O'right

2023

O'right Inc.
Corporate Sustainability Report



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Founder's Message

GRI 2-12、2-22

The GEP Era is Here: Net Zero is Not Just a Responsibility, but an Opportunity, Competitiveness, and Vitality

Since 2020, O'right has achieved carbon neutrality for four consecutive years through SGS verification, covering the entire life cycle of its products—from raw material acquisition, manufacturing, and production to transportation, sales, consumer use, and end-of-life recycling. This accomplishment includes direct, indirect, and Scope 3 greenhouse gas emissions, making O'right the first beauty company in the world to reach the carbon neutral goal! Upholding our core values of "Green, Sustainability, and Innovation," we provide comprehensive green living solutions that enable the pursuit of beauty while achieving zero carbon and zero environmental impact.

Over the years, we have adhered to the use of renewable energy and fossil-free materials (USDA Biobased) and established a PCR Post-Consumer Recycled material) packaging green supply chain. This includes adopting recycled and single-material recyclable packaging and transforming our Green Headquarters into an environmental education facility. In 2023, O'right officially launched the "O'right | PRO" brand, pioneering globally with ten sustainability commitments and rejecting 16 high-risk substances commonly found in cosmetics.

Our efforts have earned multiple international accolades, including Reuters' Global Best Responsible Company Award and the Global Sustainable Beauty Award in Paris. Additionally, we have represented Asian SMEs for four consecutive years (COP25–COP28) at the United Nations Global Climate Summit, delivering keynote speeches on sustainability.

A Corporation Should Be a Classroom for Social Sustainability Education

A corporation is not only an economic entity but also a vital bearer of social responsibility. We firmly believe that the success of a business should not be measured solely by financial metrics but also by its positive impact on the environment and society.

In April 2023, with the global premiere of the environmental education documentary Melting Greenland, O'right launched the largest global climate education initiative—the Melting Greenland Action Program. The documentary, designed for public benefit screenings, encourages individuals and corporations to share and respond to the film, becoming active participants in climate action. This program was honored with the GOOD DESIGN AWARD BEST 100 in Japan. By the end of 2023, thousands of businesses and schools had participated, garnering widespread acclaim both domestically and internationally.

In the same year, O'right visited the Republic of the Marshall Islands in the Pacific Ocean to capture first-hand footage of the impacts of rising sea levels caused by global warming. The Melting Greenland COP28 UN Screening Edition premiered at COP28, urging global representatives to recognize the urgency of climate change and embrace universal environmental responsibility.

Guided by the United Nations Sustainable Development Goal (SDG) 13: Climate Action, O'right focuses on environmental education as a catalyst for change. We extend Taiwan's influence as a green and sustainable leader to the global stage, inspiring more corporations to embark on the path to net-zero transformation.We are the generation that witnesses climate change—and the only generation capable of making a difference.

We know the solution, what are you waiting for ?



Chairman and CEO

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Annual Highlights

Achievement of Annual Renewable Energy Commitment

100% Usage of Green Electricity

Designed for Premier Salons

O'righ | PRO

Brand Launch

Sustainability is the Ultimate Fashion

Official Invitation from the United Nations UNFCCC

First Taiwanese Enterprise Invited to Attend the COP28 Blue Zone as a Corporate Entity

Official Invitation from the United Nations UNFCCC

First Taiwanese Enterprise Invited to Attend the COP28 Blue Zone as a Corporate Entity

Achieving SBTi Corporate Short-Term Science-Based Reduction Targets

7 Years Ahead of Schedule

Global Leadership

10 Sustainability Commitments and 16Free Standard

Rejecting 16 Common High-Risk Substances Found in Cosmetics

Environmental Education Facility

Visited by Over 38,000 People from 84+ Countries

Live Coverage of COP28

Special Correspondents in Dubai Delivering Key Updates on Climate Issues

Achieving Organization-Wide Carbon Neutrality in Scopes 1, 2, and 3

Annually Verified by SGS Since 2020

Integrating Electric Processes into the Traditional Glass Industry Innovative Technology Incorporates 50% Recycled Glass

Leading the Supply Chain in Achieving Green Transformation

The Economist's Asia Sustainability Week

Invited as a Panelist

Invited for 4 Consecutive Years

Attendance at the United Nations Global Climate Summit (COP25-COP28)

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Honors and Awards

- O'right's Green Achievements Over the Years ：https://www.oright.inc/tw/about/6
- O'right Headquarter：https://www.oright.inc/tw/about/9

Sustainable Business Category	Environmental Education Category	Sustainable ProductCategory	Other Honors
UK REUTERS Responsible Business Awards ·Business Transformation Highly Commended France Sustainable Beauty Awards ·Sustainability Leadership（O'right） ·Sustainability Pioneer（O'right ｜ PRO）	GOOD DESIGN AWARD ·BEST 100（Melting Greenland project） Bloomberg Green ESG ·Projects （Melting Greenland project） Taoyuan City Environmental Education Award ·Individual Category - Outstanding Excellence	Taiwan Excellence Awards ·Silver Award－Moringa Foaming Hand Wash ·Wild Rose Shampoo	ISARCH Awards (USA) ·O'right Green Headquarters AMP Best of the best (USA) ·O'right Green Headquarters Melting Greenland Documentary ·Opening Film, 2023 Auckland International Film Festival ·Official Selection, Tokyo Lift-Off Film Festival

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Company Overview

GRI 2-1、2-6

Company Introduction

O'right Inc. is Taiwan's leading green haircare and beauty brand. It is home to Asia's first GMP-certified green cosmetics factory, certified under ISO 9001, ISO 22716, ISO 50001, ISO 14001, and ISO 45001. Utilizing solar and wind energy for production, O'right has implemented a comprehensive green transformation through a reclaimed water recycling system. As one of the few Made-in-Taiwan (MIT) haircare and beauty companies, O'right integrates green research and development, eco-friendly design, sustainable processes, and innovative marketing.

Established Date	March 8, 2002
Headquarters Address	No. 18, Gaoping Section, Zhongfeng Road, Longtan District, Taoyuan City, Taiwan
Capital	203,524,200 (NTD)
2022 Consolidated Revenue	615,315,278 (NTD)
Number of Employees	267
Subsidiary	O'right Cosmetics (Shanghai) Co., Ltd.
Industry	Hair Care and Skincare Brand
Ownership and Legal Form	Legal form is a "Limited Company"; Ownership belongs to all shareholders.
SASB Industry	Sector: Consumer Goods Industry Standards: Household & Personal Products

O'right

Hair	Home
Shampoo,Conditioner, Scalp Care, Home Care, Dry Shampoo, Styling Products	Hand Cleansing/Care, Facial Cleansing/Care, Shower Gel, Body Lotion, Mosquito Repellent, Massage Oil, Personal Oral Care, Personal Fragrance

O'right | P R O

O'right | PRO	O'right | PRO Salon use
Professional Hair Cleansing, Professional Hair Care, Professional Scalp Care	Professional Hair Cleansing, Professional Instant Care, Professional Deep Conditioning, Professional Scalp Treatment, 4D Smart Bond Treatment

Sales Channels

International Agents	Taiwan Channels
18 agent sales markets and successfully sell our products in over 40 countries and regions, including Europe, Asia, Southeast Asia, North America, and Africa,covering	Over 7,000 professional salon stores 28 department store experience centers 6 cooperating e-commerce platforms O'right official website Company Introduction.

Business Partnerships

Operational Support

Government/Regulatory Agencies, Suppliers, Strategic Partnerships, Association Organizations, Accounting Firms, Consulting Companies, Media.

▶

O'right Inc.

▶

Sales Customer Segments

General Consumers, Corporate Clients, Salon Owners, Distributors.

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GRI 2-2、2-3、2-4、2-5

About the Report

In 2024, O'right Inc. published its 11th Corporate Sustainability Report, aimed at communicating the company's 2023 sustainability efforts with all stakeholders from the perspective of corporate sustainable development.

The report outlines O'right's responses to key sustainability issues, highlights its current achievements, and details its future strategic plans. It takes a comprehensive approach to self-assessment, evaluation, and strategy formulation, building upon existing foundations to advance corporate sustainability strategies.

The statistical data disclosed in the report are compiled from various departments and presented using commonly recognized values and units. If data adjustments are required, corresponding explanations are provided within the relevant chapters. Furthermore, all financial disclosures and greenhouse gas emission data included in this report have been verified by an impartial third party to ensure accuracy and credibility.

Contact Information

If you have any suggestions or questions regarding the content of the report, please feel free to contact us using the information below:

O'right Inc. Sustainability Development Center
Phone：+886-3-411-6789 | Fax：+886-3-411-6779 | Email：esg@oright.inc

Report Writing Principles

The report is prepared following the latest guidelines and standards of the Global Reporting Initiative™ (GRI)

Reporting Period

The report covers the period from January 1, 2023, to December 31, 2023

Scope

The information disclosed in this report pertains primarily to the operations of O'right Taiwan Green Building Headquarters, excluding the subsidiary in Shanghai, China. It is consistent with the scope of the company's non-consolidated financial annual report.

Third-Party Assurance

This report has been externally assured by SGS Taiwan in accordance with the GRI Standard 2021 and AA 1000 AS v3 Type II moderate assurance level. The third-party assurance statement is provided in the appendix of this report.

Publication

O'right Corporate Sustainability Report is released annually, with consideration for environmental friendliness. The report is made available in PDF format only on the company's website. Please visit the "Corporate Sustainability" section on the company's website to download the report.
Current Release Version: November 2024
Previous Release Version: December 2023

Compilation and Coordination

Fang Yu Chang Sustainability Specialist
Hsin Ting Wang Sustainability Specialist

Graphic Design

Chienyu Chen Designer

English Translation

O'right values the use of digital tools. The English version of this report was translated by ChatGPT-4o and subsequently reviewed manually to ensure accuracy and fluency.

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2.1 Philosophy and Policies

GRI 2-12、2-24

Since the birth of our first shampoo, O'right has upheld the principles of product responsibility, social responsibility, and environmental responsibility, with "Green, Sustainability, and Innovation" as its core values. We believe that being a good company is more important than being a big company. Dedicated to protecting our planet, we strive to minimize environmental impact and preserve the beauty of nature.

As we look ahead to the next 20 years, we have redefined our brand's visual identity with a new, clear font for our logo, embodying a minimalist and elegant green fashion style. The "O" in "O'right" symbolizes zero-carbon sustainability and an ideal, beautiful Earth, while "right" reflects our unwavering commitment to doing the right thing.

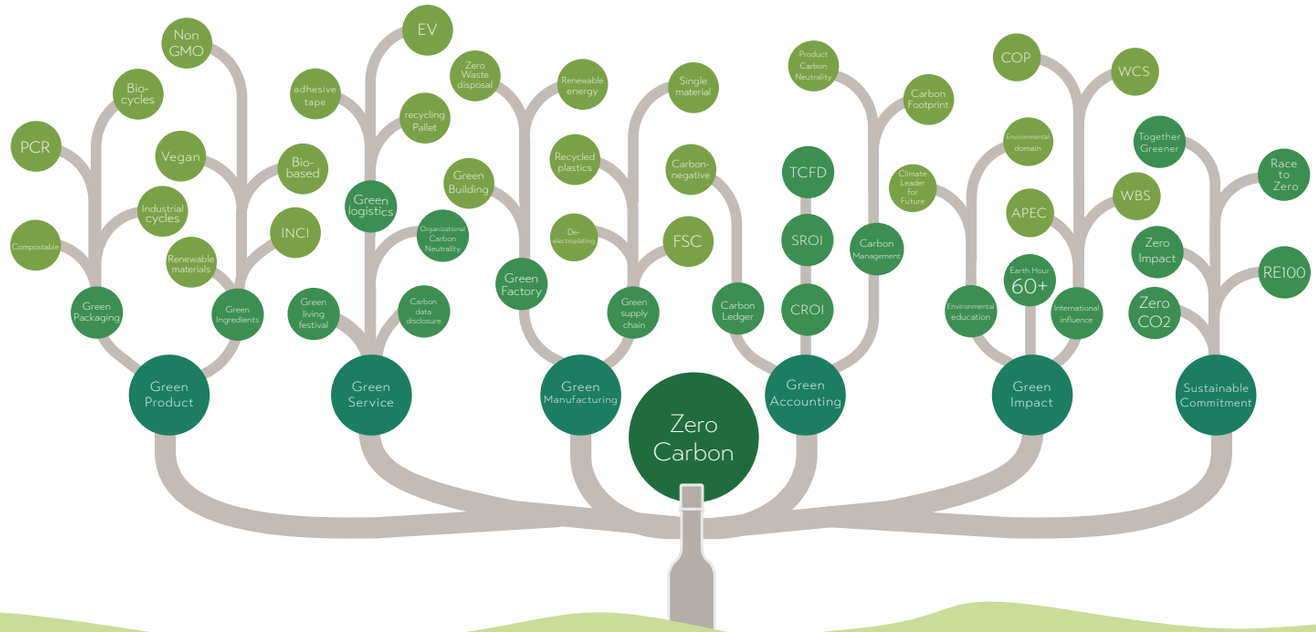
"All right, ZERO'right"—we promise to "Speak up for the climate, act for environmental education," bringing consumers a brand-new experience and joining you in making the world a better place!

2.1.1 Green Sustainable Innovation Program

Since 2006, O'right Inc. has launched a series of "Green Sustainability and Innovation Plans," actively implementing green concepts and striving to enhance green sustainable value. In 2018, we elevated our efforts to the "Zero Carbon Plan," pursuing "zero environmental impact" across all operations. Over the years, we have continually advanced our green packaging: switching to renewable plastic pumps for shampoo and body wash products in 2019, collaborating with suppliers to develop mono-material recycled packaging in 2020, adopting mono-material recycled refill packs in 2021, and fully eliminating electroplating in product spray pumps by 2022. By 2023, our office, production, and manufacturing facilities were powered entirely by 100% renewable energy. Furthermore, we introduced eco-friendly glass made with electric processes and recycled materials, and upgraded 400mL shampoo and body wash products to 100% PCR pump caps.

From procurement, raw materials, and design to production, transportation, usage, and recycling, every detail of our products is carefully designed to minimize environmental impact. We innovatively use premium amino acid-based and glucoside-based organic foaming agents while maintaining strict standards against harmful and high-risk substances, including endocrine disruptors, colorants, and plasticizers. Our green formulations not only prioritize consumer health but also protect the planet.

Looking ahead, O'right will continue to introduce innovative zero-carbon strategies, focusing not only on developing products that meet customer needs but also on aligning with nature's expectations of our offerings. We remain committed to reducing O'right's carbon footprint on the planet.



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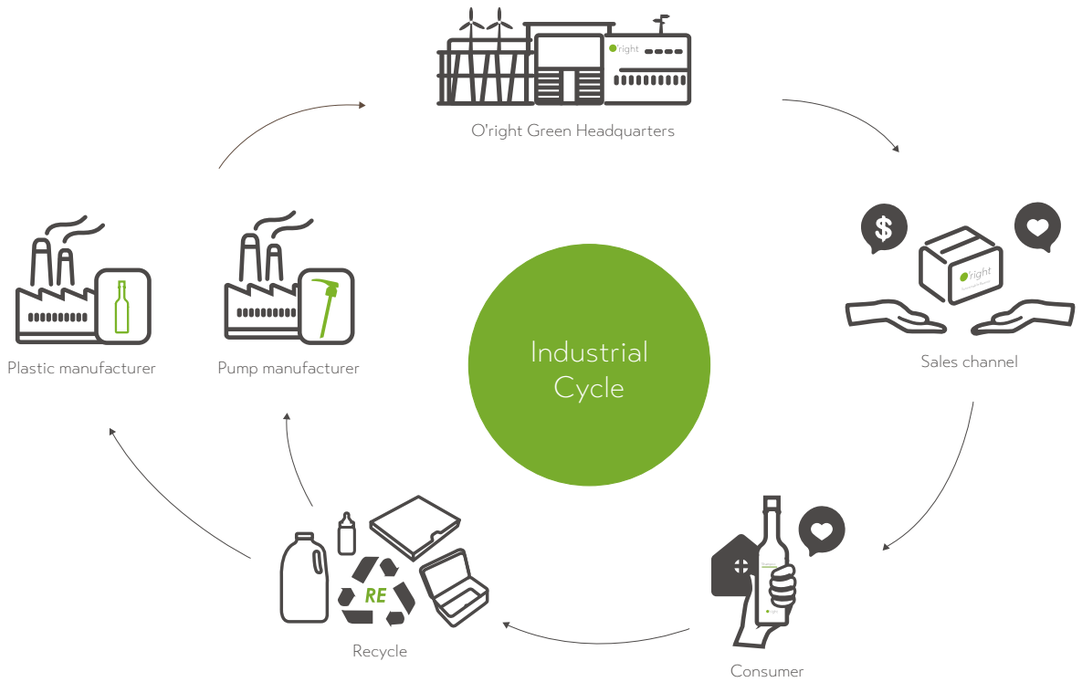
O'right Inc. not only continues to innovate in its products but also implements Total Quality Management, building on the foundations of the "biological cycle" and "industrial cycle." This approach has led to the establishment of the Bio Circular System, the PCR Industrial Circular System, and a robust international quality verification system to ensure product stability. Looking ahead, O'right remains committed to achieving net-zero emissions by introducing internal corporate carbon pricing and incorporating carbon costs into decision-making processes.
Furthermore, to amplify our green influence, O'right communicates environmental education through its products, inspiring consumers to engage with climate change issues. By leading the industry toward a green revolution and collaborating with our supply chain, we actively contribute to achieving the Sustainable Development Goals (SDGs).

2.1.2 Industrial Circular : A Breakthrough in Plastic Recycling

O'right Inc. demonstrates a steadfast commitment to plastic reduction through its Industrial Circular System. Collaborating closely with the supply chain, we have established a green supply chain utilizing 100% PCR (Post-Consumer Recycled) materials, including rPE, rPP, rPET, and rPETG. These materials are used to develop sustainable cosmetic packaging solutions, such as bottles, caps, pumps, spray heads, refill packs, mask pouches, and squeeze tubes.

O'right also focuses on minimizing the use of composite materials and has fully transitioned to electroplating-free spray heads, ensuring that packaging materials can enter recycling systems. This effort prevents millions of plastic bottles and pumps from polluting the ocean. By adopting 100% PCR packaging, O'right reduces reliance on fossil-based materials and promotes the recycling and reuse of plastics.

This approach not only decreases dependence on petrochemical resources but also reduces plastic waste sent to landfills and incineration, alleviating environmental burdens. It further protects ecosystems and significantly mitigates marine plastic pollution.



