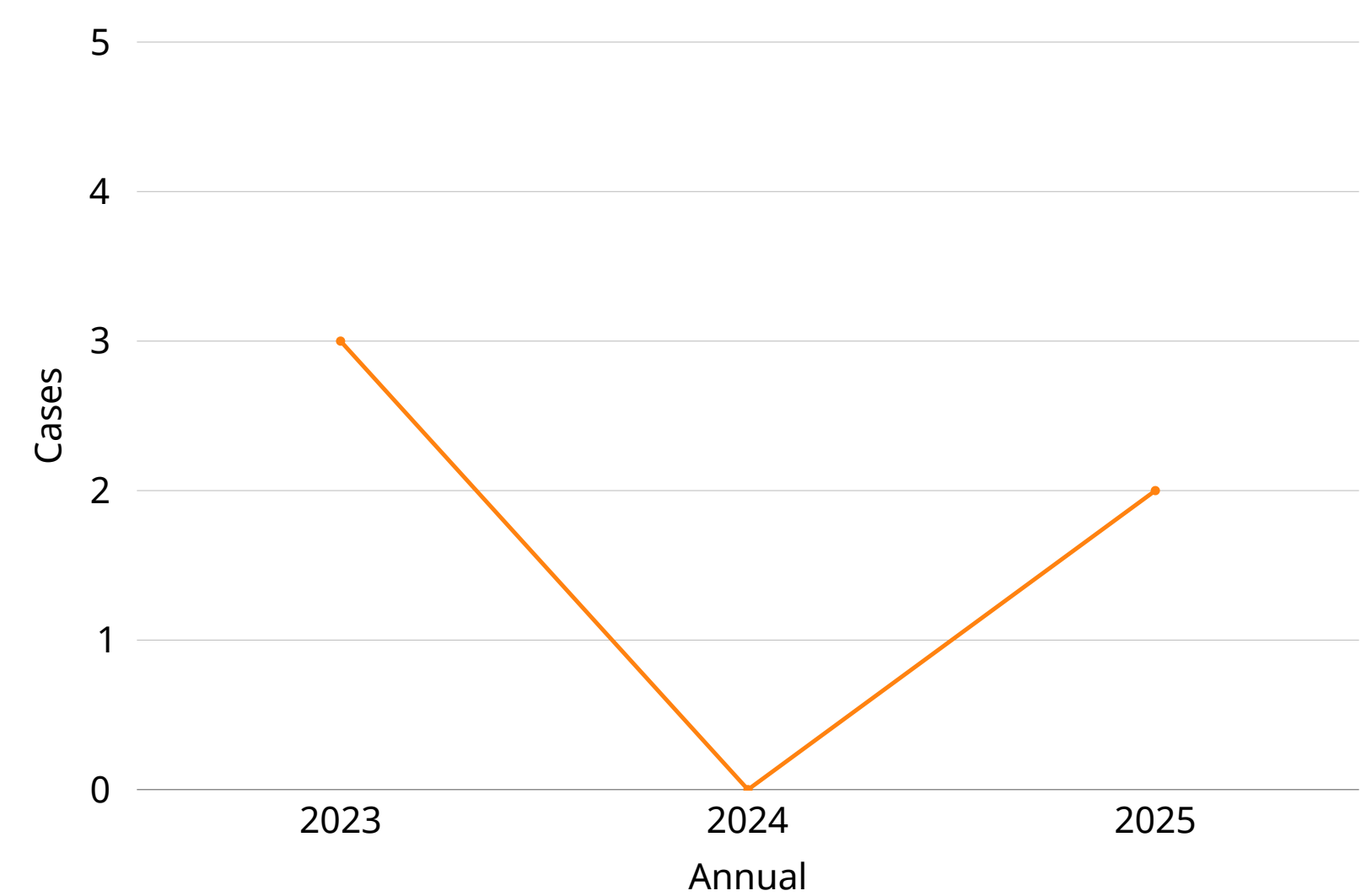
In addition to pre-employment training and strengthened departmental safety supervision, Dyaco International conducts quarterly occupational safety training to reduce workplace risks. The Group will continue safety promotion, site inspections, and reporting mechanisms to minimize employee injuries.

Potential Hazard	2023	2024	2025
Sprain	2	0	0
Falling	0	0	0
Spatter	0	0	0
Cut, Scratched	0	0	2
Falling Object	0	0	0

Potential Hazard	2023	2024	2025
Wrapped, Clamped	0	0	0
Crush	1	0	0
Breaking Object	0	0	0
Collision	0	0	0
Inappropriate Action	0	0	0

Total in 2025 **2** cases

Statistics On Occupational Hazard In 2023-2025



The Work-related Injury Rate of All Employees

Item	2023	2024	2025
Total working hours	960,000	898,000	906,000
Number of work related injury fatalities	0	0	0
Rate of work related injury fatalities	0	0	0
Number of high consequence work-related injury (excluding fatalities)	0	0	0
Rate of high consequence work related injury (excluding fatalities)	0	0	0
Number of recordable work-related injuries	3	0	2
Rate of recordable work-related injuries	0.63	0	0.44

*Note 1: (1) Calculation of working hours in 2025: Based on 8 hours per day and 5 days per week. (The work-related injury rate is only disclosed for the personnel at the Changhua factories, totaling 453 individuals.) (2) Rate of work-related injury fatalities = (Number of work-related injury fatalities/Total working hours) *200,000. (3) The rate of high-consequence work-related injuries (excluding fatalities) is calculated as (Number of high-consequence work-related injuries (excluding fatalities)/Total working hours) * 200,000. (4) Rate of recordable work-related injuries = (Number of recordable work-related injuries /Total working hours) *200,000. (5) 200,000 = the ratio per 100 employees based on 2,000 working hours per year for full-time employees, assuming 250 working days per year and 8 working hours per day.