Industrial Circulation System

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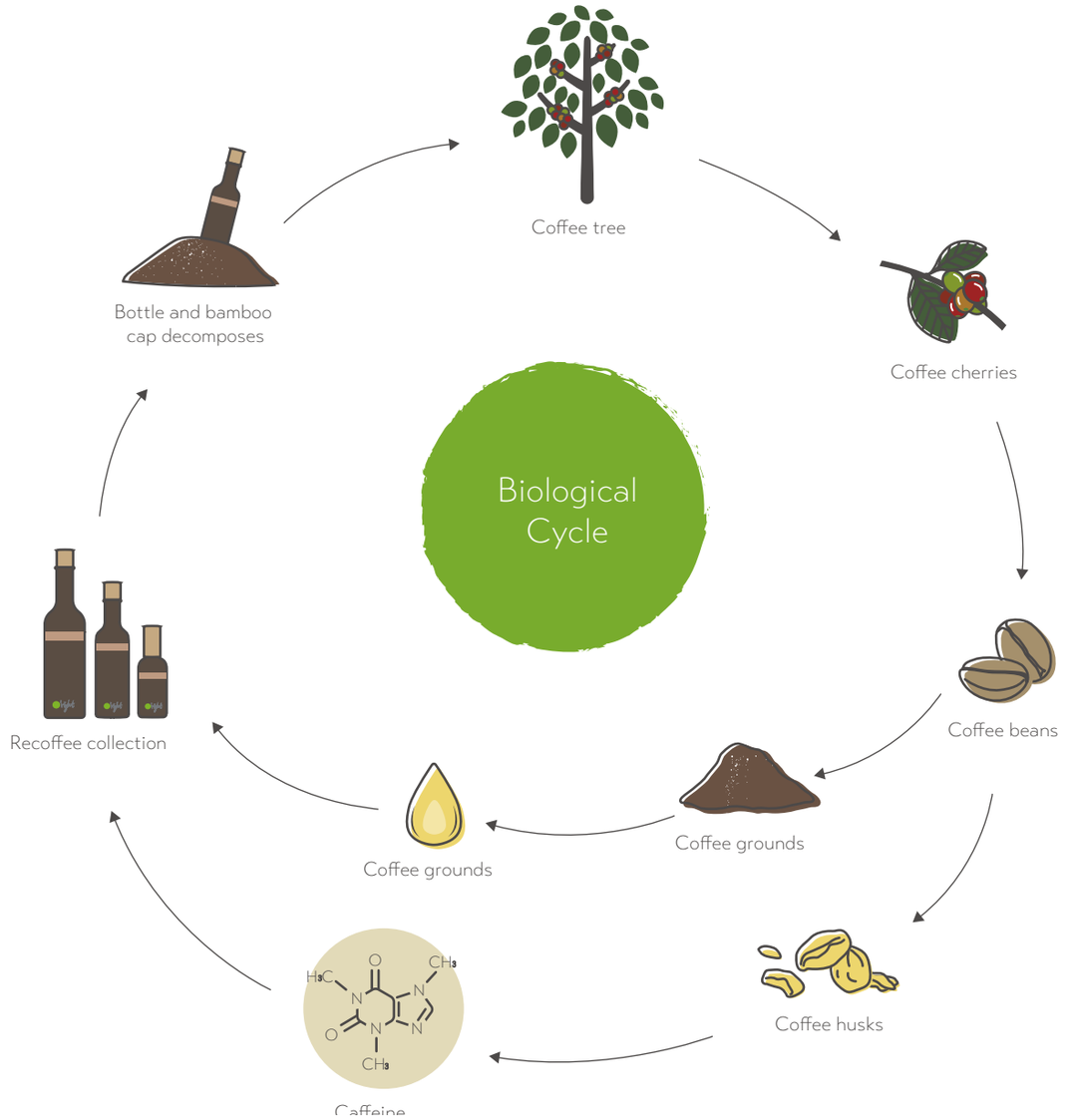
2.1.3 Biological Circular : Advancing Product Sustainability and Innovation

O'right Inc. is dedicated to creating a green and sustainable environment for product development and manufacturing, guided by its Biological Circular System. We established the Organic Plant Extraction R&D Center, laying a strong foundation for the independent extraction of local raw materials.

To enhance product sustainability, O'right has long collaborated with local agriculture, replacing petrochemical-based ingredients with agricultural by-products. This includes extracting coffee oil from discarded coffee grounds, caffeine from coffee husks, and utilizing sorghum distillery lees and goji roots to create beauty and personal care products.

Through continuous innovation, O'right elevates its operations to an ecological level, addressing the climate change challenges brought by the Industrial Revolution with a "biological circular" approach. At the same time, we increase the economic viability of agriculture and improve farmers' incomes, fostering a harmonious coexistence with nature.



Bio Circulation System

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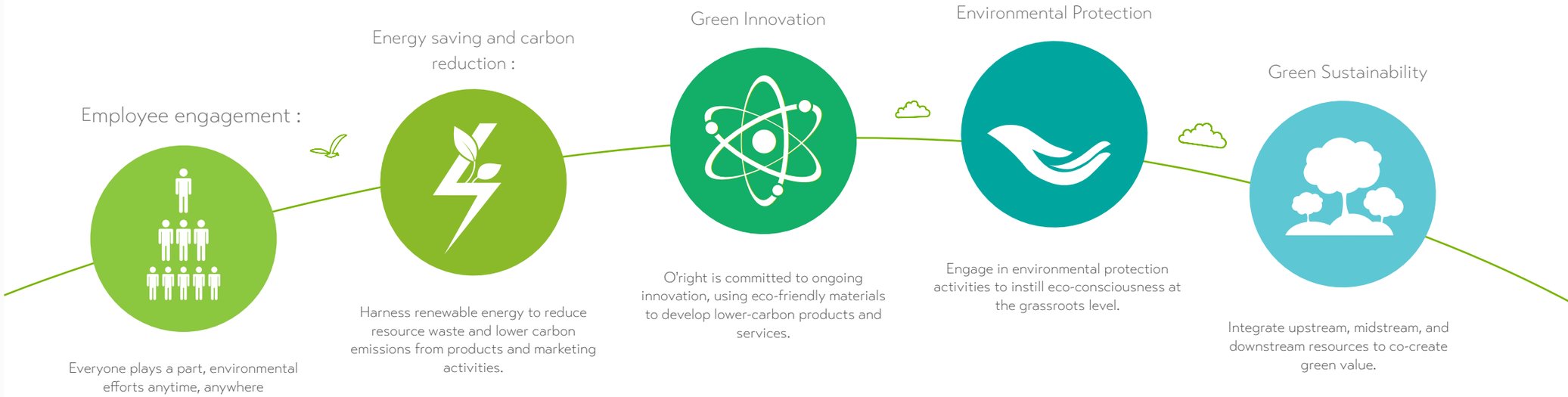
2.1.4 Internal Environmental Policy

O'right encourages employees to adopt sustainable practices, such as caring for and adopting trees, avoiding single-use tableware, and using reusable cups, utensils, and straws. Employees are also encouraged to carpool to reduce waste and emissions. Within the office, O'right has fully implemented digital document management to minimize paper use.
Office supplies are prioritized based on environmental certifications, including eco-labels, energy labels, energy-saving certifications, and FSC sustainable forest management certification. The company actively promotes waste recycling and enhances awareness of water and energy conservation, encouraging employees to take the stairs instead of elevators.
Additionally, O'right has introduced a Green Living Guidelines inspired by environmental education. This pact is integrated into new employee training programs and disseminated through various communication channels, serving as a reference for employees to fully commit to eco-friendly practices.

2.1.5 The Green Living Guidelines

O'right embraces the brand philosophy of "Natural, Pure, and Eco-Friendly," steadfastly upholding the core value of environmental sustainability. Believing that what we take from nature should be returned to it, O'right recognizes the environmental threats faced by the planet and humanity's yearning for a harmonious connection with nature. With the commitment expressed in "Together Greener," O'right is dedicated to reducing the Earth's greenhouse effect.
To promote a green workplace and the sustainability of nature, O'right employees follow the principles of mutual respect, collaboration, and self-management. The Green Living Guidelines encompass practices related to the Organic Vegetable Cafeteria, Low Carbon Office, meeting rooms, outdoor public areas, and daily office routines. These guidelines aim to improve workplace quality, foster a positive working environment, and achieve the goals of environmental protection, energy conservation, and carbon reduction.



O'right's Sustainable Environmental Philosophy

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2.2 O'right and SDGs

The United Nations Sustainable Development Goals (SDGs) have become a universal language, guiding nations, cities, businesses, and individuals to examine and work toward these shared objectives. The SDGs encompass five key themes: Planet, People, Prosperity, Peace, and Partnerships.

Rooted in our core values of "Green, Sustainability, and Innovation," O'right has been dedicated to advancing "green products, green services, social benefits, and ecological benefits" since its inception. By aligning these values with the SDGs, O'right integrates sustainability into its corporate strategy. Department leaders leverage the SDGs to deeply understand the planet's current challenges and identify meaningful ways to contribute.

O'right focuses its sustainability strategy on 10 SDGs, with particular emphasis on SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 14 (Life Below Water). Through these focused efforts, O'right aims to maximize its impact and explore the limitless possibilities of driving positive change.





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Sustainable Development Goal	SDG 12 Responsible Consumption and Production 
Specific Indicators	12.2 Sustainable management and efficient use of natural resources 12.4 Environmentally sound management of chemicals and waste throughout their life cycle 12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse 12.6 Encourage companies to adopt sustainable practices and integrate sustainability reporting 12.7 Promote sustainable public procurement practices 12.8 Ensure universal access to information and awareness for sustainable lifestyles
Actions Taken	·Joined the RE100 initiative in 2018 and achieved 100% renewable energy usage by December 2022, fulfilling the RE100 renewable energy commitment two years ahead of schedule. ·Met the short-term Science-Based Targets initiative (SBTi) corporate reduction goals seven years early. ·Achieved a zero-wastewater milestone for factory operations starting in 2022. ·Since 2017, all shampoo and body wash products have used 100% PCR (Post-Consumer Recycled) plastic bottles, preventing 6 million plastic bottles and pumps from polluting the ocean. ·Innovatively developed economic value for agricultural products, earning global INCI ingredient naming recognition. ·Leveraged clean production and advanced extraction technologies to create green products that meet sustainable consumption needs. ·Introduced stainless steel drainage pipes sterilized with steam instead of solvents. ·Proactively disclosed the percentage of natural ingredients in products, achieving a 100% certification rate under the USDA Certified Biobased Product program. ·Enhanced innovation and R&D capabilities through a laboratory certified with five TAF accreditations and international BSL-2 biosafety standards, becoming Taiwan's first cosmetics company certified for preservative efficacy using ISO 11930 standards. ·Pioneered the 8 Free program, replacing chemicals with agricultural products. Ingredients decompose within 28 days in natural environments, promoting both environmental and human health. ·Committed to ten sustainability promises, including 100% renewable energy-powered production, 100% vegan-friendly products with no animal testing, and protecting biodiversity to achieve zero carbon and zero environmental impact. Upgraded to 16 Free, eliminating 16 harmful substances and replacing chemicals with agricultural products to protect the environment and human health. ·Built Asia's first GMP-certified cosmetics factory, awarded EEWH Gold and Carbon Footprint Diamond certifications. ·Partnered with suppliers to develop recycled packaging, creating the world's first traceable recycled bottle shampoo and the first recycled pump. ·Established a green supply chain system, collaborating with raw material suppliers providing over 80% plant-based ingredients. Focused on replacing chemicals with agricultural products to reduce chemical waste generation.

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Sustainable Development Goal	SDG 13 Climate Action 
Specific Indicators	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters 13.2 Integrate climate change measures into policies and planning 13.3 mprove education, awareness, and human and institutional capacity for climate change mitigation, adaptation, and impact reduction
Actions Taken	·Produced climate change documentaries Melting Greenland and Melting Greenland: UN COP28 Screening Version, offering them for free public screenings worldwide without charging licensing fees, with the aim of raising awareness. ·Promoted the adoption of electric vehicles by offering free charging services to reduce CO2 emissions. ·Organized lights-off events to deepen environmental education and convey green values through products. ·Designed the O'right Green Headquarters to mimic natural wilderness, preserving rich plant ecosystems and biodiversity under the principles of "non-occupation" and "non-overcrowding." ·Encouraged mobile working and mobile payment systems to reduce commuting-related carbon emissions. ·Achieved 100% renewable electricity usage goal for the entire year of 2023. ·Became the first beauty company globally to implement "carbon pricing," valuing the natural resources consumed and embedding autonomous carbon reduction into its business model. ·Opened the Green Headquarters to visitors, sharing sustainability practices and conducting environmental education programs. ·Published regular brand reports, highlighting global sustainability insights and trends to enhance climate change awareness. ·Conducted regular carbon reduction assessments, encouraging stakeholders to contribute to green influence and increase sustainability awareness. ·Delivered speeches on "Green Innovation and Sustainable Transformation" at numerous international conferences. ·Advocated for the creation of "Climate Leaders" in schools to inspire students to actively engage in climate action.

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Sustainable Development Goal	SDG 14 Life Below Water 
Specific Indicators	14.1 Reduce marine pollution of all kinds 14.3 Minimize and address ocean acidification
Actions Taken	·Pioneered the 8 Free program, later upgraded to 16 Free, eliminating 16 harmful substances to the environment and human health by replacing chemicals with agricultural products, fostering eco-friendliness and health-conscious practices. ·Since 2017, all shampoo and body wash products have used 100% PCR (Post-Consumer Recycled) plastic bottles, preventing 6 million plastic bottles and pumps from polluting the ocean. ·Achieved a zero-wastewater milestone for its green factory operations starting in 2022. ·Committed to ten sustainability promises, including 100% renewable energy-powered production, 100% vegan-friendly products, no animal testing or animal-derived ingredients, and biodiversity protectio. ·Collaborated with suppliers to develop recycled packaging, creating the world's first traceable recycled bottle shampoo and the first recycled pump. ·Established a green supply chain system, sourcing raw materials from suppliers with over 80% plant-based ingredients and focusing on replacing chemicals with agricultural products to reduce chemical waste. ·Proactively disclosed the natural ingredient ratio of its products, achieving a 100% certification rate under the USDA Certified Biobased Product program. ·Represented Asian SMEs at the 15th UN Conference of the Parties (COP15) to the Convention on Biological Diversity in 2021, sharing best practices for biodiversity conservation. ·Adopted TCFD (Task Force on Climate-related Financial Disclosures) in 2022, integrating environmental and climate-related risks and opportunities into its operations. ·Delivered speeches at the UN Climate Summits (COP25–COP28) for four consecutive years, sharing corporate net zero transfor mation and carbon reduction strategies, and calling on businesses to take responsibility for natural ecosystems. ·Became one of the first companies globally to join TNFD (Taskforce on Nature-related Financial Disclosures) as a pioneer, committing to disclose nature-related financial risks under the TNFD framework by 2024.

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2.3 Analysis of Materiality

GRI 2-29、3-1、3-2、3-3

2.3.1 Materiality Assessment Process

O'right adopts the five principles of the AA1000 SES-2015 Stakeholder Engagement Standard to identify the primary stakeholders for its 2023 Corporate Sustainability Report and gather their key concerns regarding sustainability issues. The assessment process follows the GRI Universal Standards 2021, adhering to criteria such as accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Using these frameworks, O'right establishes a materiality assessment process to analyze the significance of impacts related to economic, environmental, and social dimensions. This analysis serves as the foundation for information disclosure in this report.

Identification and Impact Assessment

- **Stakeholder Identification**

CEO Steven Ko and members of the Green Council for Sustainable categorized stakeholders into 12 groups, including employees, consumers, channel customers, distributors, suppliers, contractors, shareholders, government agencies, local communities, non-governmental organizations, financial institutions, and the media. Considering factors such as the organization's "dependency, responsibility, influence, diverse perspectives, and tension" with these groups, O'right identified eight primary stakeholder categories: employees, consumers, channel customers, distributors, suppliers, contractors, shareholders, and local communities.

- **Collection of Sustainability Issues**

To comprehensively gather sustainability concerns, O'right referenced benchmark enterprises and adhered to global frameworks and international standards (GRI Standards, SDGs, CDP, TCFD, SASB) to define 17 sustainability issues. Based on these, a stakeholder survey was developed and distributed through various channels, collecting feedback and insights for further analysis by an internal project team.

- **Analyzing Stakeholder Concern on Sustainability Issues**

The working group conducted the O'right Stakeholder ESG Issue Survey to evaluate the level of concern among the eight primary stakeholder categories regarding 17 sustainability issues. A total of 1,286 valid responses were collected.

- **Assessing the Impact of Sustainability Issues on Operations**

The working group distributed the Corporate Operational Impact Assessment Form to senior management units within the organization. This evaluation assessed the organization's management of sustainability issues and their positive and negative impacts across six dimensions: financial performance, products and services, R&D investments, business operations, supply chain and/or value chain, and adaptation and mitigation activities.

- **Evaluating the Significance of Economic, Environmental, and Social Impacts**

Referring to the GRI Standards 2021 GRI 3: Material Issues Guidance, the working group further assessed the significance of sustainability issues in terms of their economic, environmental, and social impacts. This evaluation helped determine the breadth and depth of O'right's operational activities on these three dimensions.

Determining Material Issues for Reporting

- **Prioritizing and Selecting Material Issues**

Using results from the O'right Stakeholder ESG Issue Survey, along with analyses from the Corporate Operational Impact Assessment Form and the Economic, Environmental, and Social Impact Assessment, the materiality matrix was developed based on the double materiality principle. This matrix serves as the basis for prioritizing issues for reporting.

- **Defining Disclosure Content**

Five material Issues were aligned with nine GRI Standards and presented to the Green Council for Sustainable and representatives of the Board of Directors to confirm the content to be disclosed in this report.

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2.3.3 Quantitative Assessment Results

(1) Stakeholder Concern Survey

A survey targeting O'right's eight primary stakeholder categories collected a total of 1,286 valid responses. Weighted statistical analysis was conducted, and the results revealed the most significant issues in each dimension:

Corporate Governance: "Integrity in Business," "Technological Innovation and Product Safety," and "Governance and Performance" were the top concerns.

Environmental and Climate: "Achieving Carbon Neutral Products," "Climate Change Risk Assessment," and "Water Resource Management" were identified as the key issues.

Social Cohesion: "Occupational Safety and Employee Care," "Talent Training and Development," and "Talent Attraction and Retention" emerged as the most critical issues.



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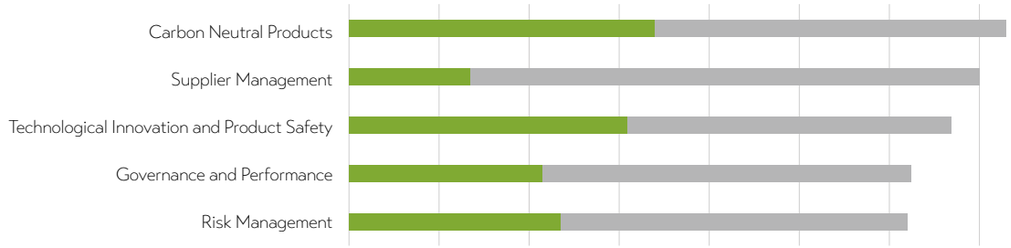
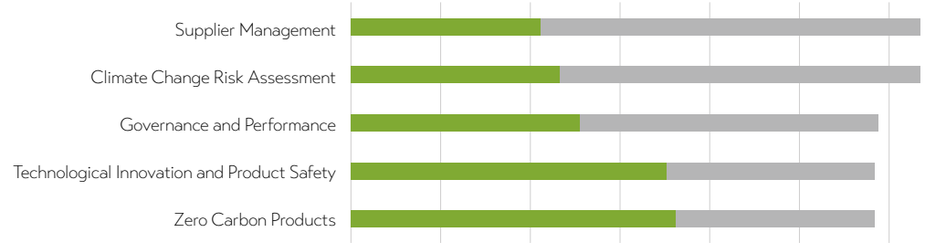
(2) Economic, Environmental, and Social (People) Impact Assessment

For each issue, the potential positive and negative impacts on the economy, environment, and society (people) were assessed based on the levels defined by the internal working group, rated on a scale of 1 to 3. The scores were consolidated by the working group and senior managers of the Sustainability Development Center, with the impact rankings for the three dimensions as follows:

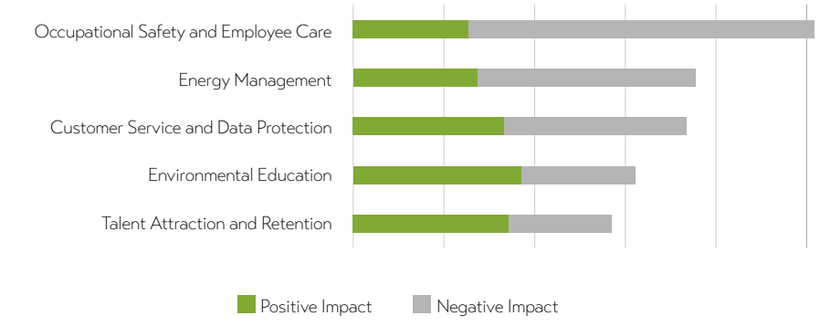
Top 5 Economic Impact Rankings



Top 5 Environmental Impact Rankings



Top 5 Social Impact Rankings



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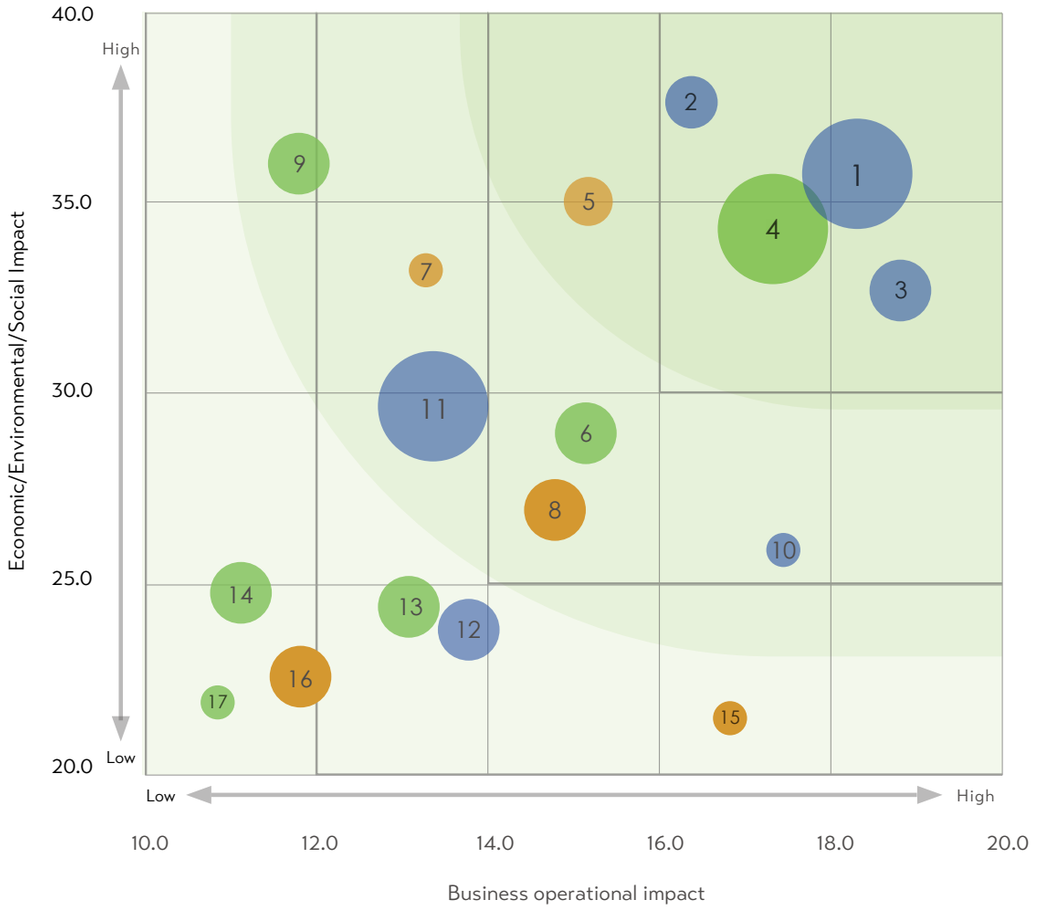
2.3.3 Materiality Matrix

O'right's materiality analysis matrix considers the principle of double materiality, evaluating the "impact on corporate operational development" alongside the "significance of the organization's activities on the economy, environment, and society." The matrix's various zones represent levels of importance, such as high, medium, and low, prioritizing Issues or events for internal decision-making and business operations to allocate resources effectively and implement appropriate measures.

Following the launch of the Melting Greenland environmental education documentary project, we successfully heightened internal and external awareness of "Environmental Education." Concurrently, consumer behavior in the market has increasingly shifted toward green consumption, leading to rising demand and expectations for green products. This shift has amplified the importance of issues such as "Technological Innovation and Product Safety," "Supplier Management," and "Carbon Neutral Products." These changes present significant opportunities for us to take more proactive steps in environmental protection and sustainable development.

We will continue to monitor market trends and respond to societal expectations for environmental conservation through ongoing innovation. By ensuring that our products and services align with environmental protection principles, we aim to lay a solid foundation for a sustainable future.



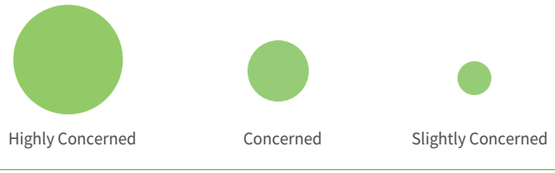
No.	Material Issues
1	Technological Innovation and Product Safety
2	Supplier Management
3	Governance and Performance
4	Carbon Neutral Products
5	Environmental Education

No.	Secondary Issues
6	Energy Management
7	Environmental Advocacy
8	Occupational Safety and Employee Care
9	Climate Change Risk Assessment
10	Risk Management
11	Integrity in Business

No.	Ongoing Focus Issues
12	Customer Service and Data Protection
13	Greenhouse Gas Emissions Management
14	Water Resource Management
15	Talent Attraction and Retention
16	Talent Training and Development
17	Waste Management

● Governance ● Environmental ● Social

Stakeholder Concern Levels :



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2.3.4 Value Chain Impact Assessment

Material Issues	Explanation of Materiality Reasons	Impact on the Value Chain		
		[Upstream] Raw Material Procurement	[Operations] Corporate Production and Manufacturing	[Downstream] Customers and Product Services
Technology Innovation and Product Safety	O'right integrates new technologies to develop competitive products, enhance production efficiency, and achieve environmental goals. Safety and transparency in procurement, manufacturing, product performance, and human safety are critical. Ensuring stable, compliant raw material supply prevents quality issues, mitigates risks, and safeguards reputation and financial health, building brand trust and consumer support. By focusing on these priorities and taking proactive measures, O'right gains a competitive edge while advancing sustainable development.	✓	✓	✓
Supplier Management	Supplier management is crucial to O'right, as neglecting it may result in product quality issues, supply disruptions, and reputational damage. O'right carefully selects suppliers, requiring adherence to standards and commitments to ensure raw materials and products meet its high-quality expectations. Procurement strategies directly impact costs and supply stability. Clear strategies and appropriate supplier and channel selection reduce costs, ensure reliability, and improve efficiency while minimizing inventory. O'right emphasizes supplier management by establishing clear procurement policies, implementing strict selection criteria, and conducting regular audits to secure quality, stability, and long-term sustainable growth.	✓		
Governance and Performance	Governance and performance encompass board oversight, governance structure and composition, corporate decision-making, and financial performance. O'right integrates sustainable development strategies into annual CS reports, embedding them in data management and transparent disclosures, shaping organizational growth and operations. While governance reforms may introduce uncertainty and increase costs, potentially impacting short-term financial performance, strong financial outcomes are closely tied to sustainability. Effective governance and clear strategies enhance operational efficiency, positively influencing financial results. For shareholders, robust financial performance builds confidence, attracts sustainability-focused investors, and delivers long-term returns.	✓	✓	✓

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Material Issues	Explanation of Materiality Reasons	Impact on the Value Chain		
		[Upstream] Raw Material Procurement	[Operations] Corporate Production and Manufacturing	[Downstream] Customers and Product Services
Carbon Neutral Products	O'right enhances its products' market competitiveness and consumer trust through green material procurement, lifecycle carbon footprint assessment, and verification to ensure compliance with carbon neutrality standards. These efforts reduce the environmental impact of manufacturing while actively promoting carbon-neutral products to drive green consumer behavior and meet the growing demand for eco-friendly products. Neglecting the importance of carbon-neutral products may exacerbate environmental issues, weaken market competitiveness, and invite criticism from consumers and the public. Energy management plays a crucial role in achieving carbon neutrality. Effective energy management reduces consumption, lowers emissions, and promotes renewable energy use, supporting the company's zero-carbon goals. Failure to prioritize energy management risks energy waste, increased costs, and negative environmental impacts, undermining product competitiveness and attracting public and regulatory criticism. O'right emphasizes energy management by optimizing energy costs and implementing energy-saving strategies to support carbon-neutral product initiatives and drive sustainable development.	✓	✓	✓
Environmental Education	O'right, driven by its sustainability vision centered on environmental education, actively engages in various green initiatives to raise public awareness of environmental issues. These efforts not only inspire widespread participation in environmental actions but also deeply influence the company's internal culture and values, advancing its sustainable development. O'right's commitment to environmental education underscores its dedication to social responsibility, enhancing its public image while securing resources and growth opportunities. Through participation in international initiatives and sustainability forums, O'right shares its experience in environmental education, fostering collaboration with global professionals to address environmental challenges. This enhances the company's global influence and accelerates the transition toward a greener future.	✓	✓	✓

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2.3.5 Major Issues Management Guidelines

Major Issues	Correspondence to GRI Guidelines	2022 Management Strategy and Actions	Key Performance Indicators	2023 Goal Achievement Status	Corresponding Chapters
Technology Innovation and Product Safety	301、416、417	To deliver high-quality, reliable, and safe products, we invest in R&D, collaborate with supply chain partners, and adopt new technologies. We ensure raw material safety and traceability to enhance product performance, efficacy, and sustainability. Rigorous testing and monitoring ensure compliance with all safety standards.	At least 6 new product developments annually (quarterly reviews at Smart Evaluation Meetings to assess cumulative progress).	Launched O'right | PRO, a professional hair salon product series. A total of 38 new products were developed in 2023.	3.2 Green Products 6.3 Ethics and Integrity 6.5 Customer and Product Safety
Supplier Management	204、308、414	The company implements procedures to regularly evaluate supplier compliance. Suppliers with ≥3 defects per quarter undergo on-site reviews. New suppliers are developed to diversify raw material sources, reduce risks, and strengthen supply chain stability. The goal is 85% green raw material suppliers by 2030.	Supplier delivery acceptance rate ≥ 96%.Develop at least 3 new qualified suppliers annually.	Supplier delivery acceptance rates: Q1: 99.51%, Q2: 99.85%, Q3: 99.11%, Q4: 99.72%. Conducted on-site evaluations for 3 suppliers in 2023. Developed 6 new raw material suppliers.	3.3 Green Supply Chain
Governance and Performance	201	Enhance board expertise in industry and business management. Regularly share relevant economic, environmental, and social information to support directors' roles. Emphasize governance and performance with a top-down structure and cross-functional team integration..	No incidents of dishonest practices.Board attendance ≥80%. Quarterly financial and operational reviews.	No incidents of dishonest or corrupt practices occurred. Board attendance rate reached 96%. Quarterly financial and operational reports were submitted to the board.	4.1 Climate Risk and Governance 6.1 Sustainable Governance
Carbon Neutral Products	301、302、305	Develop products aligned with vegan, gluten-free, non-GMO, and USDA Biobased-certified standards, focusing on high-sustainability products. Develop eco-friendly packaging using locally recycled materials to reduce natural resource extraction and waste. Achieve RE100 commitments and monitor energy use daily, promptly addressing abnormalities to improve energy efficiency.	At least 1 new eco-friendly low-carbon packaging development annually. Annual energy savings rate ≥1%.	Developed recycled material bottle caps applied to 16 products. Achieved an energy savings rate of 1.44%.	3.2 Green Products 4.2 Energy Management 4.5 Greenhouse Gas Emissions
Environmental Education	Custom Theme	To raise awareness and knowledge of environmental protection and promote sustainability, O'right collaborates with businesses, NGOs, and educational institutions on environmental education initiatives. The Melting Greenland project, launched by O'right with support from United Daily News Group, Vision Engineering Foundation, UN-accredited WCF, and RE100 Climate Group | CDP, advocates for climate action. O'right provides nonprofit screening rights for the documentary to organizations focused on climate issues, inspiring public attention to the climate crisis and driving collective action for environmental change.	The nonprofit environmental documentary Melting Greenland: UN COP28 Screening Version was publicly screened.In 2023, the goal was to engage 1,000 enterprises and 300 schools.The O'right Green Headquarters aimed to host 3,000 visitors for environmental education.	In April 2023, the Melting Greenland premiere was held, followed by filming in the Marshall Islands for the COP28 version, which was screened at the summit. Over 600 schools and 3,000 companies participated in public screenings, earning national recognition with the Environmental Education Award. The Green Headquarters welcomed 4,265 visitors for environmental education in 2023.	5.5 Environmental Education 5.6 Green Impact

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2.4 Stakeholders Engagement Table

Stakeholders	Significance to the O'right	Method and Frequency of Engagement	Issues of Concern	Effectiveness and Response of Engagement
Employees	O'right prioritizes employee growth, recognizing talent development as key to competitiveness and sustainable development	Internal Portal Announcements [Real-Time] Email, Phone, and Messaging Software [Real-Time] Employee Communication Mailbox [Real-Time] Internal Discussion Meetings [Regular] Labor-Management Meetings [Regular] Employee Satisfaction Surveys [Annually] Corporate Sustainability Report [Annually]	• Integrity in Business • Carbon Neutral Products • Occupational Safety and Employee Care	The company fosters a culture of proactive feedback, encouraging employees to voice their opinions. Regular satisfaction surveys identify employee needs and concerns, with actionable measures based on results. In 2023, 238 feedback items were received, focusing on compensation and communication. In response, the company adjusted salaries by 3-5% and provided 5.9 hours of training per employee to enhance skills and career growth. Continuing tradition, O'right's founder visited three employees' families, fostering family support and understanding. The founder believes family support enables employees to dedicate themselves fully, driving the company's vision of a "better, more beautiful" future.
Consumers	Committed to consumer needs, O'right offers healthy, green products, fostering trust and loyalty through ongoing communication and feedback	Official Website, Social Media [Real-Time] Email, Phone, and Messaging Software [Real-Time] ESG Mailbox [Real-Time] Brand Annual Report [Annually] Corporate Sustainability Report [Annually]	• Integrity in Business • Carbon Neutral Products • Occupational Safety and Employee Care	The company established communication channels via its website, social media, and customer service systems to interact with consumers, encouraging feedback and suggestions for timely responses. This year, the e-commerce platform and department store division received 205 and 689 survey responses, respectively, totaling 894. Most feedback focused on product and pricing issues, such as new product expectations and price discrepancies. Overall satisfaction improved from last year, with over 80% giving top ratings. We also promoted environmental initiatives like Earth Hour, the Melting Greenland documentary, and the "3-Minute Shower Challenge," inviting consumers to join carbon reduction efforts for sustainability.
Channel Customers	O'right values distribution partners' needs, collaborating to ensure timely supply, effective sales, and successful market promotion for win-win outcomes.	Email, Phone, and Messaging Software [Real-Time] Corporate Sustainability Report [Annually] Brand Annual Report [Annually]	• Integrity in Business • Carbon Neutral Products • Talent Training and Development	To maintain strong ties with distribution partners, relevant departments hold regular meetings, workshops, and training sessions to share product updates, market trends, and sales strategies while addressing partners' needs and challenges. Store visits reinforce the green brand's vision, positioning, and values. In 2023, 1,116 satisfaction survey responses were collected from salon customers, showing a 1.5% decrease in satisfaction, largely due to the transition to the O'right | PRO series, which required time to rebuild trust. Activities included a visit to the Green Headquarters for central Taiwan salon customers. The annual Earth Hour campaign engaged over 5,000 salons and 100,000 stylists worldwide in sustainability efforts.
Distributors	O'right builds stable partnerships with distributors, co-developing strategies to boost visibility and sales, driving growth and mutual benefits.	Email, Phone, and Messaging Software [Real-Time] Distributor Meetings [Ad Hoc] Corporate Sustainability Report [Annually]	• Integrity in Business • Carbon Neutral Products • Talent Training and Development	To boost distributors' recognition of O'right and foster collaboration, we promote green concepts via international social media and annual evaluation forms. We also run green marketing campaigns and share honors from international awards and certifications. This year, feedback from three valid questionnaires highlighted the need for enhanced product training, better promotional techniques, and more diverse marketing materials.

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Stakeholders	Significance to O'right	Engagement Methods and Frequency	Concerns Issues	Engagement Outcomes and Responses
Supplier	O'right ensures fairness and transparency with suppliers, pursuing high-quality raw materials that meet ethical, environmental, and social standards.	Email, Phone, and Messaging Software [Real-Time] Supplier Conferences [Ad Hoc] Regular Supplier Evaluations [Annually] Corporate Sustainability Report [Annually] Brand Annual Report [Annually]	• IIntegrity in Business • Narbon Neutral Products • Occupational Safety and Employee Care	O'right works with suppliers to promote a green supply chain, fostering partnerships through reports, LINE interviews, meetings, and evaluations. It has expanded its greenhouse gas inventory to include the value chain, aligning with zero-carbon trends. The company holds ISO45001 certification and invites suppliers to share and analyze technical capabilities, further strengthening supply chain resilience.
Partners/ Contractorsr	O'right partners with contractors to deliver efficient operations, driving growth and value creation.	Official Website, Social Media [Real-Time] Corporate Sustainability Report [Annually]	• IIntegrity in Business • Narbon Neutral Products • Occupational Safety and Employee Care	O'right shares updates with contractors via social media and LINE, fostering collaboration and understanding. Annual sustainability and brand reports highlight green initiatives and explore joint efforts to address net-zero challenges. The ISO45001 system reinforces the need for contractor oversight through engagement processes.
Shareholders	O'right addresses shareholder concerns through transparent governance, ensuring sustainable returns.	Email and Phone [Real-Time] Shareholders' Meeting [Annually] Annual Report [Annually] Corporate Sustainability Report [Annually]	• Governance and Performance • Narbon Neutral Products • Occupational Safety and Employee Care	O'right builds shareholder trust through general meetings and public reports, sharing updates on performance, strategies, risk management, and sustainability. With 10 ISO certifications, we follow international standards and adopt the TCFD framework to enhance risk management. Annual CS and brand reports disclose sustainability data and assess financial impacts, driving long-term growth.
Local Communities	O'right supports local communities, fostering inclusive relationships for sustainable development and responsible citizenship.	Official Website, Social Media [Real-Time] Messaging Software [Real-Time] Seminars and Site Visits [Ad Hoc] Corporate Sustainability Report [Annually]	• Technological Innovation and Product Safety • Narbon Neutral Products • Environmental Education	To strengthen local recognition of O'right, the company listens to community needs and concerns, delivering zero-carbon products during festive occasions and addressing special requirements. At Longtan headquarters, exclusive discounts on zero-carbon products are offered to nearby residents. O'right also promotes environmental education, encouraging community participation in Earth Hour and climate initiatives like the Melting Greenland documentary, building stronger connections and mutual support.