*Note 2:Work-related injury or disease results from work exposure to hazards.

*Note 3:High-consequence work-related injury is a work-related injury resulting in a fatality or an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

4-4 Committed to Social Welfare

Dyaco is a manufacturer of sports equipment and rehabilitation medical devices. Expanding from our expertise, we aim to promote domestic sports culture, children's education, and support for disadvantaged individuals as part of our social responsibility goals. Through donations of sports equipment, materials, and funds, we actively collaborate with local charities and various levels of school sports projects. We also established the Taipei Dyaco International Charity Foundation to promote charitable activities. In the fiscal year 2025, the total charitable donations amounted to NT\$960,000.

Dyaco International firmly believes that corporate success comes not only from business performance, but also from giving back to society and creating shared value. Guided by its core values of “people-oriented” and “caring for shared well-being,” the Group has long been committed to initiatives in education support, health promotion, and community engagement. By integrating corporate expertise with employee participation, Dyaco promotes diverse forms of social involvement.

Whether supporting learning and development for children in rural areas, providing community rehabilitation and healthcare services, or encouraging employees to engage in volunteer activities, Dyaco continues to respond to societal needs through concrete actions. The Group aspires to be a positive force for society while advancing sustainable business development, bringing health, care, and hope to every corner of the community.

Blood Donation

Since 2016, Dyaco has continuously supported blood donation initiatives. In response to the growing blood shortage challenges caused by declining birth rates and demographic changes, Dyaco once again joined hands with the Changhua County Industrial Park Association, the Changhua Fuwei Lions Club, and the Taiwan Blood Services Foundation Taichung Blood Center to launch a blood donation campaign on May 13. In addition to encouraging internal employees to participate, the Group also actively engaged external guests and partner suppliers to join the donation effort. In 2025, a total of 24 bags of blood were collected. Various incentive gifts were provided to encourage participation and enhance the overall social value of the initiative.

Annual	2023	2024	2025
Units of blood donated (bags)	75	36	24



Dyaco Academy — Remote One-on-One Video Reading Program

Project Objectives

Dyaco International is committed to educational equity and child development. In partnership with the Taipei Dyaco International Charity Foundation and WT Microelectronics Education Foundation, it supports the “Remote Rural One-on-One Video Tutoring Program” to reduce the urban-rural education gap and help children in remote areas grow in a safe, healthy, and caring environment.

Implementation Framework

In partnership with the Taiwan Fund for Children and Families (TFCF) Changhua Branch, the project connects Dyaco International volunteers with rural children through online one-on-one after-school mentoring. Volunteers support academic review and reading while regularly engaging with children to understand their well-being and emotional needs, building stable, trusting relationships. To ensure quality support, the foundation provides training in teaching methods, child psychology, and communication skills. An annual summer gathering is also held for in-person interaction and recognition, while Christmas activities encourage children to create handmade gifts, express gratitude, and share joy in a warm and supportive environment.

Project Outcomes & Impact

During the early phase of the program, limited internal volunteers required external support to sustain mentoring for 15 rural children. As employee volunteerism grew, Dyaco International established a formal volunteer system with volunteer leave benefits, and since 2025, all tutoring volunteers have been internal employees, reflecting strong staff engagement in CSR activities.

This long-term initiative has supported around 15 children annually since 2020 and accumulated over 600 hours of online mentoring by 2025. The program has improved students’ academic performance, emotional stability, self-confidence, and learning motivation. “Dyaco Academy” not only promotes educational resource sharing but also demonstrates the Group’s commitment to social sustainability and its people-centered brand values.



Appendix

Verification Statement | SASB Comparison Table | GRI Standards | SDGs Comparison Table |
UN Global Compact



Verification Statement

Independent Assurance Statement

DYACO 2025 SUSTAINABILITY REPORT

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and DYACO INTERNATIONAL INC. (hereinafter referred to as DYACO) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA LTD. is not involved in the preparation process of the sustainability report of DYACO.

RESPONSIBILITIES

DYACO is responsible for reporting its economic (financial information including overseas locations), environmental (GHG emissions information including overseas locations), and social operating activities and performance in Taiwan operating locations in its sustainability report (hereinafter referred to as “the Report”) in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to DYACO and its stakeholders in accordance with the described scope and method. This statement is for DYACO use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between DYACO and AFNOR ASIA includes:

- The scope of assurance operation is consistent with the scope disclosed in the “DYACO 2025 SUSTAINABILITY REPORT”.
- AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating DYACO's compliance with the AA1000 AccountAbility Principles (2018).
- The assurance operation includes reviewing and evaluating DYACO's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
 - GRI Standards.
 - Sustainability Accounting Standards Board Standards

METHODOLOGY

- The Report is reported in reference with the GRI Standards, and the content of the Report is

reviewed for compliance with the GRI Guidelines for general disclosure and specific topic disclosure.

- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

◆ **AA1000 Accountability Principles**

Inclusivity

DYACO has already presented in its Report issues that are inclusive and mindful of stakeholders' concerns, and regularly responds to all stakeholders through negotiation and communication channels. In the future, the organization can build a two-way communication network that transcends language and department barriers to continuously demonstrate the application of the principle of inclusivity.