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2.5 Sustainability Initiative

CDP DRIVING SUSTAINABLE ECONOMIES	CLIMATE GROUP RE100
O'right has achieved the Management Level Certification in the CDP Climate Change evaluation and the Leadership Level Certification in the Supplier Engagement Rating (SER).	As a member of RE100 since 2018, O'right reached its goal of 100% renewable electricity usage in 2023, fulfilling its RE100 commitment two years ahead of schedule. This achievement makes O'right the first RE100 member in Taiwan to achieve 100% renewable energy usage before 2025.
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES	SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION | THE NET ZERO STANDARD APPROVED NET-ZERO TARGETS
In 2022, O'right adopted the TCFD guidelines to enhance climate-related risk management, building the company's resilience and adaptability to climate risks. The Green Council for Sustainable Development conducts quarterly reviews of potential risks and monitors mitigation measures.	O'right is committed to following the science-based carbon reduction pathway and has successfully passed the SBTi (Science-Based Targets initiative) 1.5°C target validation, becoming the first Taiwanese SME to receive this recognition. We pledge to reduce Scope 1 and Scope 2 emissions by 42% by 2030, based on the 2021 baseline, and actively inventory and reduce Scope 3 emissions. Furthermore, by 2045, we aim to achieve a 90% reduction in carbon emissions from the 2021 baseline, demonstrating O'right's unwavering commitment and leadership in sustainability.

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3.1 Green Building GMP Cosmetics Factory

Overview of Green Building Headquarters in 2023		
Factory	Green Building Headquarters	
Square meters (m2)	4,959 m2	
Total Power Consumption	444,965 kWh	
Annual Electricity Consumption per Square Meter	296.6 kWh	
Tesla Charging Station Power Consumption	15,598 kWh	
Annual Production Output	1,322,778 pcs	556.854 tons
Environmental Control	Controlled Areas and Clean Rooms	
Maximum Raw Material Water Purity	Ultra-pure water from 8 purified water sources	
Management System Procedures	ISO9001, ISO22716,GMP ISO50001, ISO45001, ISO14001, ISO17025, TIPS	



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3.1.1 Pure: Green Production Center

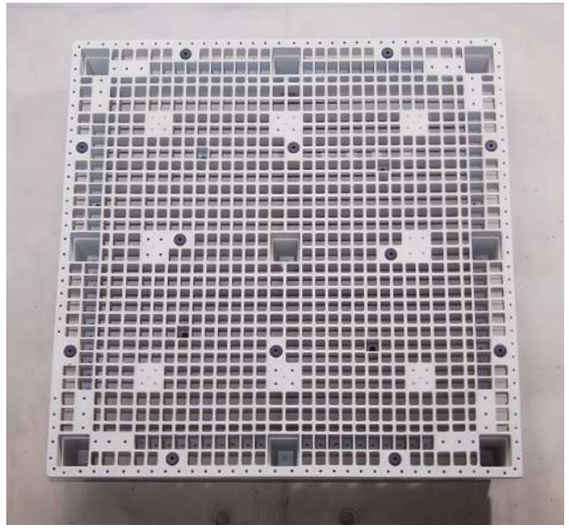
The O'right Green Production Center is constructed in harmony with the original terrain, with three-quarters of the first floor built below ground level to shield it from external environmental influences and minimize energy consumption. This design significantly reduces the need for air conditioning. An energy-efficient Makeup Air Unit (MAU) is installed, which sterilizes air using UV light before pressurizing it through ducts to clean areas. This system ensures a clean air cycle while prioritizing employee health.

Due to the delicate nature of cosmetics, where preservative-free products spoil within approximately seven days, preservatives play a critical role in ensuring product quality and safety. To maintain the highest standards of product quality and protect consumer health, the production area employs stringent contamination prevention measures. With an effective pollution control design, O'right achieves optimal preservation effects with minimal preservative use.

The Green Production Center incorporates eight key green design features, detailed as follows:

(1) Eco-friendly Pallets

The O'right Logistics Center and Green Production Center utilize eco-friendly pallets made from recycled plastic bottle caps. On average, each pallet is produced using 7,300 recycled bottle caps, enhancing the reusability of plastic caps. This initiative reduces the likelihood of caps drifting along coastlines and minimizes the risk of seabirds ingesting them, contributing to the protection of marine ecosystems.



(2) Two Main Areas

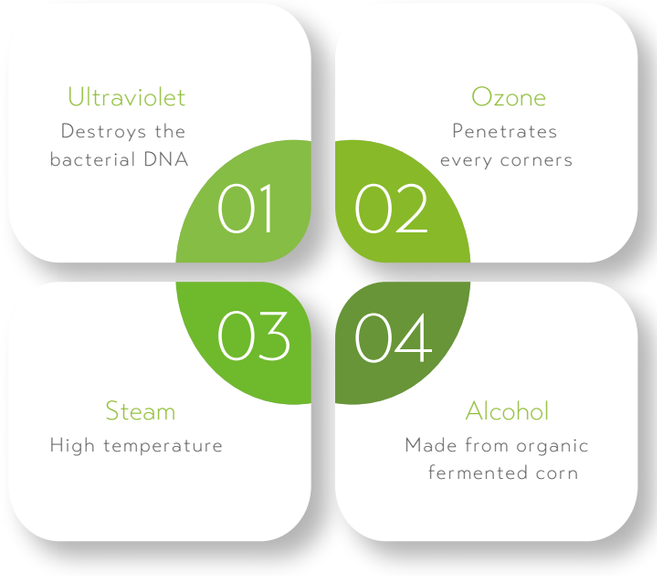
a. Controlled Area: Access is restricted through a fingerprint identification system, and air shower doors are installed to prevent external dust from entering, thereby reducing contamination.
b. Cleanroom: A high-tech production area designed to maintain extremely high cleanliness standards, ensuring greater product stability and reducing the use of p reservatives to a minimum.

(3) Three Energy-Efficient Designs

a. PCW Process Cooling System: Underground water tanks are used to minimize external temperature interference, reducing the operating hours of the chiller system. This setup lowers energy consumption during the production process, achieving energy-saving and carbon reduction effects.
b. External Air Heat Exchange System: By controlling intake air dampers, heat absorption is minimized, reducing the load on air conditioning systems and contributing to energy conservation and carbon reduction.
c. Rapid Cooling System for Semi-Finished Products: A heat exchanger is installed to quickly lower the temperature of semi-finished products from 80°C to 25°C. In addition to energy-saving benefits, rapid cooling ensures finer product particles, enhancing skin absorption.

(4) Four Sterilization Methods

To ensure product safety and prevent contamination, O'right employs four rigorous and natural sterilization methods for cleaning production equipment, machinery, and bottles: ultraviolet sterilization, ozone sterilization, steam sterilization, and alcohol sterilization using alcohol derived from organically fermented corn.



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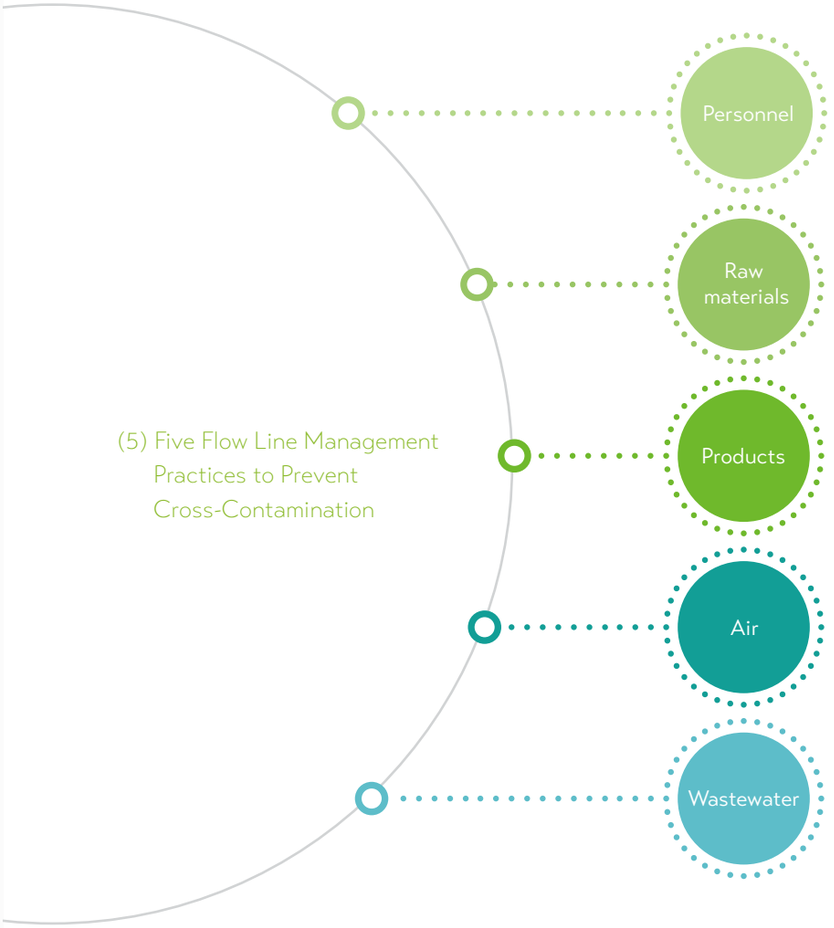

Personnel : People are required to wear a cleanroom suit, or bunny suit, before entering the cleanroom.An air shower is installed at the entrance to minimize particulate matter entering or exiting the controlled environment.

Raw materials : Material preparation workers follow product guidelines to prepare the materials and place them in the center of the buffer area. After informing the engineers to claim the materials, they measure the weight and check the items in the weighing room before delivering the materials to the emulsification room for production.

Products : Semi-finished products are first delivered to the waiting room. After quality assurance engineers make sure the products meet standards, they are sent to the filling room before being sealed and packaged.

Air : A fan filter unit is installed above the cleanroom, using a high efficiency particulate air filter to clean the indoor environment.

Wastewater : A human machine interface is adopted in the emulsification room. Engineers can manually operate the equipment to achieve automated production. The inside of the tank is made from SUS316 stainless steel. It is cleaned and sterilized with pure water and 121°C steam every time a product is manufactured.

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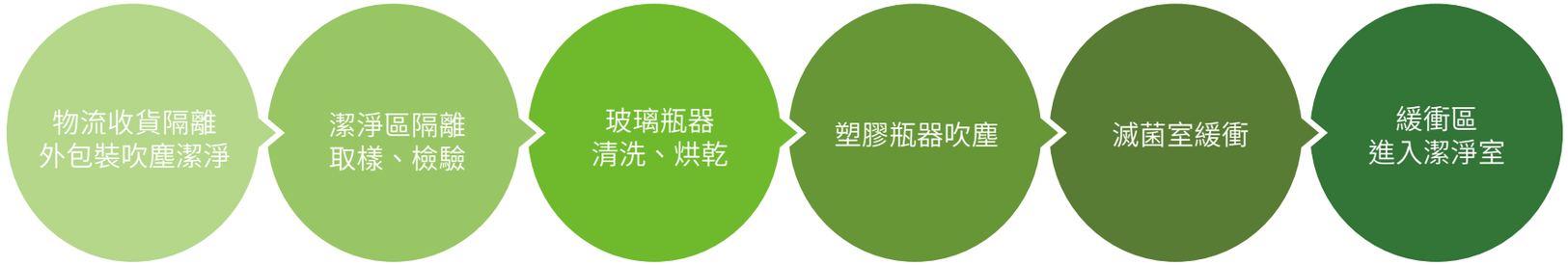
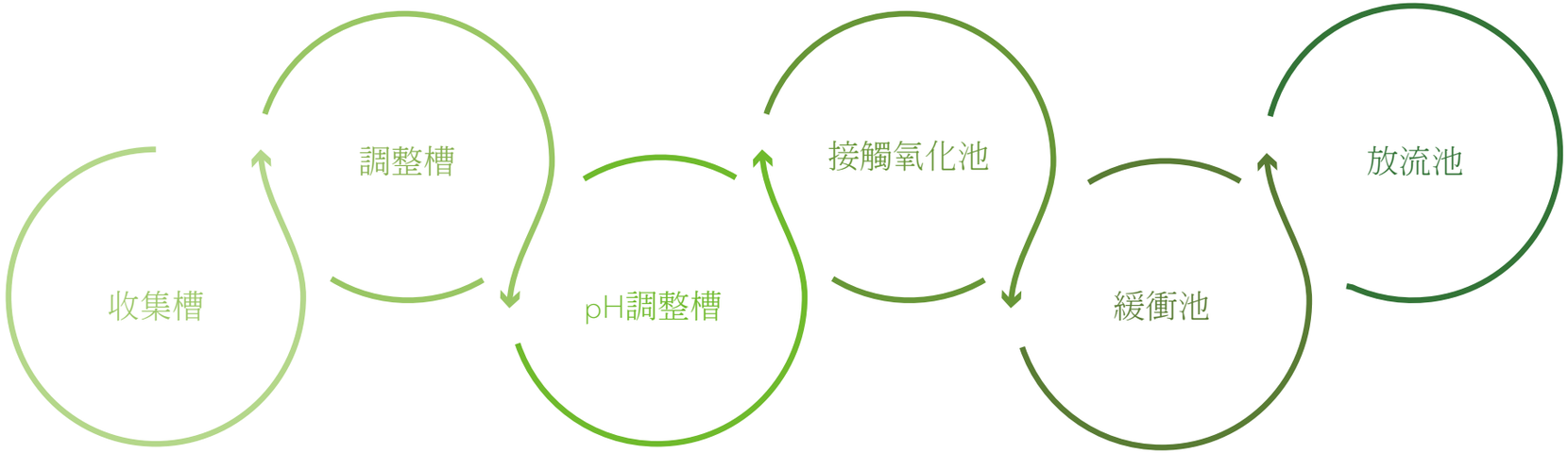
(6) Six Cleaning and Buffering Procedures Procedures



(7) Six Wastewater Treatment Ponds

O'right's end-of-pipe wastewater treatment facilities not only comply with the basic regulatory discharge requirements but also adhere to even higher self-imposed standards. To achieve this, the company has purchased its own testing equipment and conducts daily self-monitoring of key metrics for business effluent, both before and after treatment, ensuring stringent quality control.



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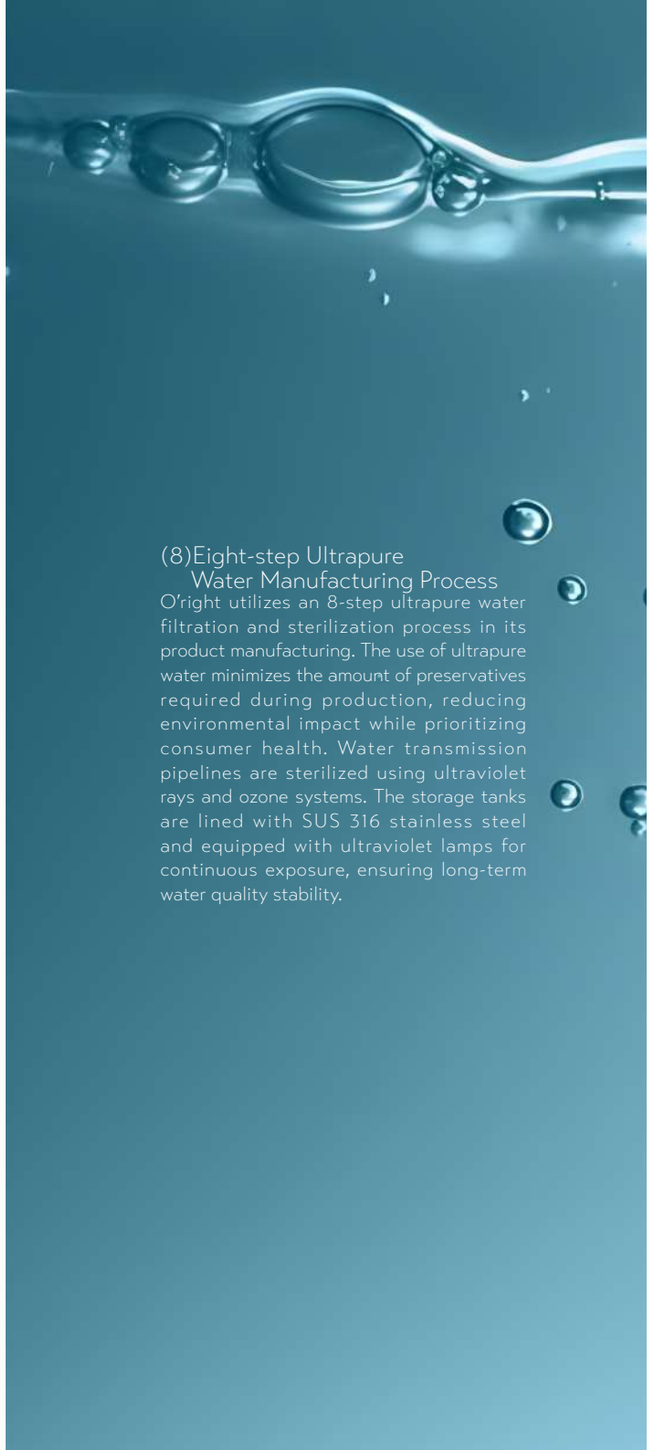

(8)Eight-step Ultrapure Water Manufacturing Process

O'right utilizes an 8-step ultrapure water filtration and sterilization process in its product manufacturing. The use of ultrapure water minimizes the amount of preservatives required during production, reducing environmental impact while prioritizing consumer health. Water transmission pipelines are sterilized using ultraviolet rays and ozone systems. The storage tanks are lined with SUS 316 stainless steel and equipped with ultraviolet lamps for continuous exposure, ensuring long-term water quality stability.

Step 1	01	Activated carbon filtration (removes chlorine)
Step 2	02	Water softening (transforms hard water into soft water)
Step 3	03	5-micrometer pre-filtration (contains 7 filter cartridges)
Step 4	04	RO membrane filtration
Step 5	05	Water purifying tower
Step 6	06	UV lamps installed inside the tank to circulate and sterilize ultrapure water
Step 7	07	5 UV lamps installed to enhance sterilization efficiency and ensure germ-free water quality
Step 8	08	0.2-micrometer absolute filtration (filters out even dead bacteria)

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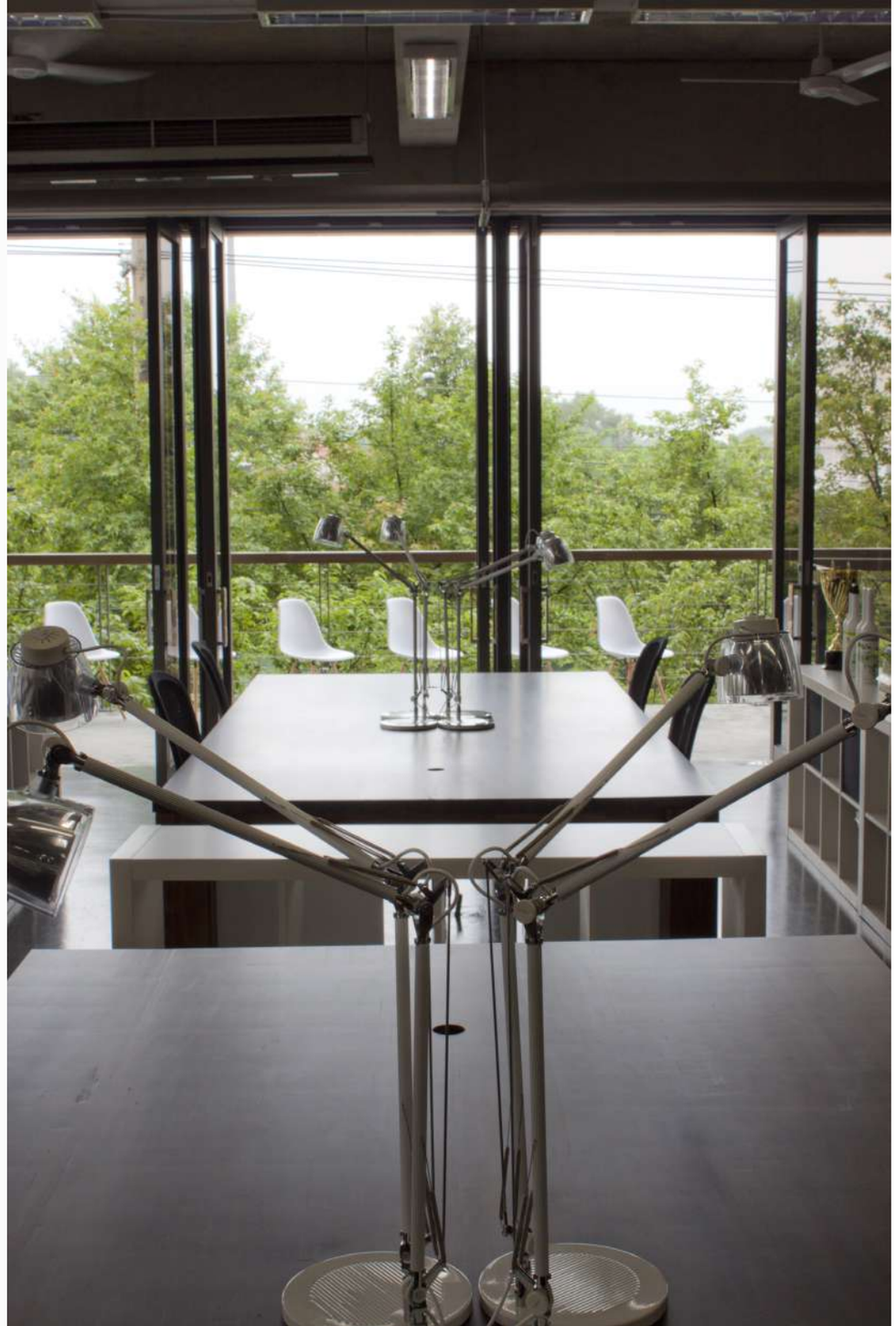

3.1.2 Eco-friendly: Low Carbon Office

To embody the spirit of a green corporation, the O'right Green Headquarters was designed with the principle of "environmental friendliness" at its core. The low-carbon office reflects O'right's respect for the environment and aims to share this value with employees and all visiting guests.