Materiality

DYACO has presented an effective decision-making process for material topics in its Report to identify those that have a significant impact on stakeholders and its own operations. In the future, the organization could adopt Double Materiality Assessment to align with international reporting trends in order to adapt to the ever-changing internal and external environment.

Responsiveness

DYACO has presented concrete actions taken on material topics in its Report, demonstrating its commitment to stakeholder engagement through shared benefits and co-creation of value in areas such as green building certification and various energy conservation and carbon reduction initiatives. In the future, the organization can continue to promote green value co-creation performance, demonstrating its robustness and long-term investment value.

Impact

DYACO has provided the necessary resources for monitoring and measuring the overall environmental impact of its operations in its Report. The Report discloses the identified impacts, management actions, and management performance, and has responded to international trends by making Biodiversity and No Deforestation Commitment. Overall, it demonstrates concrete practice of the principle of impact.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization can continue to comply with domestic and international disclosure standards and, through cross-regional and cross-departmental cooperation, compile management results on material topics to provide stakeholders with information of sustainable value.

◆ **Sustainability Accounting Standards Board Standards**

Based on the results of the review, the Report has disclosed relevant information based on the Sustainability disclosure topics & metrics and activity metrics of the SASB standards. In the future, the organization can continue to collect, monitor, and disclose the information required by the indicators through its internal management system, providing investors with valuable reference information for decision-making.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by DYACO and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by DYACO provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in DYACO in 2025 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR :

Dr. August Tsai
The Director for Certification and Assessment
Jun.10.2026

Verification team: PEI TONG HUANG (Lead Verifier).
AFNOR Asia Ltd —20F-2, No. 102, Chung Ping Rd., Taoyuan, Taiwan
Tel. : +886 3 220 0066, Fax : +886 3 220 7889
<https://international.afnor.com/en/>

Sustainability Accounting Standards Board, SASB Comparison Table

Topic	Accounting Metric	Category	Unit of Measure	Code	Description
Chemical & Safety Hazards of Products	Frequency and number of recalled products in total.	Quantitative	Number	CG-TS-250a.1	0
	Total amount of monetary losses as a result of legal proceedings associated with product safety.	Quantitative	Reporting Currency	CG-TS-250a.3	NT\$0
	Assess the products in production and selling process if it has risks or hazards with chemicals.	Discussion and Analysis	n/a	CG-TS-250a.4	P.102
Labor Conditions in the Supply Chain	Number of factories and workplaces audited to a social responsibility code of conduct.	Quantitative	Number	CG-TS-430a.1	258 places
	Suppliers' social responsibility code of conduct audit non-conformance rate and relevant improvement measures rate for priority non-conformance and other locations.	Quantitative	%	CG-TS-430a.2	0 %

Activity Metric	Category	Unit of Measure	Code	Description
Annual Production	Quantitative	Number	CG-TS-000.A	153,437 /units
Number of factories and our factories production proportion of outsourcing.	Quantitative	Number, Percentage(%)	CG-TS-000.B	Number of factories: Three factories in Changhua (Main Factory, Factory 2, Factory 5) Outsourced factories: None

GRI Standards

Statement of Use: Dyaco International has reported by the GRI Standards for 2025.01.01-2025.12.31.
GRI 1 Used: GRI 1: Foundation 2021

GRI 2: General Disclosures 2021				
GRI Standards	Disclosures	Chapter		Page
2-1	Organizational details	Introduction	About Dyaco	<u>7</u>
2-2	Entities included in the organization’s sustainability reporting	Introduction	About Dyaco	<u>7</u>
2-3	Reporting period, frequency and contact point	Introduction	About This Report	<u>4</u>
2-4	Restatements of information	Introduction	About This Report	<u>4</u>
2-5	External assurance	Introduction	About This Report	<u>4</u>
		Appendix I		
2-6	Activities, value chain and other business relationships	Introduction	About Dyaco	<u>7</u>
2-7	Employees	4-1-1	Talent Inclusivity and Diversity	<u>84</u>
2-8	Workers who are not employees	4-1-1	Talent Inclusivity and Diversity	<u>84</u>
2-9	Governance structure and composition	3-1-1	Governance Structure	<u>69</u>
2-10	Nomination and selection of the highest governance body	3-1-2	Selection of the Board of Directors	<u>70</u>

GRI Standards	Disclosures	Chapter		Page
2-11	Chair of the highest governance body	Introduction	Sustainability Management and Stakeholders	<u>15</u>
		3-1-1	Governance Structure	<u>69</u>
2-12	Role of the highest governance body in overseeing the management of impacts	Introduction	Sustainability Management and Stakeholders	<u>15</u>
		3-4	Risk Management	<u>78</u>
2-13	Delegation of responsibility for managing impacts	Introduction	Sustainability Management and Stakeholders	<u>15</u>
		3-4	Risk Management	<u>78</u>
2-14	Role of the highest governance body in sustainability reporting	Introduction	Sustainability Management and Stakeholders	<u>15</u>
2-15	Conflicts of interest	3-1-2	Selection of the Board of Directors	<u>70</u>
2-16	Communication of critical concerns	3-1-4	Functions of The Board of Directors and Functional Committees	<u>73</u>
2-17	Collective knowledge of the highest governance body	3-1-3	Members of the Board of Directors and Their Professional Qualifications and Experiences	<u>71</u>
2-18	Evaluation of the performance of the highest governance body	3-1-5	Performance Evaluation of the Board of Directors and Functional Committees	<u>74</u>
2-19	Remuneration policies	3-1-4	Functions of The Board of Directors and Functional Committees	<u>73</u>
		4-1-3	Remuneration System	<u>92</u>
2-20	Process to determine remuneration	3-1-4	Functions of The Board of Directors and Functional Committees	<u>73</u>
		4-1-2	Talent Acquisition and Retention	<u>89</u>

GRI Standards	Disclosures	Chapter		Page
2-21	Annual total compensation ratio	Confidentiality Policy		
2-22	Statement on sustainable development strategy	Introduction	Sustainability Management and Stakeholders	<u>15</u>
		2-1	Climate Change Adaptation	<u>52</u>
2-23	Policy commitments	Introduction	A Word from the Management	<u>6</u>
		1-5-1	Supplier Management	<u>48</u>
2-24	Embedding policy commitments	Introduction	A Word from the Management	<u>6</u>
		1-5-1	Supplier Management	<u>48</u>
2-25	Processes to remediate negative impacts	3-2	Integrity Management and Anti-Corruption	<u>76</u>
2-26	Mechanisms for seeking advice and raising concerns	3-2	Integrity Management and Anti-Corruption	<u>76</u>
2-27	Compliance with laws and regulations	3-2	Integrity Management and Anti-Corruption	<u>76</u>
2-28	Membership associations	Introduction	About This Report	<u>7</u>
2-29	Approach to stakeholder engagement	Introduction	Stakeholders' communication	<u>19</u>
2-30	Collective bargaining agreements	Introduction	External Organization Participation	<u>11</u>

GRI 3: Material Topics 2021				
GRI Standards	Disclosures	Chapter		Page
3-1	Process to determine material topics	Introduction	Sustainability Management and Stakeholders	<u>15</u>
3-2	List of material topics	Introduction	Sustainability Management and Stakeholders	<u>15</u>
3-3	Management of material topics	Introduction	Sustainability Management and Stakeholders	<u>15</u>

Material Topics	Disclosures		Chapter		Page
SASB		Business Model and Innovation	1-1	Technology Innovation	<u>27</u>
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	1-4	Operational Performance	<u>45</u>
			4-1-2	Talent Acquisition and Retention	<u>89</u>
	201-2	Financial implications and other risks	2-1-1	TCFD	<u>52</u>
	201-3	Defined benefit plan obligations and other retirement plans	4-1-2	Talent Acquisition and Retention	<u>89</u>
	201-4	Financial assistance received from government	1-4	Operational Performance	<u>45</u>
Topics	Disclosures		Chapter		Page
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	1-5-1	Supplier Management	<u>50</u>
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	3-2	Integrity Management and Anti-Corruption	<u>76</u>
	205-2	Communication and training about anti-corruption policies and procedures	3-2-2	Ethical Corporate Management and Anti-Corruption Training	<u>77</u>
	205-3	Confirmed incidents of corruption and actions taken	3-2	Integrity Management and Anti-Corruption	<u>76</u>
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3-2	Integrity Management and Anti-Corruption	<u>76</u>

Topics	Disclosures		Chapter		Page
GRI 302: Energy	302-1	Energy consumption within the organization	2-2	Energy Management	59
	302-2	Energy consumption outside of the organization	2-2	Energy Management	59
	302-3	Energy intensity	2-2	Energy Management	59
	302-4	Reduction of energy consumption	2-2	Energy Management	59
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	2-3	Water Management	62
	303-2	Management of water discharge-related impacts	2-3	Water Management	62
	303-3	Water withdrawal	2-3	Water Management	62
	303-4	Water discharge	2-3	Water Management	62
	303-5	Water consumption	2-3	Water Management	62

Topics	Disclosures		Chapter		Page
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	2-1-2	Greenhouse Gas Emissions Management	<u>56</u>
	305-2	Direct (Scope 2) GHG emissions	2-1-2	Greenhouse Gas Emissions Management	<u>56</u>
	305-3	Other indirect (Scope 3) GHG emissions	2-1-2	Greenhouse Gas Emissions Management	<u>56</u>
	305-4	GHG emissions intensity	2-1-2	Greenhouse Gas Emissions Management	<u>56</u>
	305-5	Reduction of GHG emissions	2-1-2	Greenhouse Gas Emissions Management	<u>56</u>
GRI 306: Waste 2020	306-1	Water discharge by quality and destination	2-4	Waste Management	<u>64</u>
	306-2	Waste by type and disposal method	2-4	Waste Management	<u>64</u>
	306-3	Waste generated	2-4	Waste Management	<u>64</u>
	306-4	Transport of hazardous waste	2-4	Waste Management	<u>64</u>
	306-5	Water bodies affected by water discharges and/or runoff	2-4	Waste Management	<u>64</u>
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	1-5-1	Supplier Management	<u>48</u>
	308-2	Negative environmental impacts in the supply chain and actions taken	1-5-1	Supplier Management	<u>48</u>