(1) Low Carbon Office

The low-carbon office serves as the primary workspace for employees, featuring a spacious layout, ample natural lighting, and a total heat exchanging system that circulates fresh outdoor air indoors to promote air circulation. This design provides employees with an eco-friendly and healthy working environment.

a. Open space office: The open layout promotes airflow, resulting in a lower apparent temperature even during hot summers, significantly reducing air conditioning needs. In 2023, air conditioning was used for only 225.65 hours throughout the year.
b. LED lighting: The entire building is equipped with LED lights, saving an estimated 8,258 kWh of electricity annually based on power consumption and the number of fixtures installed.
c.Total Heat Exchanging System and Smart CO2 Detector: The office ceiling is equipped with a total heat exchanging system and CO2 detectors. When indoor CO2 levels exceed 800ppm, the system automatically activates to bring in fresh outdoor air. This not only ensures employee health but also reduces air conditioning usage.
d. Zone power-saving system: Each desk is equipped with a master power switch that controls all electricity for that workstation. The last employee to leave is responsible for turning off the switch, eliminating unnecessary standby power consumption
e. Overhanging eaves: The balcony overhang design reduces the time the exterior walls are exposed to sunlight, indirectly lowering air conditioning demand.
f. Acacia wood modular desks: Acacia, a tree species native to Taiwan, is one of the most effective carbon sinks. Historically used for utility poles, leftover wood fragments were abundant. O'right repurposed these acacia wood pieces, using traditional joinery techniques without nails to create desks that are both aesthetically pleasing and environmentally friendly. This not only reutilizes discarded wood but also enhances the workspace, moving away from monotonous traditional partitions.
g. O'right uses Green Mark-certified printing paper: which contains 80% recycled paper to help conserve forest resources. Employees are encouraged to use single-sided recycled paper for printing informal documents.
h. Promotional materials and tissue paper at O'right are made from FSC-certified paper: which ensures legally harvested and responsibly managed pulp. This protects tropical and primary rainforests, maintains ecological balance, and upholds forest value. Sustainable, high-quality pulp from well-managed forests is more eco-friendly than recycled pulp.
i. O'right replaces kitchen paper towels with eco-friendly cloths made from recycled 600ml PET bottles.: Each cloth reduces carbon emissions by 25.2g, water consumption by 88.6ml, and oil usage by 0.52ml, aligning with the company's energy-saving and carbon-reduction goals.
j. Fabric products at O'right, including tablecloths: curtains, and staff uniforms, are made from recycled PET bottles. This reduces carbon emissions while promoting green awareness among employees in everyday life.

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(2) Eco-friendly Meeting Rooms:

The Green Headquarters features three meeting rooms named Earth, Home, and Seed, symbolizing the Earth as our home. Each meeting room is equipped with rectangular tables covered with eco-friendly tablecloths, with each tablecloth made from 42 recycled 600ml PET bottles. The Earth meeting room is also equipped with an independent total heat exchanging system and a smart CO2 detector. This system automatically monitors indoor CO2 levels and activates the total heat exchanging system to bring in fresh air from outside when CO2 levels exceed the standard.

(3) Water and Energy Efficient Foot Pedal Faucets:

Faucets are a key component of the Green Headquarters' water conservation efforts. Early in the building's planning stages, energy consumption was carefully calculated, revealing that the building required 40 faucets. While conventional manual faucets consume significant water resources and sensor-operated faucets seemed like a greener option, they were found to be energy-intensive. Sensor faucets run 24 hours a day, consuming approximately 5 watts per hour. With 40 faucets, this equates to 1,752 kWh of electricity annually (40 faucets × 5 watts × 24 hours × 365 days).

Since the building operates for only 8 hours a day over approximately 200 working days per year, the electricity wasted by sensor faucets would be substantial. As a more sustainable solution, O'right installed foot pedal-operated faucets. These systems require no electricity, saving approximately 1,752 kWh (17 million watts) annually, and achieve a water conservation rate of 65.5%.

Energy-Saving Comparison		
	Sensor-operated	Foot-operated
Energy consumption per faucet	5Wh/hr	0
Annual energy consumption per 40 faucets	1,752kWh/year	0
	Note: 1 kWh = 3,600 kJoule	



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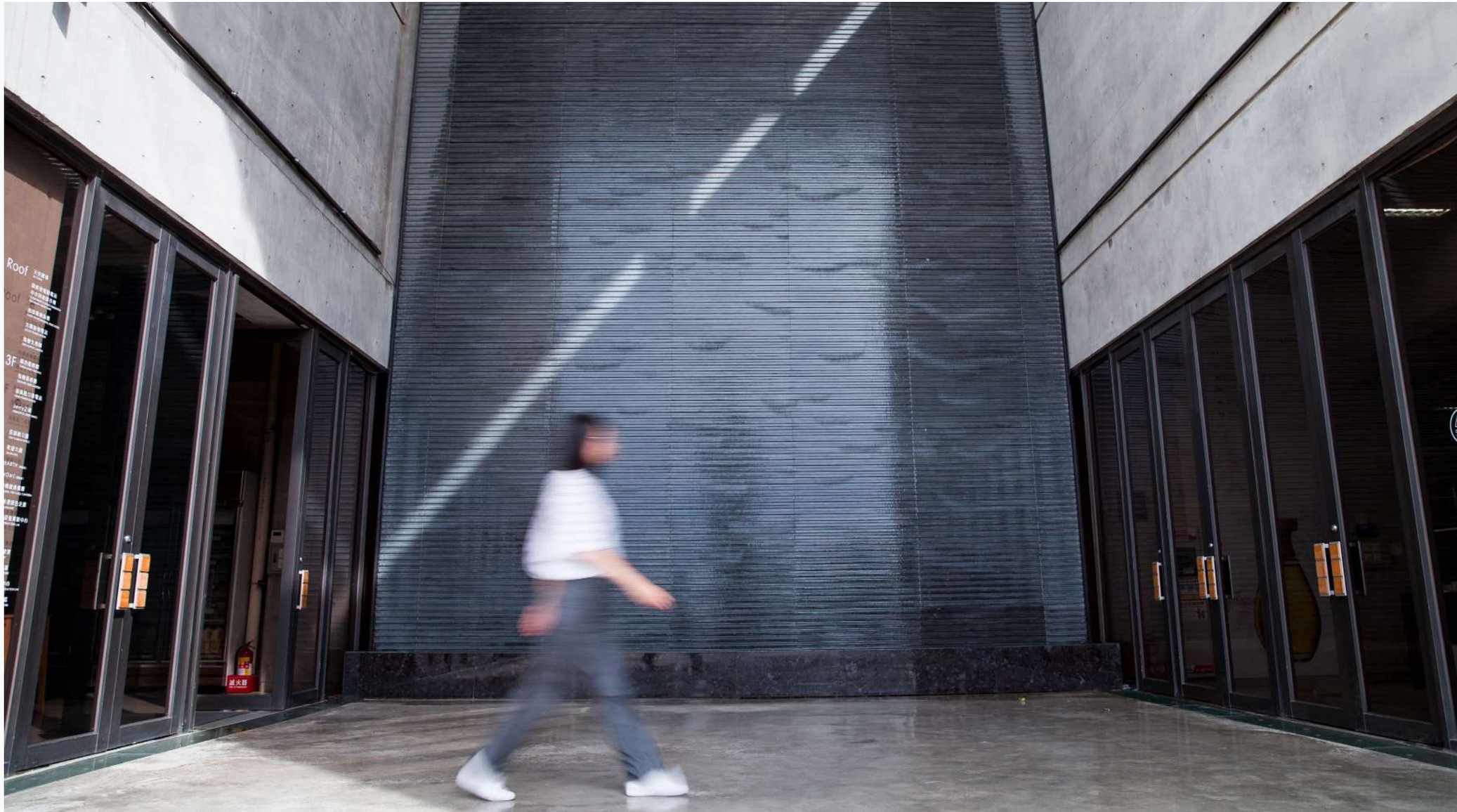
(4) Vision Hall

Vision Hall is located at the top of the stairs at the entrance to the Green Headquarters. Its high-ceiling design and unique architectural features create a buoyancy-driven ventilation effect, maintaining a cool and well-ventilated environment. Rainwater collected from the rooftop flows down the three-story-high scenic waterfall located at the back of Vision Hall. Utilizing the principle of hot air rising and cold air sinking, this system effectively lowers the temperature in Vision Hall and delivers a cool, slightly humid breeze into the office area.



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3.1.3 Energy-Saving Performance in the Office Environment :

Energy efficiency of air conditioning			
Year	2021	2022	2023
Electricity Consumption of the Low-Carbon Office Air Conditioning	10,692.90 kWh 43.6 x 245.25(hr)=10,692.9 kWh	6,938.94 kWh 43.6 x 159.15(hr)=6,938.94 kWh	9838.34 kWh 43.6 x 225.65(hr)=9838.34 kWh
Remarks	1 kWh = 3,600 kJoule. The air conditioner uses 43.6 kilowatts of electricity per hour. Data Source: Hsinchu Science Park Bureau, Ministry of Science and Technology: Environmental Protection Information Network of the Science Park		

(1) Daily Energy Saving(Air-conditioning):

The air conditioning system operates different capacities of chillers according to seasonal requirements, ensuring effective and comprehensive energy-saving results. In 2023, the air conditioning electricity consumption of the low-carbon office totaled 9,838.34 kWh.

(2) Indoor Health and Environmental Indicators

a. Glass Floor-to-Ceiling Windows: The office features three walls with large glass floor-to-ceiling windows, about half of which can be opened. These windows bring in ample natural light and cool outdoor breezes, creating a more comfortable indoor environment.

b. IInterior Building Materials: Over half of the ceilings and walls remain unadorned and unmodified, preserving their original state. All ceilings, walls, and floors are made of certified green building materials.

(3) Wastewater and Waste Improvement Indicators

a. Business Waste Incineration by Qualified Contractors:The laboratory operations generate infectious business waste. As the first hair and skin care company in Taiwan to pass ISO 11930 certification for preservative effectiveness testing, O'right has been committed to reducing the use of preservatives since 2016, maintaining the lowest levels required to ensure product quality and minimize environmental impact. All waste is currently disposed of by authorized incineration contractors.

b. Dedicated Waste Collection Areas and Sealed Sorting Bins:A designated waste collection area features sealed sorting bins with clear labels and color coding, along with a food waste recycling bin for centralized processing and reuse. This reduces waste and prevents hygiene issues caused by mixed garbage. Qualified contractors are responsible for waste removal and cleaning of the waste collection area. Additionally, a rainwater and wastewater separation system has been implemented to prevent cross-contamination and maintain environmental cleanliness.

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3.1.4 Natural Ecological Garden

According to the definition by the Architecture and Building Research Institute of Taiwan's Ministry of the Interior, green buildings are designed to prioritize human health and comfort while pursuing coexistence and mutual prosperity with the Earth, fostering sustainable development of human living environments. O'right's Green Headquarters emulates natural wilderness, striving to preserve rich plant ecosystems and biodiversity. Built on the principles of "no occupation" and "no overcrowding," the headquarters is designed without walls or fences, incorporating the green aesthetic of "returning land to nature."

This approach not only creates a beautiful environment but also integrates green concepts into daily life, enabling users to reconnect with nature and relearn harmonious coexistence. The green philosophy is fully demonstrated in four key indicators: greenery, soil water retention, water resource management, and CO2 reduction. Among these, three indicators exceed the standards set by Taiwan's EEWH green building evaluation system.

EEWHIndicator			
Item	Benchmark	O'right	Margin
Greenery	TCO_{2C}=250,920	TCO_{2C}=913,814	TCO2c=Total CO_2 O'right achieved a value 3.7 times higher than the benchmark
Soil water retention	Water originally retained is0.24	Water designed to retain is 2.48	The designed value is 10.3 times higher than the benchmark
Water resource	2.0	4.0	2 times higher than the benchmark



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(1) Greenery Indicator

a. Large Tree Planting: The Green Headquarters features a diverse and extensive distribution of greenery, with carefully planned planting to create layers and aesthetic appeal. It is home to 16 species of large and medium-sized trees, including cherry, camphor, maple, and bald cypress. Additionally, there are 600 shrubs, such as jasmine orange, Taiwan rhododendron, and golden dewdrop, as well as 100 vines, including Boston ivy and creeping fig. These native bird-attracting species and their tiered distribution fully embody the concept of ecological stratification, making a significant contribution to biodiversity conservation.

b. 10,000 plants: The main vegetation consists of Arachis duranensis, a hardy perennial that remains evergreen throughout the year. It is resistant to weeds and pests, requiring minimal maintenance to retain its lush green carpet-like appearance. This plant also helps the soil retain nitrogen and increases organic carbon content in the soil, enhancing its carbon storage capacity and contributing to climate change mitigation.

c. Green Corridor:The vertical garden spans 47.5 m^2 and is covered with high-carbon-absorbing plants such as Devil's ivy (Epipremnum aureum), Boston fern (Nephrolepis exaltata), and arrowhead vine (Syngonium podophyllum). This green wall serves as a natural air purifier, removing formaldehyde and other volatile organic compounds, while providing fresh, clean air and a vibrant natural aesthetic for employees and visitors. It is irrigated twice daily using rainwater and reclaimed water, with each session lasting approximately two minutes. The corridor also features three digital screens displaying climate-related videos and sustainability knowledge, offering visitors a comprehensive understanding of sustainability.





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d. Sky Farm: Located on the rooftop of the headquarters, the Sky Farm uses pebbles as ground cover to replace concrete, allowing for efficient rainwater irrigation. The farm features a bird habitat known as "Bird Habitat Garden," which preserves plants that existed before the bui lding's construction. During construction, the plants were temporarily relocated and later returned to their original habitat in consultation with the Society of Wilderness. Currently, the garden is home to 11 species, including Australian laurel, silvery messerschmidia, and Ceylon ardisia, re-creating the diverse flora of Longtan on the Green Headquarters' rooftop.

e. Organic Vanilla Garden: The Organic Vanilla Garden, located on the rooftop, mainly grows herbs used for infusions, such as Mt. Lemmon marigold. In 2023, the garden expanded its planting area to include more herb species, further enriching the garden's biodiversity.



(2) Soil Water Retention Indicator

The water retention function of a building allows water to remain underground rather than directly entering public drainage systems. Buildings with good water retention capabilities reduce the burden on public flood management and preserve soil ecosystems. The O'right Green Headquarters occupies a site area of 2,788 m^2, with 1,383 m^2 (49.6%) designated as water-retainable areas, including green spaces, ecological ponds, rainwater harvesting ponds, and rooftop gardens. The drainage system temporarily retains surface water, allowing it to infiltrate the ground rather than directly flowing into drainage pipes. Integrated permeable paving systems, including ditches, water channels, and rivers, enhance drainage and water retention efficiency, achieving a retention rate 10.3 times above the standard value.

(3) Water Resource Indicator

a. The toilets, sinks, and shower facilities are equipped with water-saving devices certified by the Water Efficiency Label.

b. The rooftop on the third floor includes a rainwater harvesting area of 1,123 m^2, ensuring the comprehensive collection and reuse of rainwater.

c. O'right employs three innovative water recycling systems:

Rainwater Recycling: Rainwater collected from the rooftop is used in sprinkler systems and the scenic waterfall to reduce the building's temperature. It is also used for aquatic plants and fish in the ecological pond.

Reclaimed Water Recycling: Reclaimed water from the ultrapure water production process, rich in minerals, is reused for watering plants and supplying the waterfall.

Wastewater treatment: Wastewater from the manufacturing process undergoes a series of treatment steps, including regulation, separation, hydrolytic oxidation, and sedimentation. The treated water is channeled into ecological ponds, supporting aquatic plants and amphibians such as small rain frogs, Rado's red frogs, and Günther's frogs, creating a vibrant natural ecosystem.

(4) CO2 Reduction Indicator

This indicator evaluates carbon emissions generated during the construction process, excluding equipment. Building materials are assessed based on two key factors: structural lightweighting and rationalized design. The O'right Green Headquarters achieved a carbon emission value of CCO_2=0.82, surpassing the standards set by EEWH. Continuous improvements and advancements will be pursued in the future to further reduce emissions.

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3.2 Green Products

O'right is more than just a hair and skincare company; it is a brand committed to benefiting humanity, society, and the planet.

To achieve comprehensive breakthroughs, we utilize renewable energy, green factories, and clean production processes in manufacturing. All product research and development (P2 Laboratory) and production (GMP) undergo SGS testing and have obtained over 10 ISO international certifications, adhering to our high standards of quality and safety. Additionally, O'right products feature a high proportion of naturally sourced, low-impact, high-performance ingredients. As the first company in Taiwan to receive the official USDA Certified Biobased Product certification, O'right is listed on the U.S. Biobased Products website, enjoying global recognition from one of the most credible official standards.

Through rigorous self-discipline and multiple international certifications, O'right has successfully established itself as a leader in green products. We provide comprehensive cleansing and care solutions for hair, skin, and body, offering consumers a green alternative for healthier lifestyles and environments.

GRI 301-2、416-1

Green management policies
(1) ISO 9001 Quality Management System
Natural, pure and eco-friendly.Quality is our life; brand is our soul.
(2) ISO22716/GMP Voluntary Guidelines for Good Manufacturing Practices (GMP) in Cosmetics
Prevent equipment contamination, manage production, quality assurance and warehousing, enhance product manufacturing quality.
(3) ISO50001 Energy Management System
Reduce energy consumption, constantly increase our energy efficiency, continue to invest in resources to achieve our goals, comply with laws and other energy-related requirements, improve energy performance in the design and maintenance of equipment and procure and use high energy-efficient products and services.
(4) TIPS Taiwan Intellectual Property Management Systems (TIPS)
Promote innovation development and avoid intellectual property infringement and strengthen organizational intellectual right perceptions and capabilities.
(5) ISO14001 Environment Management Systems
Environmental protection, employee engagement, energy saving and carbon reduction, green innovation and sustainability.
(6) ISO45001 Occupational Health and Safety Management Systems
Healthy and safety risks, legal compliance, hazard prevention, constant improvement and propaganda and communication.
(7) ISO17025 General Requirements for the Competence of Testing
Employee engagement, quality enhancement, constant improvement and customer satisfaction.

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O'right's main products include shampoos, conditioners, hair oils, hair tonics, styling products, and skincare items, with the 2023 launch of the O'right | PRO professional hair care series. Formulations prioritize sustainably sourced ingredients, replacing traditional high-risk and petrochemical components. Products transparently display the percentage of sustainable ingredients. In 2018, O'right fully transitioned to green formulations, setting industry innovation standards such as Vegan, Gluten-Free, and Non-GMO certifications. In 2023, the company introduced the 16 Free green R&D standard, eliminating 16 common high-risk ingredients and exceeding EU regulations with rigorous self-imposed requirements.



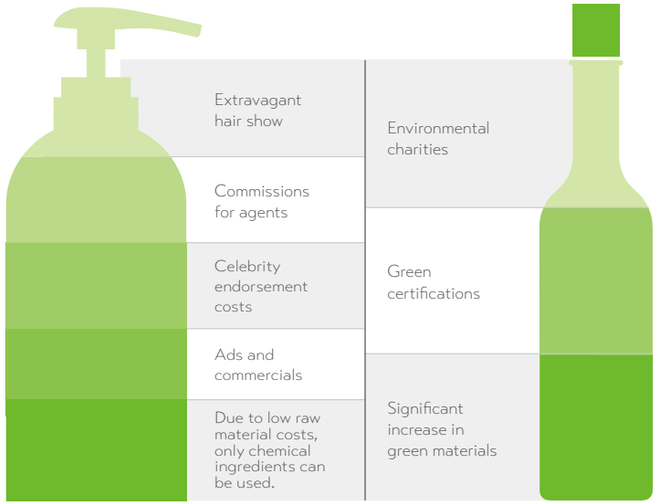
Non-GMO



無麩質



純素



Comparison between O'right and other hair brand products



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3.2.1 Extraction of Locally-grown Ingredients

To enhance green formulations, O'right has invested significantly in eco-friendly supercritical fluid extraction (SFE) machines, ultrasonic extraction equipment, and essential oil distillation systems to research botanical active ingredients. Locally sourced agricultural products and by-products, including organic tea leaves, bamboo leaves, goji berry roots, coffee grounds, coffee husks, and Kinmen sorghum distillers' grains, are used as research materials.
A carbon footprint analysis revealed that raw material sourcing contributes a significant proportion of emissions. Collaborating with local organic farms not only supports the development of Taiwan's organic agriculture but also reduces reliance on imported materials, thereby lowering carbon emissions associated with transportation.



3.2.2 Green Material Development

The O'right Plant Extraction R&D Center focuses on the development, safety, and functionality of product materials while advancing research into green ingredients. Guided by the principles of "natural, pure, and eco-friendly," the center strives to increase the proportion of sustainable components in products, achieving sustainability at the product level.
In compliance with the ISO 9001 quality management system, all O'right hair and skincare products follow a rigorous internal material development process, including stability, heat resistance, and packaging compatibility tests, with a 100% pass rate. Semi-finished products undergo tests for physicochemical properties, microbial counts, and pure water quality, meeting GMP standards for cosmetics with a 100% pass rate. Before product launch, each product must be registered with its information. Products sold in the EU or ASEAN markets undergo safety evaluations based on cosmetic regulations, calculating the Margin of Safety (MoS) using usage scenarios and ingredient toxicity data to ensure consumer safety throughout the product lifecycle.
In 2020, O'right earned the prestigious USDA Certified Biobased Product label from the U.S. government, recognizing its commitment to "Carbon Neutrality" green practices and defining its natural, eco-friendly products as the benchmark for "zero environmental impact." Consistently seeking third-party certifications, O'right ensures transparent information disclosure. By the end of 2023, 89 products and 4 ingredients had achieved USDA Biobased certification, affirming the company's dedication to green products and ongoing efforts to reduce carbon emissions for the planet.

USDA CERTIFIED BIOBASED PRODUCT
PRODUCT 100%
FP

O'right Products Fully Certified by USDA Biobased

O'right's products are certified under the USDA Biobased national standard, established by the U.S. government. This certification employs advanced Accelerator Mass Spectrometry (AMS) technology to analyze products, following the rigorous international ASTM D6866 standard to verify biobased content. According to ISO's guideline for natural and organic cosmetics, "ISO/TR 23750:2021," Carbon-14 biobased testing is recognized as a crucial scientific method for verifying natural sources.

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3.2.3 O'right 16 Free Standard

16 FREE

O'right has been dedicated to green R&D, leading the global industry since 2012 by introducing the 8 Free standard, which excluded eight common high-risk substances. In 2023, O'right elevated its commitment with the 16 Free green R&D standard, eliminating 16 high-risk ingredients and setting stricter requirements that exceed EU regulations.

All O'right hair, skincare, and scalp care products are free from: formaldehyde, gluten, glycolic acid, p-phenylenediamine derivatives, coral-harming sunscreen agents, ethylene oxide derivatives, microplastics or pearlescent agents, dyes or artificial pigments, phthalates, endocrine disruptors (nonylphenols), EDTA, chemical thickeners (DEA derivatives), animal-derived ingredients (Vegan), high-risk anti-dandruff agents (coal tar, ZPT), sulfate surfactants (SLS, SLES), and preservatives (MI, MCI, triclosan, triclocarban). These standards ensure a safe and healthy choice for hairstylists and consumers alike.

Looking ahead, O'right will continue to uphold its green philosophy of "natural, pure, and eco-friendly" by developing animal-friendly and vegan-certified products. The company is committed to replacing animal testing with alternative methods to verify product efficacy, using plant-based ingredients instead of animal-derived ones, and supporting animal conservation and welfare, creating truly green products.



ANIMAL
WELFARE MATTERS

The greatness of a nation and its moral progress can be judged by the way its animals are treated.
- Mahatma Gandhi

3.2.4 10 Sustainable Commitments

O'right believes that a truly green company must produce products in a green factory powered by renewable energy, supported by scientific carbon reduction data and verified through rigorous third-party certifications. With this vision, O'right has pledged 10 key sustainability commitments.
Since 2020, O'right has achieved organizational and product carbon neutrality for four consecutive years. Starting in 2022, the company reached its goal of 100% renewable electricity usage, fulfilling its RE100 commitment two years ahead of schedule. As the first RE100 member in Taiwan to achieve 100% renewable energy by 2025, O'right also surpassed its short-term Science-Based Targets initiative (SBTi) goal by seven years.
The O'right Green Factory is dedicated to clean production, achieving zero wastewater discharge, significantly reducing product carbon footprints. From the raw material sourcing stage, the company uses biodegradable ingredients, avoids endangered wild plants, and prohibits animal testing. Through third-party laboratory assessments, O'right ensures the use of sustainable natural components, supporting biodiversity .
O'right has consistently disrupted and redefined the beauty industry with its green, sustainable, and innovative core values.



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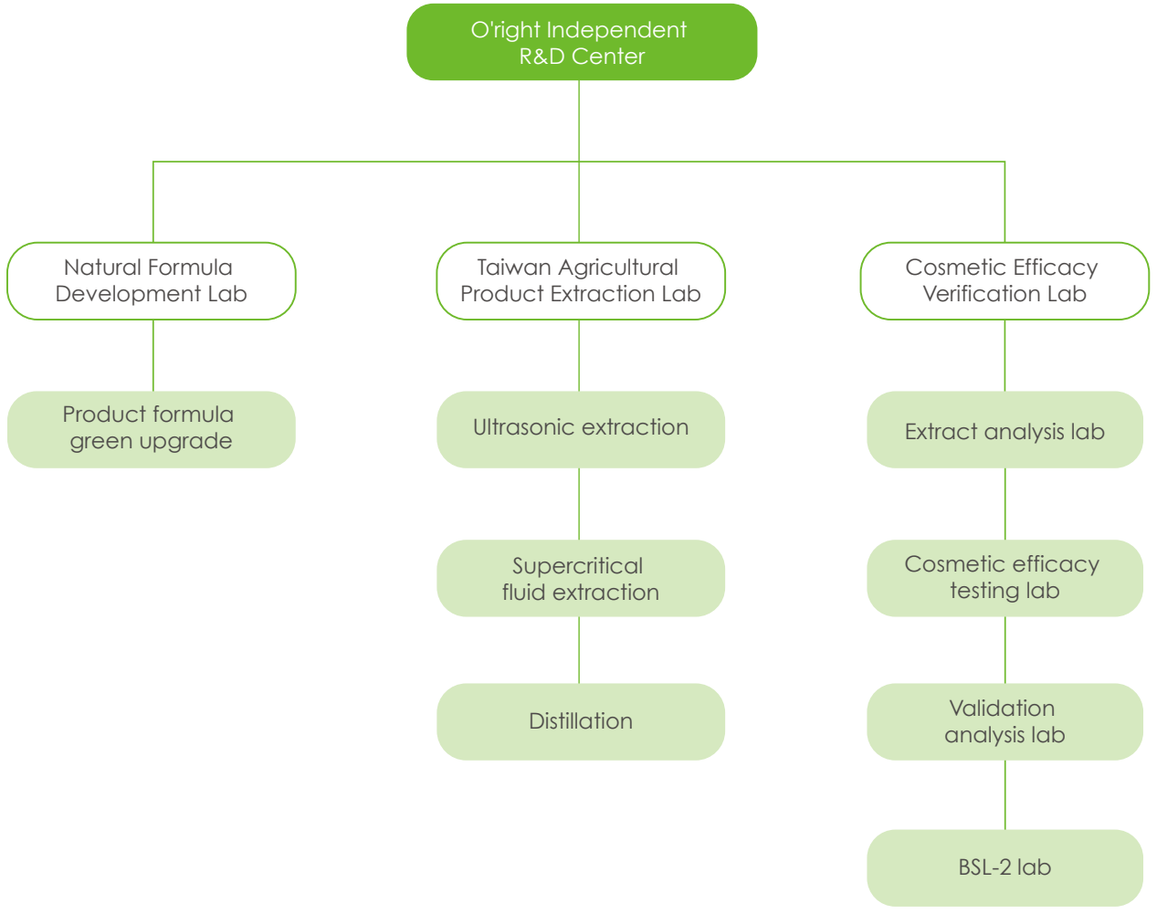
3.2.5 Independent Research Laboratories

To advance product innovation, O'right has heavily invested in building research laboratories. In 2015, the company became one of the few haircare and beauty companies in Taiwan to own three independent research laboratories. These laboratories specialize in plant extraction techniques and the study of active ingredients in local agricultural products, focusing on developing green and sustainable products that benefit both humans and the environment.

The laboratories include the Natural Formula Development Lab, Taiwan Agricultural Product Extraction Lab, and Cosmetic Efficacy Verification Lab. Together, they encompass the complete R&D spectrum of sustainable ingredient extraction, green formula development, and product efficacy verification, aiming to reduce the health and safety impacts of traditional cosmetics.



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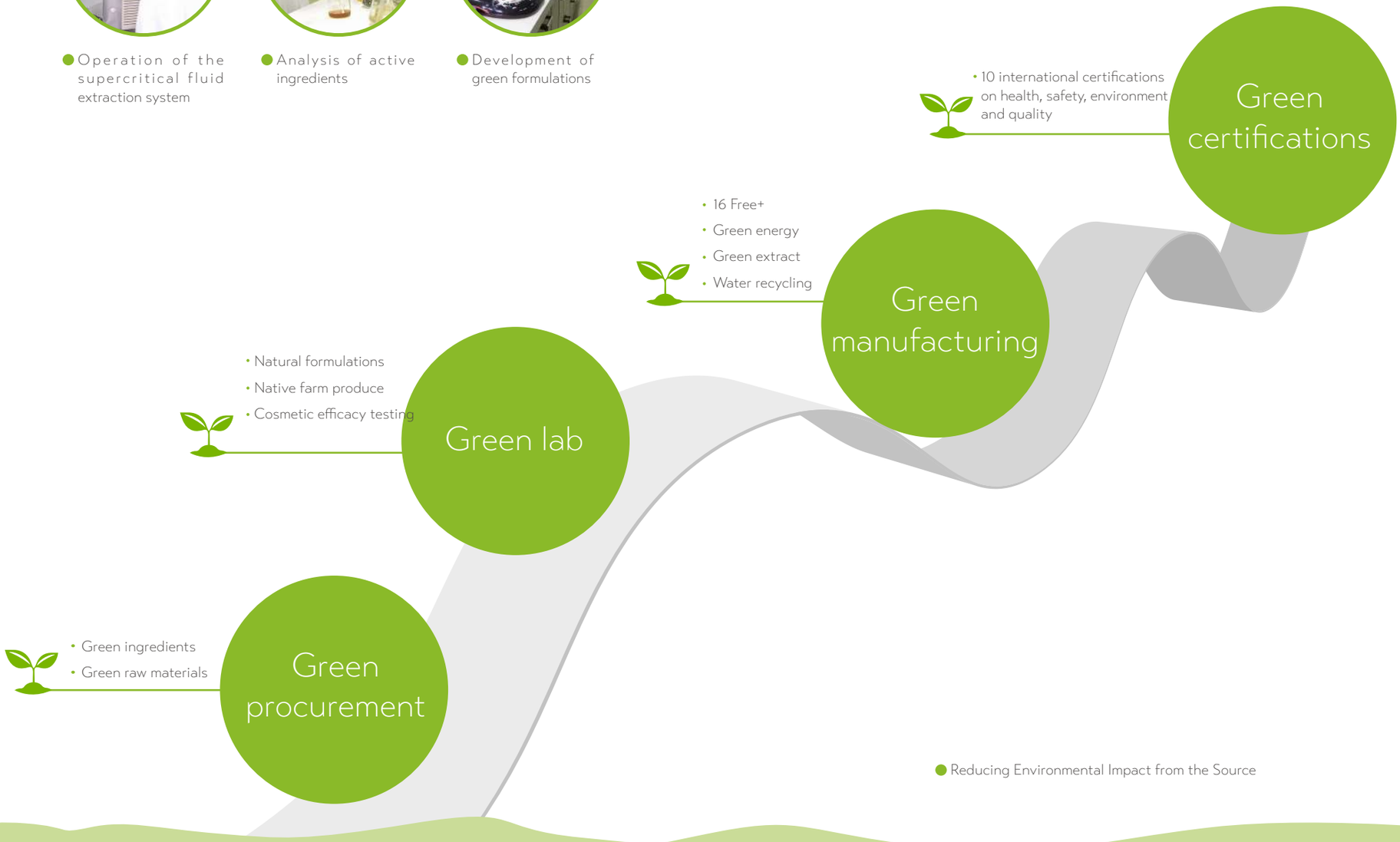
Operation of the supercritical fluid extraction system



Analysis of active ingredients



Development of green formulations



Reducing Environmental Impact from the Source

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(1) Natural Formula Development Lab

The Natural Formula Development Lab explores and experiments with various natural, organic, and low-impact ingredients to develop and upgrade green product formulas. The lab focuses on creating cosmetics that are more environmentally friendly and beneficial to humans.

(2) Taiwan Agricultural Product Extraction Lab

The Taiwan Agricultural Product Extraction Lab researches native Taiwanese plants and locally sourced agricultural products or by-products. Using eco-friendly ultrasonic and supercritical low-temperature extraction technologies, it extracts active ingredients for application in O'right products, enhancing the economic value of Taiwanese agricultural products.

a. Ultrasonic Extraction Machine

- Eco-friendly and energy-efficient process:
  Features short extraction times and eliminates the need for organic solvents.
- Preservation of active ingredients:
  Low-temperature extraction ensures higher purity and retains the active properties of plant ingredients.
- Superior extraction efficiency:
  Ultrasonic waves enhance extraction by penetrating deeply into materials.
- High-quality extracted ingredients:
  Produces molecules with small particle sizes, high permeability, and excellent solubility.

b. Supercritical Low-Temperature Extraction Machine:

- High safety standards:
  Non-toxic, ensuring greater biosafety.
- Complies with 3R principles:
  Implements Reduce (energy saving and pollution reduction), Reuse (multiple-use processes), and Recycle (sustainable resource management).
- Environmentally friendly:
  Uses carbon dioxide, a naturally occurring substance in the ecosystem, without disrupting the environment.
- Preservation of active ingredients:
  Low-temperature extraction prevents damage caused by high temperatures and avoids contamination from solvents, ensuring a higher concentration of active plant components.



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(3) Cosmetic Efficacy Verification Lab

The Cosmetic Efficacy Verification Lab comprises the Cosmetic Efficacy Testing Lab, Validation Analysis Lab, and BSL-2 Biosafety Laboratory. It focuses on analyzing and confirming the active components of plant extracts, testing product safety and efficacy, and examining the stability and preservation efficacy of green formulas. In November 2016, it became the first laboratory in Taiwan accredited under ISO 11930, and in January 2019, it was the first in the industry to pass certification for three skin efficacy tests.

a. Cosmetic Efficacy Testing Lab

This lab evaluates the safety and efficacy of cosmetics using a full-face skin aging analyzer and probe-based skin diagnostic tools to ensure optimal product performance. To replace animal testing, bionic skin testing is conducted following EU OECD standard methods to assess skin irritation, corrosion, and eye irritation.

b. Validation Analysis Lab

The lab performs multiple functions, including quantitative and qualitative analysis of extracts and active ingredients, product stability testing, and pre-treatment of equipment required for the BSL-2 lab.

c. BSL-2 Biosafety Laboratory (P2)

This lab studies and tests the antimicrobial activity of cosmetics to determine optimal preservation conditions, enhancing product safety and stability. Known as challenge testing or preservative efficacy testing, this process requires trained personnel experienced in handling pathogens. Certain operations must be conducted in Class I or II biosafety cabinets or other containment facilities, distinguishing it from general BSL-1 laboratories.

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3.2.6 Research Objective and Results

(1) Coffee Husk

In May 2016, O'right's research on extracting coffee oil using supercritical extraction technology was published in the journal Evidence-Based Complementary and Alternative Medicine, earning international academic recognition and showcasing the company's dedication to advancing research.

Using ultrasonic extraction technology, natural caffeine was extracted from coffee husks and incorporated into the formulation of scalp revitalizers. This natural hair growth factor not only ensures product safety and efficacy but has also become a highly acclaimed product, earning O'right numerous international awards.

In addition to developing green ingredients, this innovation has indirectly enhanced the economic value of agricultural by-products. The increased demand for caffeine-based products has further elevated the added value of agricultural resources, boosting farmers' overall income. Moving forward, O'right aims to continue aligning environmental sustainability with agricultural economic benefits, contributing to both green innovation and farming prosperity.

(2)Goji Berry Root

In October 2014, O'right's research on goji berry root extract for skincare and dermatology applications was published in the renowned British journal BMC Complementary and Alternative Medicine. This groundbreaking achievement marked a milestone for Taiwan's hair and skincare industry and highlighted O'right's dedication to R&D.