Topics	Disclosures		Chapter		Page
GRI 401: Employment	401-1	New employee hires and employee turnover	4-1-2	Talent Acquisition and Retention	<u>89</u>
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	4-1-5	Employee Benefits	<u>95</u>
	401-3	Parental leave	4-1-5	Employee Benefits	<u>95</u>
GRI 402: Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	4-2-1	Enhance Labor Relations and Communication	<u>101</u>
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4-3	Occupational Safety and Health	<u>102</u>
	403-2	Hazard identification, risk assessment, and incident investigation	4-3	Occupational Safety and Health	<u>102</u>
	403-3	Occupational health services	4-1-5	Employee Benefits	<u>95</u>
			4-3	Occupational Safety and Health	<u>102</u>
	403-4	Worker participation, consultation, and communication on occupational health and safety	4-3	Occupational Safety and Health	<u>102</u>
	403-5	Worker training on occupational health and safety	4-3	Occupational Safety and Health	<u>102</u>
	403-6	Promotion of worker health	4-1-5	Employee Benefits	<u>95</u>
			4-3	Occupational Safety and Health	<u>102</u>
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4-1-5	Employee Benefits	<u>95</u>
			4-3	Occupational Safety and Health	<u>102</u>
	403-8	Workers covered by an occupational health and safety management system	4-3	Occupational Safety and Health	<u>102</u>

Topics	Disclosures		Chapter		Page
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	4-3	Occupational Safety and Health	<u>102</u>
	403-10	Work-related ill health	4-1-5	Employee Benefits	<u>95</u>
			4-3	Occupational Safety and Health	<u>102</u>
GRI 404: Training and Education	404-1	Average hours of training per year per employee	4-1-4	Talent Cultivation	<u>93</u>
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	4-1-1	Talent Inclusivity and Diversity	<u>84</u>
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	4-2	Human Rights Policy and Management	<u>100</u>
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	1-3	Quality Management	<u>35</u>
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	1-3	Quality Management	<u>35</u>
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	1-3	Quality Management	<u>35</u>
	417-2	Incidents of non-compliance concerning product and service information and labeling	1-3	Quality Management	<u>35</u>
	417-3	Incidents of non-compliance concerning marketing communications	1-3	Quality Management	<u>35</u>

Climate-related Information of Listed Companies

Implementation of Climate-Related Information:

Item	Implementation Status
1. Specify the supervision and governance that the Board of Directors and the management have on climate related risks and opportunities.	To establish a clear operational framework for the Corporate Sustainability Development Committee, the Board of Directors approved the "Corporate Sustainability Development Committee Charter" on August 11, 2021. Following the charter, the second term Corporate Sustainability Development Committee is composed of the Chairman and four Independent Directors, with the Chairman serving as the Chairperson and Independent Director Mr. Wu Chin-Po serving as the Vice Chairperson. The purpose of the Corporate Sustainability Development Committee is to review the formulation, implementation, and effectiveness of the company's sustainability policies. The Committee reports its annual achievements to the Board of Directors on a regular basis. In addition, the Committee actively monitors issues of concern to various stakeholders—including shareholders, customers, suppliers, employees, government agencies, non-profit organizations, communities, and the media—and oversees related communication plans to fulfill the company's commitment to sustainable operations. In 2025, the Corporate Sustainability Development Committee convened two meetings, achieving a 100% attendance rate. At the end of the year, the company conducted a performance evaluation of the Committee based on four key dimensions: (1) the Committee's level of engagement in company operations, (2) understanding of the Committee's responsibilities, (3) enhancement of decision-making quality, and (4) composition and selection of Committee members. <pre>graph TD; Chairperson --> ViceChairperson[Vice Chairperson]; ViceChairperson --> Member; Member --- ES[Executive Secretary]; Member --> ESGWG[ESG Working Group]; ESGWG --> CG[Corporate Governance]; ESGWG --> P[Partnership]; ESGWG --> VI[Value Innovation]; ESGWG --> JW[Joyful Workplace]; ESGWG --> S[Sustainability]; ESGWG --> SC[Social Concern];</pre>

Item	Implementation Status
2. Specify how the identified climate risks and opportunities impact corporate business, strategies, and finance (short-term, midterm,long-term).	In line with the global commitment to achieving "net-zero emissions by 2050," Dyaco International is actively working to enhance climate awareness among its management team and employees. In addition to offering periodic training courses, the company also issues a biweekly Sustainability Newsletter to share the latest insights on sustainability, strengthen adaptability to the impacts of climate change, and improve problem-solving capabilities, thereby reducing operational risks associated with environmental factors.

Risk Level	Risk Type		Risk Factors	Risk Description	Financial Impact	Impact Duration	Response Strategies and Objectives for Dyaco
Significant	Transition Risks	Policy and Legal Risks	Greenhouse gas reduction and carbon pricing	Following the carbon reduction goals set by domestic regulatory authorities in response to climate change, the company must conduct carbon inventories and implement carbon reduction plans. Additionally, with the government promoting carbon pricing mechanisms, exceeding carbon emission limits may result in fines, leading to additional operational costs.	Increase in operating costs	Short-term (3 years)	To respond to the global carbon pricing mechanism, Dyaco has initiated the ISO 14064-1 greenhouse gas inventory. Subsequently, Dyaco will identify emission hotspots and come up with carbon reduction plans.
		Market Risk	Change in customer preferences	In response to the global or regional rise in sustainability awareness, customers prefer low-carbon or environmentally friendly products. Products that do not meet consumer demands may face market elimination.	Decrease in income. Increase in research and development expenses.	Short-term (3 years)	Dyaco follows the global trend of energy conservation and carbon reduction by developing and manufacturing green energy products that meet consumer demands, such as electric-assist bicycles. The company evaluates the use of recyclable materials in manufacturing and aims to increase the revenue share of green energy products in the future.
			Rise in raw material costs	Climate change leads to an increase in the cost of raw materials. This results in suppliers raising the costs with the company, thereby causing an increase in manufacturing costs.	Increase in operating costs.	Medium-term (5 years)	Conducting supplier audits and surveys to understand the greenhouse gas emissions of each supplier, reducing collaboration frequency with suppliers that have high greenhouse gas emissions or have not set emission reduction targets. This strategy aims to effectively mitigate the risks associated with increased costs of raw materials.
		Technology Risk	Low-carbon technology transformation	Due to the factors associated with climate change, adopting innovative processes or procedures under existing conditions, or altering the way services are provided, becomes necessary to meet the low-carbon demands of both the government and customers.	Increase in operating costs. Increase in operating expenses.	Short-term (3 years)	Dyaco plans to conduct an inventory of existing factories and equipment, assessing the greenhouse gas emissions at various stages of the production process. Identifying high-emission hotspots will enable the formulation of a carbon reduction plan.

Risk Level	Risk Type		Risk Factors	Risk Description	Financial Impact	Impact Duration	Response Strategies and Objectives for Dyaco
Minor	Physical Risks	Acute Risk	Typhoons, Heavy rainfall	The increased frequency of severe typhoon impacts and extreme rainfall may result in operational disruptions for the company.This could potentially lead to flooding or water accumulation in the factory, causing asset losses and impacting equipment production schedules.	Decrease in operating income. Increase in operating costs.	Short-term (3 years)	Dyaco will enhance disaster preparedness drills and awareness at various locations, ensuring personnel safety. Additionally, the company will implement supply chain management measures to reduce the risk of disruptions due to shortages or breaks in the supply chain.

Opportunities Type	Opportunities Factors	Response Strategies and Objectives for Dyaco	Financial Impact	Impact Duration
Resilience	Participation in renewable energy programs and adoption of energy efficiency measures	Dyaco has installed solar panels on the roofs of all three factories in Changhua. Solar power generation has been planned on the rooftops in constructing new facilities and participating in renewable energy projects.	The initial setup of solar power generation may incur additional cost expenditures, but subsequent solar power generation can increase revenue through selling excess electricity.	Impact Duration
Markets	Access to new markets and increasing consumer willingness to purchase	Dyaco is entering the green energy market, not only developing and manufacturing electric-assist bicycles but also continuing research and development of low-carbon products. This aims to meet consumer demand for green energy, enhancing the company's green and sustainable image and reputation.	The product will incur increased research and development expenses during the development and manufacturing stages. However, once the product is sold, it will contribute to higher operating income.	Medium-term (5 years)

Item	Implementation Status
3. Specify the impacts of extreme weather incidents and the transitional action on finance.	The company has adopted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) to assess potential climate-related risks and opportunities. We are also actively gathering and studying international climate change trends and industry-related developments to identify climate-related risks and opportunities specific to the company. Moving forward, we will analyze and assess the identified risks using a risk matrix to evaluate the likelihood and potential impact of each risk, and accordingly develop climate change strategies and response measures. Regarding extreme weather events, the company has currently identified secondary risks such as typhoons and heavy rainfall. The increasing frequency of severe typhoons and extreme rainfall events could cause business disruptions or lead to flooding or water accumulation at manufacturing sites, potentially resulting in asset damage and delays in equipment production. These impacts are expected to further affect the company's financial performance, including reduced operating income and increased operating costs. To mitigate these risks, the company will strengthen disaster prevention drills and awareness programs at all sites to ensure personnel safety. In addition, we will enhance supply chain management to minimize the risk of operational disruptions caused by supply shortages or supply chain interruptions.
4. Specify how the climate risk identification, evaluation, and management procedures are integrated in the overall risk management system.	The company has established a "Corporate Sustainability Development Committee," chaired by Chairman Mr. Lin Yu-Ying, with Independent Director Mr. Wu Chin-Po serving as Vice Chairperson. The Committee is responsible for reviewing the company's sustainability policies, formulating management strategies for climate change issues, setting short-term, medium term, and long-term goals, and evaluating performance outcomes. The Committee reports to the Board of Directors regularly. The Sustainability Task Force is responsible for proposing and executing the company's sustainability directions, targets, systems, related management policies, and specific action plans (including those related to climate change). The Task Force regularly reports its progress to the Corporate Sustainability Development Committee. Regarding climate change risk assessment, the Sustainability Task Force conducts climate-related risk surveys among senior management to identify the climate risks faced by Dyaco and their potential financial impacts. It also explores potential opportunities arising from climate-related risks and reports its findings to the Corporate Sustainability Development Committee.

Item	Implementation Status
5. If scenario analysis is applied in the evaluation of resilience against climate change risk, the scenario, parameters, assumptions, and analysis factors adopted, as well as primary financial impacts, shall be clarified.	The company has not yet conducted scenario analysis to assess its resilience to climate change risks. Currently, the company's climate risk assessments are conducted once every three years, and scenario analysis is expected to be incorporated in the next assessment cycle
6. If a transition plan is available to cope with climate-related risks, details about the plan and the indicators adopted to identify and manage substantial risks and the transition risk as well as the goals shall be clarified.	Amid the global emphasis on sustainable development and green energy, Dyaco International is proactively assessing and seizing the opportunities arising from climate change to strengthen corporate resilience, expand market reach, and enhance financial performance through concrete actions. First, in terms of resilience, Dyaco supports renewable energy projects and adopts energy-saving measures. To promote the development of green energy, the company has leased the rooftops of three factories in Changhua to third-party providers for the installation of solar panels. Additionally, rooftop solar power systems have been incorporated into the planning and construction of new factories. Although the initial installation requires increased capital expenditure for equipment, the subsequent collection of rooftop rental income is expected to boost revenue. This impact is primarily considered short-term (within three years). In terms of market opportunities, Dyaco is actively expanding into emerging markets and boosting consumer purchasing intent. The company has invested in the development and manufacturing of electric-assisted bicycles and will continue to promote the development of low-carbon products to meet consumer demand for green energy solutions. This initiative aims to further enhance the company's green and sustainable brand image. While research and development costs are expected to rise during the product development and early manufacturing stages, product launches and sales are anticipated to contribute to increased operating revenue, with this impact expected over the medium term (approximately five years). Through these strategies, Dyaco International demonstrates a proactive and forward-looking approach to climate-related opportunities, aiming to drive long-term growth and value creation while promoting environmental sustainability.