The research led to the development of the "Golden Goji Root" anti-aging product line, including the award-winning Goji Berry Age-defying Concentrate. Clinically proven by a study conducted at Hungkuang University, the concentrate enhances skin hydration and elasticity, improves skin brightness, and reduces melanin levels. It has earned prestigious honors, including the Geneva International Invention Award and the Taiwan Excellence Award.

O'right continues to invest in upgrading laboratory equipment, enhancing R&D capabilities through industry-academia collaborations, and elevating its research team's expertise. These efforts aim to provide consumers with the safest and healthiest green shampoos and skincare products.

(3) Natural Hinoki Wood Powder

O'right prioritizes the use of leftover natural materials in its products, such as finely ground Hinoki wood powder, to replace plastic microbeads. While plastic microbeads are effective for exfoliation, they turn into harmful microplastics after use, polluting the environment. In contrast, natural Hinoki wood powder not only provides excellent exfoliation but also absorbs oil, offering superior functionality while embodying the sustainable values of O'right's products.



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(4) O'right Toothpaste N° Zero

Oral health issues affect many people, making toothpaste an essential part of daily care. However, traditional toothpaste often contains abrasive agents that, while effective at removing stains, can harm gums. High-stimulation surfactants further hinder wound healing in the mouth. Despite over a century of toothpaste history, its ingredients have seen little improvement.

O'right's research team committed to excluding high-risk substances and creating a fully sustainable green lifestyle solution. After three years of development, O'right Toothpaste N° Zero was born. It combines sustainable beech and spruce cellulose to gently remove stains, while each tube includes 3 billion high-quality chlorella cells alongside essential oils from star anise, rosemary, clove, and spearmint. Enriched with plant extracts like licorice, yew plum pine, mint, wingleaf soapberry, and rapeseed, it delivers a forest-inspired, botanical fragrance and a healthy, eco-friendly oral care experience.

Staying true to the philosophy that everything can be reused, the toothpaste replaces traditional abrasives with sustainable wood cellulose. Combined with food-grade ingredients and natural essential oils, it offers a river-friendly formula that allows consumers to enjoy a healthy brushing experience while supporting environmental sustainability.

O'right Toothpaste N° Zero has earned the USDA Biobased certification, confirming 100% natural, renewable content. Its innovative formula has received accolades such as the Taiwan Invention Patent, the Sustainable Beauty Awards' Global Champion in Paris, and Japan's Good Design Gold Award.

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(5) Sorghum

In 2014, O'right partnered with Taiwan's National Chung-Shan Institute of Science & Technology and Hungkuang University to conduct in-depth research on the by-product of Kaoliang liquor: sorghum spent grains. This collaboration led to the exclusive INCI naming of the ingredient and a patented invention in 2019.

Leveraging sorghum extract, O'right launched the Beauty Ferment Hand Cream in 2020 and the Sorghum Radiance Banana Fiber Sheet Mask in 2021. The sheet mask features recyclable packaging, biodegradable mask fabric, and primary ingredients derived from agricultural by-products. With annual sheet mask usage in Taiwan exceeding one billion, coupled with massive export volumes, traditional sheet masks generate at least three types of non-biodegradable, non-recyclable waste: the sheet, the pearl film, and the composite aluminum bag.

Through collaboration with green partners, O'right pioneered a circular economy model to inspire industries to collectively reduce environmental impact. The Sorghum Radiance Banana Fiber Sheet Mask has won prestigious awards, including the Taiwan Excellence Award and the Paris Sustainable Beauty Product Award, showcasing its commitment to innovation and sustainability



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(6) Date Palm

In 2019, O'right was invited by a Saudi Arabian distributor to give a lecture, which led to a collaboration with Hungkuang University to study date palms. Although date palm kernels are agricultural by-products, the research team discovered they are rich in total polyphenols with remarkable anti-aging properties. In 2020, O'right published its findings in the influential international journal Antioxidants and registered the ingredient under the International Nomenclature of Cosmetic Ingredients (INCI).

In 2022, O'right developed the Caffeine Melanin Hair Tonic, enriched with natural date palm extract. This product penetrates deep into the scalp, effectively countering aging factors, nourishing hair, and restoring youthful vibrancy. Human scalp health assessments demonstrated a 30-70% improvement rate after use, with overall satisfaction exceeding 90%.

The Caffeine Melanin Hair Tonic has earned prestigious international recognition, including a Silver Medal at the Geneva Invention Exhibition, a Gold Medal at the Tokyo International Invention Exhibition, and the Global Sustainable Beauty Product Award in Paris, France.

(7) Moringa Seeds

Moringa seeds, often referred to as "seeds of the miracle tree," are renowned for their high nutritional value and multifunctional active compounds, marking a significant breakthrough in O'right's green ingredient development. This natural ingredient exhibits exceptional anti-pollution properties, effectively protecting the skin from environmental particulates while purifying and enhancing the skin's protective barrier. Rich in amino acids and vitamins A, C, and E, moringa seeds not only nourish hand skin but also provide excellent hydration, keeping the skin smooth and moisturized.

O'right has incorporated this natural ingredient into its Moringa Hand Wash Foam, which earned the Silver Award at the 2023 Taiwan Excellence Awards.

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Recyclable materials



Eco certified cartons



Product catalogs/ marketing materials



Natural materials



Eco labels



Air cushions



No PVC



3.2.7 Green Packaging Design

O'right incorporates the entire product life cycle into its packaging design process, striving to replace petrochemical plastics with green, organic materials and reduce packaging waste through sustainable alternatives. "Sustainable packaging" includes recyclable, reusable, or biodegradable materials, such as FSC-certified paper boxes, paper bags, and bamboo caps, as well as recyclable packaging like various bottles.

Minimizing excess packaging directly reduces waste and carbon emissions. In the design stage, we prioritize the 5R principles: Reduce, Reuse, Recycle, Repair, and Refuse (excessive packaging). We also consider materials, shapes, and structures to achieve "packaging reduction" for carbon reduction purposes, sharing these efforts on our official website and social media to foster consumer recognition and spread green values. Additional efforts focus on reducing carbon in related accessories by using green materials or cutting plastic usage, making packaging as environmentally friendly as possible.

In 2022, O'right implemented "de-plating" across all products. Plating, often used on cosmetics and skincare packaging for aesthetic appeal, generates toxic heavy metal-laden wastewater, strong acids or alkalis, and even cyanides during production. Improper handling of such waste risks severe ecological damage. Since plating offers no functional benefit to products, O'right advocates for de-plated packaging and encourages other brands to adopt this approach, reflecting our steadfast commitment to green values for a better world.

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3.2.8 Towards a Circular Economy

O'right collaborates with a green supply chain to process recycled plastics through complex procedures, including sorting, packing, crushing, gravity separation, blending, and pelletizing. Only after rigorous safety testing to confirm the bottles meet hygiene standards and are free of heavy metals are they approved for mass production.

Following the successful development of recycled bottles, widespread consumer support further motivated us to innovate. In 2018, we vertically integrated with Da Fon Environmental Technology and Living Fountain Plastic Industrial Co., focusing on the highly complex structure of pump heads. This collaboration resulted in the groundbreaking development of the world's first recycled plastic pump, once again establishing O'right as a leader in sustainable beauty.

Recycled packaging, which reuses plastic to achieve 100% plastic reduction, significantly reduces carbon emissions by eliminating the need for petroleum-based plastics. Despite the significantly higher production costs of recycled plastic granules, O'right embraces this investment as part of its commitment to environmental sustainability and core values. Since 2018, all O'right shampoo and body wash bottles, except for Tree in the Bottle, have been made with 100% recycled plastic. In 2019, we fully transitioned to recycled pumps across all product lines. These efforts have significantly increased plastic and carbon reductions in recent years.

- 2023 · 100% PCR Press Caps Replacing PLA Caps
- 2022 · Full Implementation Of De-plating Across All Products
- 2021 · Development Of Mono-material Recycled Refill Packs
- 2020 · Collaboration With Suppliers To Develop Mono-material Recycled Packaging
- 2019 · Complete Transition To Recycled Pumps For Hair And Body Care Products
- 2018 · Successful Development Of Recycled Plastic Pumps
- 2017 · Full Transition To Recycled Bottles For Hair And Body Care Products
- 2016 · Develop a 100% renewable plastic bottle with Da Fon Environmental Technology Co., LTD
- 2014 · Find suppliers specializing in recycled goods

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Item	Annual Procurement Weight	Recycled Plastic Usage Ratio	Emission Reduction from Recycled Packaging
HDPE Recycled Bottles	254,261kg	100%	511,065 kg CO_2e
PP Recycled Pumps	43,702 kg	83.70%	59,623 kg CO_2e
PET Recycled Bottles	23,844 kg	100%	56,987 kg CO_2e
Total	321,807 kg	N/A	627,675 kg CO_2e
Remarks	Recycled Plastic Usage Ratio: ＝(Total weight of recycled material used / Total material weight) x 100% Emission Reduction Formula: =(Carbon emissions from new plastic - Carbon emissions from recycled plastic) x Total weight of bottles x Usage ratio		

● 2023 O'right Recycled Packaging Carbon Reduction Statistics

Plastic Type	Carbon Emissions from New Plastic (kg CO_2e/kg)	Carbon Emissions from Recycled Plastic (kg CO_2e/kg)	Carbon Reduction Ratio for Recycled Plastic
HDPE	2.21 kgCO_2e/kg	0.20 kgCO_2e/kg	91%
PP	1.95 kgCO_2e/kg	0.32 kgCO_2e/kg	84%
PET	2.74 kgCO_2e/kg	0.35 kgCO_2e/kg	87%
Note	Source: Data on carbon emissions from "new plastic" and "recycled plastic" as announced by the Environmental Protection Administration (now Ministry of Environment).		

● Comparison Table of Carbon Emission Values between New Plastics and Renewable Plastics

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3.2.9 Moso Bamboo Sustainable Design

O'right's bamboo caps are crafted from Moso bamboo, designed as a minimalist yet stylish alternative to plastic pumps or electroplated plastic caps that are difficult to recycle. The bamboo caps retain the natural hues, delicate textures, and refined grains of bamboo, showcasing unique patterns and life marks that blend craftsmanship with green fashion trends. Representing uprightness and integrity, these caps embody O'right's dedication to treating the planet and customers with care. Each Moso bamboo product reflects O'right's sustainability efforts, encouraging consumers to embrace the concept of sustainability.

Beyond aesthetics and style, Moso bamboo caps significantly reduce carbon emissions compared to conventional plastic pumps made from virgin plastic. From 2012 to 2023, O'right's bamboo caps achieved a cumulative carbon reduction of 272,204 kg CO_2e, equivalent to planting 24,746 20-year-old trees.

O'right Bamboo Cap Carbon Reduction Effectiveness Table

Year	Procurement (pcs)	Total Weight (kg)	Carbon Reduction (kg CO2e)	Equivalent to Planting 20-Year-Old Trees (trees)
2023	223,651	1,972	17,731	1,612
2012-2023	4,876,465	30,279	272,204	24,746

Remarks:

- Carbon emissions per kilogram for plastic pumps: 11.52 kg CO2e
- Carbon emissions per kilogram for bamboo caps: 2.53 kg CO2e
- According to the International Forest Management Carbon Sequestration Benefit Analysis Report, one 20-year-old tree absorbs approximately 11-18 kg CO2e. The calculation conservatively adopts the minimum sequestration rate of 11 kg CO2e

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3.2.10 100% PCR Pump Cap

O'right is committed to providing zero environmental impact sustainable packaging. Considering the high-humidity environment of shampoo and body wash usage scenarios and adhering to the principle of mono-material design, all 400 mL shampoo and body wash products were upgraded to PCR pump caps in 2023. The pump cap design allows for easy one-handed operation, achieving 100% use of recycled materials for both the bottle and cap. Compared to caps of the same weight made from virgin plastic, carbon emissions are reduced by 84%.

Love the earth with eco-friendly caps

Pump





Disc top cap



PP



Bamboo cap



Bamboo Artistic and sustainable design



100% PCR Pump Cap



100% PCR Material
Lighter Weight, Lower Carbon Emissions



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3.2.11 Fren Bag

To reduce the use of plastic bags, O'right designed the "Fren Eco-Friendly Bag" to encourage consumers to reuse bags and minimize unnecessary waste. In 2023 alone, the Fren Bag replaced 286,110 plastic bags, bringing the total number of reduced plastic bags to 2,330,234 since 2013.

Plastic Bag Reduction Benets Table

Year	Plastic Bags Reduced (units)
2023	286,110
2016~2022	1,575,324
2013~2015	468,800
Total	2,330,234

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3.2.12 Green Resource Recycling

Climate change is not just an environmental issue; it is a critical challenge humanity must face together. The global 1.5°C warming crisis calls for collective action, with consumer lifestyles closely tied to daily carbon emissions. O'right is committed to carbon reduction and sustainability by integrating a "Supply Chain Recycling System" to reduce waste and promote resource reuse. Leading by example, we invite the public to join us in protecting the planet with the greenest energy. All O'right product packaging boxes are made from FSC-certified paper, ensuring sustainable forest management.

(1) On-Site Reusable Logistics Boxes

O'right uses reusable logistics boxes made from recycled plastic for internal transportation, replacing traditional paper packaging. These boxes prevent the annual consumption of approximately 53,884 packaging boxes, reducing carbon emissions by 4,155 kg annually.

(2) External Logistics Boxes

To address the waste from single-use packaging in e-commerce, O'right has designed 45 box sizes to match varying product shipping needs. The logistics boxes are made from over 80% post-consumer recycled paper, saving up to 5.3 kg of carbon emissions per kilogram of boxes. Additionally, the boxes feature convenient clasp designs to reduce the need for tape. O'right also uses plant-based adhesive tape made from starch, improving recycling rates and minimizing excess packaging waste.

(3) Supply Chain Recycling System

Through carbon footprint assessments, O'right identified opportunities to establish industrial recycling systems within the supply chain. This approach achieves both resource reuse and cost reduction, fulfilling corporate social responsibility while enhancing competitiveness. Since successfully developing 100% recycled bottles in collaboration with Da Fon Environmental Technology in 2016, O'right's recycling system has become more comprehensive. Consumers contribute by returning used bottles through existing recycling channels, reducing transportation carbon emissions. Recovered bottles are cleaned and remanufactured directly by the bottle supplier and reused by O'right.

O'right's Circular Recycling Mode
a. Recycled Empty Bottle Boxes
b. Recycled Finished Product Boxes

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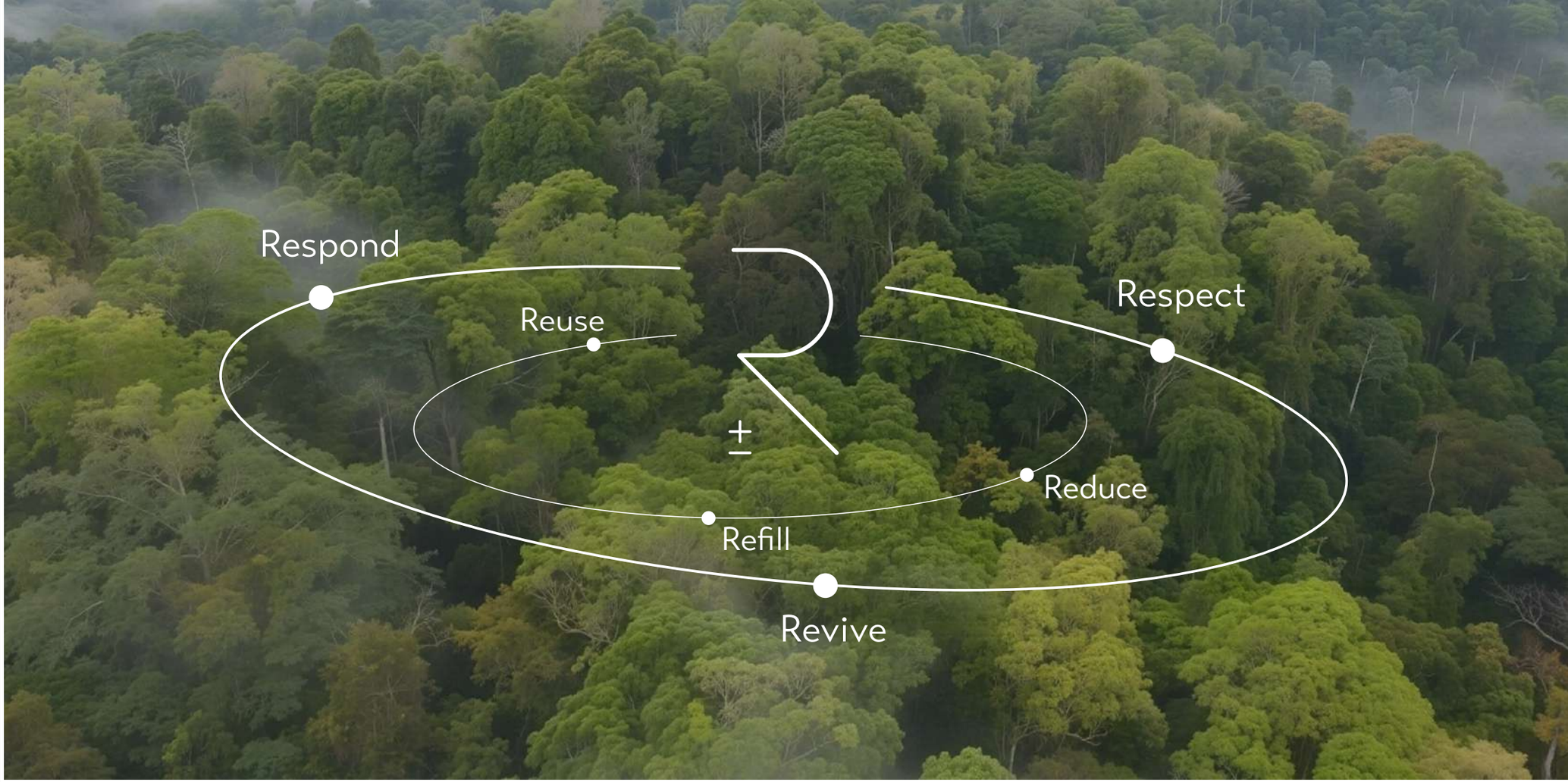

(1) ±R Plan

In 2021, the COVID-19 pandemic significantly increased the use of disposable masks and plastics, resulting in devastating impacts on greenhouse gas emissions and waste, which severely harmed ecosystems and wildlife. Drawing inspiration from examining societal and environmental issues, O'right continuously challenges itself to minimize its impact on the planet. Through the ±R Project, we accomplished two seemingly impossible missions: breaking the legal barriers to operating a package-free store and successfully developing the "single-material recyclable refill pack" that many manufacturers deemed unattainable. These achievements also serve to raise public awareness about net zero initiatives.

To inspire post-pandemic innovation, O'right launched the "±R Project," centered on three principles: Respond, Revive, and Respect. Built on the foundation of Reuse, Refill, and Reduce, the project integrates circularity from manufacturing to consumption, offering sustainable green choices that align with modern needs and demonstrate respect for all living things.

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a. Revolutionary Single-Material Recyclable Refill Packs

Traditional refill packs and mask packaging often combine multiple materials to meet requirements for moisture resistance, chemical durability, and oil resistance, making them non-recyclable and environmentally harmful after use. In collaboration with Da Fon Color Printing, a leading green supply chain partner, O'right developed the "R-Pack," a recyclable single-material PP refill pack. This breakthrough is a milestone in sustainable packaging, successfully mass-producing refill packs compatible with recycling systems.

Another highlight of the ±R Project is the R-Bottle, made entirely of 100% PCR (Post-Consumer Recycled) materials. With a lifespan of 5-10 years and capable of over 100 refills, the R-Bottle embodies O'right's commitment to harmonious coexistence with nature, offering sustainable solutions for the post-pandemic era. The ±R Project emphasizes "increased respect for all living things and reduced burden on both the body and the environment."