Item	Implementation Status
7. If internal carbon pricing is adopted as the planning tool, the pricing criteria shall be clarified.	The company currently does not use internal carbon pricing as a planning tool.
8. If related climate goals are set, the activities, greenhouse gas emission range, planned timeline, and annual targets, among others, that are covered shall be clarified. If carbon trade off or renewable energy certificates (RECs) are used to achieve related goals, the source of the carbon reduction quota traded off and the quantity or the number of the renewable energy certificates (RECs) shall be clarified.	In response to global climate change and the net-zero transition, the Company is committed to reducing greenhouse gas emissions from its operations, improving energy efficiency, and advancing low-carbon transformation to achieve sustainable development goals and support the shared vision of “net-zero emissions by 2050.” The Company has established a management system based on the ISO 14064-1 greenhouse gas inventory standard, along with four key strategic pillars for sustainable development. The Sustainability Committee oversees the formulation of carbon reduction strategies and target setting. An annual greenhouse gas inventory and third-party verification are conducted to confirm emissions data and reduction performance. The results are reported to the Board of Directors each year to ensure alignment between targets and implementation progress. Please refer to the details below.
9. Greenhouse gas inventory and assurance status, along with reduction targets, strategies, and specific action plans (also provided in Sections 1-1 and 1-2).	Please refer to the following description.

Greenhouse Gas Inventory and Verification Situation of these two years

Greenhouse Gas Convinced Information

The parent company, on an individual basis, must begin greenhouse gas inventory by 2026. Subsidiaries included in the consolidated financial statements must begin greenhouse gas inventory by 2027. The consolidated group is required to establish a greenhouse gas inventory mechanism in accordance with the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI), as well as the ISO 14064-1 standard issued by the International Organization for Standardization (ISO). Starting from 2021, the company has conducted annual greenhouse gas inventories for its entity. Beginning in 2024, the company has also commenced regular greenhouse gas inventories for subsidiaries included in its consolidated financial statements. These efforts aim to comprehensively monitor greenhouse gas usage and emissions and to verify the effectiveness of emission reduction actions. Additionally, the greenhouse gas inventory data for the most recent two years is based on the operational control approach and covers the greenhouse gas emissions of both the company and all subsidiaries included in the consolidated financial statements. The details are as follows:

		2024		2025	
		Total emissions (CO2e in tonnage)	Density	Total emissions (CO2e in tonnage)	Density
Parent company	Scope 1:Direct GHG emissions	506.4351		486.3634	
	Scope 2: Indirect GHG emissions	1,491.0265		1,551.2674	
	Total	1997.4616		2,037.6308	
All Subsidiaries Included in the Consolidated Financial Statements	Scope 1:Direct GHG emissions	1,084.5558		664.1233	
	Scope 2: Indirect GHG emissions	1,621.6193		535.8448	
	Total	2,706.1751		1,199.9681	
Total		4,703.6367	0.6517	3,237.5989	0.5289

*Note1:Direct emissions (Scope 1, which are emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, which result from the purchase of electricity, heat, or steam and are considered indirect GHG emissions), and other indirect emissions (Scope 3, which are emissions from company activities but not from sources owned or controlled by the Company, instead coming from other companies' emissions sources).

*Note 2: The data coverage for direct emissions and energy indirect emissions must comply with the timeline stipulated in Article 10, Paragraph 2 of these Guidelines. Disclosure of other indirect emissions information is voluntary.

*Note 3: Greenhouse gas inventory standards refer to either the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

*Note 4: The inventory boundary of the parent company includes the Company's Taipei office, Taichung office, Changhua Plant 1, Changhua Plant 2, Changhua Plant 5, and the Dajia Plant.

Greenhouse Gas Inventory Information

The parent company, on an individual basis, must begin assurance by 2028 .
Subsidiaries included in the consolidated financial statements must begin assurance by 2029 .
The assurance status for the greenhouse gas inventories of the company and certain subsidiaries included in the consolidated financial statements over the past two years is described as follows:

		2024 Total emissions (CO2e in tonnage)	2025 Total emissions (CO2e in tonnage)
Parent company	Scope 1:Direct GHG emissions	506.4351	486.3634
	Scope 2: Indirect GHG emissions	1,491.0265	1,551.2674
	Total	1,997.4616	2,037.6308
	Percentage of the disclosed inventory data	42.47%	62.94%
All Subsidiaries Included in the Consolidated Financial Statements	Scope 1:Direct GHG emissions	1,084.5558	664.1233
	Scope 2: Indirect GHG emissions	1,621.6193	535.8448
	Total	2,706.1751	1,199.9681
	Percentage of the disclosed inventory data	57.53%	37.06%
Verifying/Validating institution		AFAQ-AFNOR Group	DNV GL Business Assurance Co., Ltd.
Description of verification/validation status		The company conducted verification with reasonable assurance by the ISO 14064-1:2018 standard.	The Company's greenhouse gas inventory follows ISO 14064-1:2018, with reasonable assurance for Category 1-2 and limited assurance for Category 3-6.
Assurance Opinion/Conclusion		An unqualified opinion was issued	

*Note 1: If full GHG assurance is not available at the time of the Annual Report, it will be disclosed in the Sustainability Report or on the Market Observation Post System, and fully disclosed in the next Annual Report.
*Note 2: Assurance providers must comply with Taiwan Stock Exchange and Taipei Exchange regulations.
*Note 3: Please refer to the Taiwan Stock Exchange Corporate Governance Center for best practice examples.

Greenhouse Gas Reduction Goals, Strategies, and Specific Action Plans

Greenhouse Gas Reduction Baseline Year and Reduction Targets

The Company has set 2024 as the baseline year for its greenhouse gas inventory. This is because, starting in 2024, all domestic and overseas subsidiaries conducted their first GHG inventory with internal experts and established a systematic framework, ensuring higher data accuracy and reliability. Therefore, 2024 is adopted as the baseline year to ensure the credibility of the inventory data.

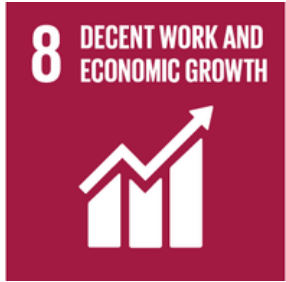
In 2025, the Group's total greenhouse gas emissions were 17,588.7909 tCO₂e, including Category 1 emissions of 1,150.4867 tCO₂e, Category 2 emissions of 2,087.1121 tCO₂e, and Category 3–6 emissions of 13,927.4586 tCO₂e.

To support the “net-zero emissions by 2050” goal, the Group will: (1) set emission standards for new plants and equipment; (2) optimize processes to reduce emissions; (3) identify high-carbon hotspots and implement reduction plans; (4) conduct annual GHG inventories with third-party verification; (5) disclose results in sustainability reports; and (6) regularly review policies to align with frameworks such as SBTi and TCFD.

The Company will establish key climate performance indicators covering green energy, water and electricity reduction, and product design. The Group has obtained an ISO 14064-1 greenhouse gas inventory statement. To support emission reduction, it will annually review progress toward targets and implement a “net-zero emissions by 2050” plan. The Group's greenhouse gas reduction targets and strategies are as follows:

	Short-term (2030)	Mid-term (2040)	Long-term (2050)
Greenhouse gas emission reduction target	- With 2024 as the base year - Category 1 : 3% reduction - Category 2 : 8% reduction	- With 2024 as the base year - Category 1 : 10% reduction - Category 2 : 15% reduction - Categories 3–6 : 12% reduction	- With 2024 as the base year - Category 1 : 30% reduction - Category 2 : 35% reduction - Categories 3–6 : 30% reduction
Implementation measures	- Implementing a Manufacturing Execution System (MES) within the production process improves production efficiency by 20% and increases the utilization of recycled plastics, elevating the recycling and reuse rate of raw materials. - Mitigating environmental impacts on the product side by developing low-carbon products, adopting circular-economy design principles, and reducing packaging materials. - Continuously replacing legacy equipment with solar photovoltaics, energy storage, and Energy Management Systems (EMS) in terms of energy, while expanding solar power	- Conducting inventories and hotspot analyses for high-energy-consumption equipment and continuously executing PDCA cycles to improve production performance, establishing carbon footprint labels, setting the revenue share target for green products at 25%, and assisting suppliers in establishing their own net-zero emissions targets. - Evaluating the installation of front-of-the-meter (FTM) energy storage systems to prioritize the integration of existing solar power generation into internal power consumption and introducing an EMS management system into the internal smart grid	- Replacing high-energy-consuming equipment, driving smart manufacturing with AI, setting a zero-waste production target, and systematizing product carbon footprint data to increase the revenue share of green products to 50%. - Regarding Categories 3 to 6, establishing a product recycling system and a green logistics network, and achieving a 100% net-zero commitment rate among suppliers. - Continuously enhancing self-generation and energy storage capacities, expanding green electricity usage to 15% across the entire Group, and reducing Category 2 emissions by 25% compared to 2024.

SDGs Comparison Table

SDGs	SDGs Targets	Response Section	SDGs	SDGs Targets	Response Section
	Good Health and Well-being	4-1-5 Employee Benefits 4-3 Occupational Health and Safety		Decent Work and Economic Growth	Four Strategic Pillars of Sustainable Development 2-2 Energy Management 4-1-3 Remuneration System 4-2 Human Rights Policy and Management
	Gender Equality	4-1-1 Talent Inclusivity and Diversity 4-2 Human Rights Policy and Management		Industry, Innovation and Infrastructure	Four Strategic Pillars of Sustainable Development 2 Climate Action and Environmental Management
	Affordable and Clean Energy	Four Strategic Pillars of Sustainable Development 2-2 Energy Management		Climate Action	1-5 Partnership and Service Excellence 2 Climate Action and Environmental Management 4-3 Occupational Health and Safety
				Responsible Consumption and Production	2 Climate Action and Environmental Management



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2025 Sustainability Report