R-Pack

Revolutionary Innovation: Recyclable Packaging Leading the Green Supply Chain

Rede ning single-use composite materials,O'right and Da Fon Color Printing co-developed an eco-friendly,recyclable single-material PP packaging. Designed for seamless recycling, this innovation pioneers a new circular model.

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±R

Leading the Next Generation of Sustainable Design

Embodying O'right's core values of Green, Sustainable, and Innovative, we introduce Refilltechnology to enable Reuse and Reduce new plastic waste. + and -: Achieving Zero Impact in Harmony with Nature.



b. Robotic Filling and Mini GMP Plant: Eliminating Safety Concerns of Package-Free Stores

O'right incorporates advanced automation technology from Tuozhi Optomechatronics, applying food-grade filling systems to hair and beauty products. The process is fully automated, dust-free, and pollution-free, with deep cleaning through 100°C steam sterilization to meet regulatory and safety standards. This innovative approach ensures customers experience "Sustainable green consumption is a way of life.," inspiring respect for all living things and encouraging them to incorporate sustainable practices into their daily routines.

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GRI 204-1、308-1、414-1

3.3 Green Supply Chain

O'right is committed to a comprehensive green transformation of its supply chain, striving to minimize environmental impact at every stage—from production to recycling—while fully embracing corporate environmental responsibility to protect our planet.

Key Green Initiatives Include:

- Replacing petrochemical-based materials with green organic raw materials
- Using recycled packaging instead of virgin plastic or single-use packaging
- Employing green energy for clean production
- Sharing green transformation expertise to help suppliers upgrade and innovate
- Building a green resource recycling system
- Using eco-friendly electric furnace glass, replacing traditional fuel processes with electric methods, and incorporating recycled glass as raw material

Recognizing the accelerating pace of global warming, O'right understands the urgency of advancing corporate green practices. After implementing its own green strategies, O'right has taken steps to expand and amplify its green influence.
We have established stricter green procurement standards and invited suppliers to join us in building a harmonious green supply chain. Furthermore, suppliers are encouraged to sign a Supplier Code of Conduct to collectively ensure social and environmental responsibility is fulfilled, offering consumers our shared commitment to sustainability.



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3.3.1 Green Procurement

At O'right, we adhere to stringent standards in defining green materials, classifying only those with certified organic or natural ingredients, or those containing over 80% natural-origin content, as green materials. Through continuous improvement and innovation in product formulations and packaging, the proportion of green material procurement increased slightly from 60.43% in 2022 to 61.18% in 2023.

In terms of materials, O'right collaborates closely with suppliers to develop multiple MIT (Made in Taiwan) eco-friendly packaging solutions, ensuring green materials consistently account for over 45% of total material procurement, with gradual yearly growth. In 2016, we successfully developed 100% recycled bottles and recycled pumps. By 2019, all shampoo and body wash products had transitioned to 100% recycled bottles, further increasing the proportion of recycled materials in procurement.

In 2023, we advanced new materials and designs for product packaging. While the green material procurement ratio for packaging slightly decreased from 93.20% in 2022 to 89.40% in 2023, our commitment to sustainability remains unwavering.

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O'right prioritizes environmentally friendly products through green procurement, considering the entire supply chain, including raw material sourcing, production processes, and transportation methods, to ensure sustainability and environmental benefits. It also addresses social impacts, such as human rights, labor rights, and fair trade, selecting suppliers that meet social responsibility standards. O'right establishes robust monitoring and evaluation mechanisms to track environmental benefits and supplier compliance.

From the "100% Biodegradable Tree in a Bottle" to the "100% Recycled Bottle" and the world's first recycled pump, O'right collaborates with suppliers to achieve international green certifications for sustainable packaging. Every stage, from raw materials to manufacturing and usage, is carefully audited. These efforts focus on procuring low-impact, high-sustainability products and services, reducing environmental carbon footprints, driving supply chain sustainability, meeting consumer demands for sustainable products, and contributing to global sustainability goals.

Year	Green ingredients			Green raw materials				
	Total quantity procured (NTD)	Green ingredients procured (NTD)	Green ingredient procured (%)	Total quantity procured (NTD)	Green raw materials procured (NTD)			Green raw materials procured (%
					Biodegradable	Recyclable	Recovered	
2021	75,814,797	42,806,580	**56.46%**	53,232,542	7,611,105	24,067,793	15,732,447	**89.06%**
2022	76,144,865	46,017,980	**60.43%**	51,439,013	7,783,232	25,243,370	14,916,184	**93.20%**
2023	51,248,549	31,355,865	**61.18%**	40,870,089	7,906,066	16,954,757	11,676,664	**89.40%**
note	note： · Raw materials refer to product ingredients. From 2011 to 2013, green raw materials were dened as those with over 70% plant-based content. From 2014 onward, green raw materials are dened as organic or those with over 80% plant-based content. · Materials refer to packaging components, categorized into three types: biodegradable materials (PLA containers/accessories, bamboo products); recyclable materials (FSC-certied paper boxes, various containers/accessories); and recycled materials (shipping cartons, PCR materials). · Natural content in green raw materials: Natural raw materials often require petrochemical or organic/inorganic chemicals to modify properties and achieve desired eects. For instance, handmade soap contains natural oils							

● Procurement of green ingredients and raw materials

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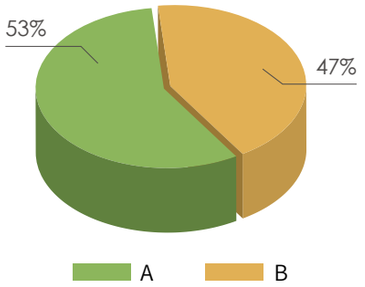
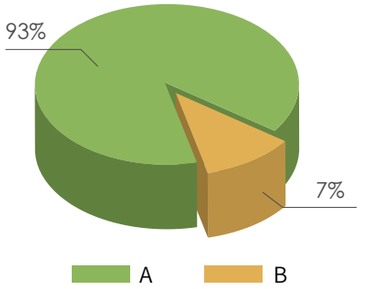
3.3.2 Supplier Management

Supplier collaboration is a crucial element in creating green and eco-friendly products. O'right's commitment, combined with suppliers' efforts, has resulted in the world's most sustainable hair and beauty products. To promote green practices with suppliers, O'right has established supplier management procedures. New suppliers are required to complete a "Supplier Evaluation Form," prioritizing those with initiatives in environmental protection, compliance with labor laws, and corporate social responsibility (CSR).

Suppliers are jointly assessed by the development, quality assurance, and procurement teams to determine qualification. Annual evaluations are conducted, covering quality, delivery, pricing, and service to ensure supplier standards are maintained. Suppliers failing to meet company requirements are classified as non-compliant, and procurement is discontinued.



2023 Annual Evaluation Results for Material Suppliers



2023 Annual Evaluation Results for Raw Material Suppliers

Supplier Evaluation Methods

Qualification Evaluation	Suppliers with third-party certifications may check this item, note the certification details, and provide relevant documentation for recordkeeping.
Sample Evaluation	Raw materials approved by the development team must have related approval records retained as evidence.
On-Site Investigation	The development team, together with quality assurance, procurement, and other personnel, conducts on-site inspections at supplier facilities to ensure adequate manufacturing and management capabilities for supplying quality products.
Historical Evaluation	Suppliers recognized as industry benchmarks or role models, widely acknowledged for excellence, may be exempt from evaluation.

Grade	Management Measures
A	Rated as an excellent supplier; prioritized for procurement in new product development.
B	Rated as a qualified supplier.
C	Rated as a supplier requiring improvement; procurement is suspended, and the supplier must propose concrete improvement plans.
D	Rated as a non-compliant supplier; procurement is terminated.

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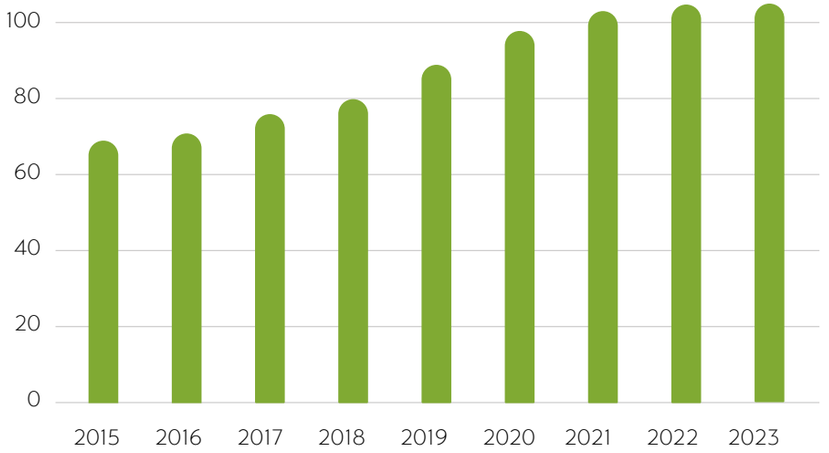
Since 2014, O'right has established the "Supplier Declaration on Corporate Social Responsibility Code of Conduct," incorporating social and environmental considerations into supplier assessments, along with labor rights, environmental protection, and other CSR-related areas. Suppliers are invited to comply with standards such as the prohibition of child labor, reasonable working hours and fair treatment, non-discrimination, occupational safety, public health, wastewater and waste management, hazardous substance control, resource conservation, fair business practices, anti-corruption, and information disclosure. The declaration also covers human rights, occupational and public safety, anti-corruption, and carbon reduction. Through this commitment, O'right collaborates with suppliers to implement CSR and jointly pledge sustainability to consumers and society.



Number of Suppliers Signing CSR Commitment Declarations

From 2015, new suppliers have been required to sign the CSR Code of Conduct, inviting them to join the green industry and contribute to a sustainable, eco-friendly supply chain that fosters a harmonious coexistence with nature. By the end of 2023, O'right had signed declarations with 110 raw material suppliers. The proportion of green suppliers continues to grow annually, with green raw material suppliers now accounting for 75.61% and green material suppliers reaching 84.44%. Overall, 80.03% of all O'right's suppliers are green. Moving forward, O'right will not only adhere to this code of conduct with suppliers but also aim to further increase the share of green suppliers.
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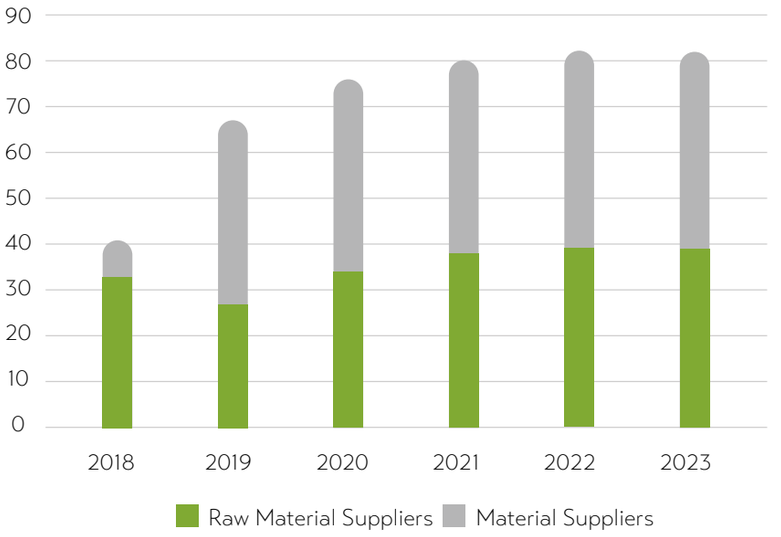

Green Supplier Statistics

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3.3.3 Local Raw Material Procurement

To support Taiwan's agricultural economy, enhance local industry competitiveness, and reduce transportation costs and greenhouse gas emissions, O'right collaborates with local suppliers, prioritizing locally sourced products and services. This approach underscores our commitment to regional economic support, social equity, and corporate social responsibility.

Additionally, we are dedicated to developing Taiwan's local green raw materials, establishing shorter supply chains to save energy, reduce transportation costs, and minimize greenhouse gas emissions from long-distance transport, thereby reducing environmental impact.
We actively source domestic raw materials that meet standards and invest in advanced botanical extraction equipment to derive active compounds from agricultural by-products such as coffee grounds, coffee husks, pineapple peels, goji roots, and sorghum distillers' grains. Concurrently, we strive to obtain USDA Biobased certifications, improving product quality while promoting agricultural development and exploring new possibilities for agricultural waste.
Our ongoing efforts aim for all future raw materials to be third-party certified, such as organic certifications (EU COSMOS, ECOCERT, USDA Biobased), and FSC-certified paper materials, ensuring both product quality and sustainability.

Year	Local Procurement Amount		Total Procurement Amount	Overall Local Procurement Ratio
	Raw Materials	Materials		
2021	1,671,200	43,641,902	129,047,339	35.11%
2022	1,588,150	41,989,270	127,583,878	34.16%
2023	2,227,200	29,081,036	31,308,236	33.99%
Note	Local procurement refers to raw material suppliers based in Taiwan.			

● O'right Local Procurement Ratio for Raw Materials (Unit: NTD)

(Unit: NTD)Materials (Unit: NTD)

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4.1 Climate Risk and Governance

GRI 201-2

The IPCC report shows that surface temperatures in the past three decades were warmer than any since 1850. In the Northern Hemisphere, 1983–2012 was likely the warmest 30-year period in 1,400 years. To sustain operations, O'right assesses climate risks, plans adaptations, and takes proactive action.

Though not a major emitter and unregulated by domestic climate laws, O'right is affected by climate change, a present reality shaping our future. We focus on reducing waste, cutting energy use, lowering our carbon footprint, and advancing sustainability across the value chain. Through green products and campaigns, we raise awareness of climate action among customers and partners.

Governance

Board of Directors: Chaired by the CEO , the highest governing body for climate-related matters.
Green Council for Sustainable Development: Co-chaired by the CEO , General Manager, and Chief Sustainability Officer, focused on strengthening sustainability efforts, fostering innovation, and enhancing corporate green value in climate and environmental initiatives.
Sustainability Community: Led by the Sustainability Center, it drives carbon reduction and environmental advocacy, integrates climate responsibility into regular discussions, and supports the planning of short-, mid-, and long-term net-zero targets.

Strategy

Key Climate Risks
- Regulations: Implementation of carbon pricing mechanisms
- Technology:Transition costs for low-carbon technologies/services
- Long-term Physical Risks:Changes in precipitation patterns

Key Climate Opportunities
- Market:Shifts in international compliance trends and consumer preferences
- Products and Services: Development and expansion of low-emission products and services

Risk Management

Risk Management Policy
O'right's risk management policy emphasizes early detection and proactive prevention. It includes a framework for risk identification, assessment, and prioritization, along with procedures for mitigation and monitoring, aiming to reduce organizational risks and uncover potential opportunities. Through stakeholder surveys, the policy identifies key concerns and emerging risks. Major risks are evaluated via internal and external assessments, followed by tailored control measures, such as enhanced monitoring, internal controls, operational adjustments, or new policies. Risk controls are regularly reviewed and monitored with relevant indicators to ensure effectiveness.

Goals and Metrics

Control measures are implemented for issues scoring above 6, with mid- to long-term goals and monitoring indicators set for critical issues scoring 9, ensuring regular tracking and management.

	Indicators	2030 Targets	2050 Targets
Key Climate Risks			
Carbon pricing mechanism	Carbon Emissions (Baseline Year: 2021)	Reduce Scope 1 and Scope 2 emissions by 42%	Reduce Scope 1, Scope 2, and Scope 3 emissions by 90%
Low-carbon technology/ service transition costs	Renewable Energy Usage	Achieve 100% renewable energy use and improve energy efficiency by 30%	Achieve 100% renewable energy use and improve energy efficiency by 50%
Key Climate Opportunities			
Development and/ or Expansion of Low-Emission Products and Services	Green ProductDevelopment	Develop 20 green/low-carbon products	Develop 50 green/low-carbon products
Consumer Preference Shift	USDA Biobased Certification	Increase certifications for 20 products	Increase certifications for 50 products

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GRI 302-1、302-2、302-4

4.2 Energy Management

O'right is dedicated to enhancing energy efficiency, reducing energy consumption, and promoting renewable energy adoption to minimize greenhouse gas emissions and reliance on traditional energy sources. The main production facilities utilize fossil fuels (e.g., diesel, liquefied petroleum gas) and purchased electricity. Fossil fuels are used for emergency generators, diesel vehicles, and LPG-powered boilers for production.

By the end of 2023, O'right replaced gasoline-powered vehicles with electric ones, significantly reducing gasoline consumption. From 2020 to 2023, gasoline usage decreased by an estimated 8,339 liters (equivalent to 272,144,933 kJ). Plans to phase out diesel logistics vehicles within three years are under evaluation. Additionally, O'right employs wind and solar power generation for manufacturing processes, reducing carbon emissions across product life cycles.

As a member of the RE100 renewable energy initiative since 2018, O'right committed to 100% renewable energy by 2025. In 2019, 27.44 KW of green energy equipment was installed, with over one-third of the headquarters' rooftop covered in solar panels. By 2022, renewable energy use increased to 49% following a green electricity procurement agreement, and since December 2022, the company has achieved 100% renewable energy usage, maintaining this throughout 2023.

O'right also raises energy-saving awareness through educational campaigns, encouraging employees and stakeholders to participate in energy conservation efforts. Its clean energy generation panels are publicly showcased, serving as an environmental education tool and demonstrating O'right's commitment to sustainable energy use, ensuring environmental responsibility and positive social impact in its energy practices.



● O'right actively supports the RE100 initiative, achieving 100% renewable electricity usage throughout 2023

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4.2.1 Energy Use and Performance Management

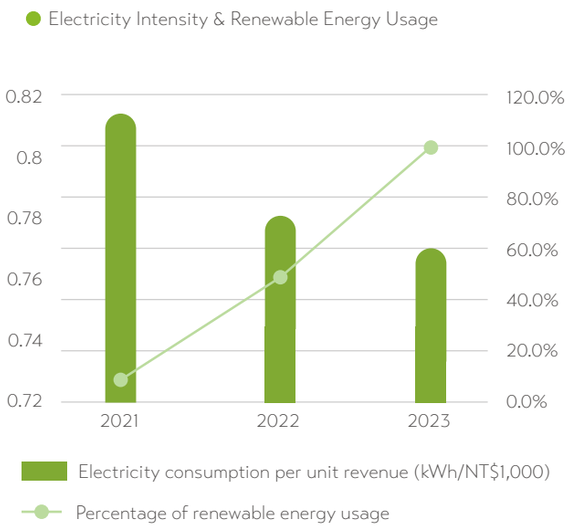
Effective energy management is vital for corporate sustainability. By implementing energy management strategies, organizations can monitor energy usage, identify opportunities for savings and emission reductions, and develop measures such as adopting renewable energy, improving efficiency, and optimizing energy use. These efforts reduce costs and reliance on external energy supplies.

Energy Management Performance

2023 Target	2023 Achievement	Reduction Measures
Reduce total electricity consumption by **1%** compared to the previous year.	Achieved a **1.44%** reduction in electricity consumption.	Energy management focused on controlling electricity usage for the chiller system. During summer, the 80-ton chiller was utilized, while the 60-ton chiller was operated in non-summer months to match varying seasonal demands. This adjustment eectively reduced energy consumption and improved efficiency. Additionally, signifficant eorts were directed at managing major electricity-consuming equipment, including the chiller system, the number of operating air handlers, boilers, and pure water systems. Through diligent monitoring and management, potential energy waste issues were promptly identified and resolved, further reducing consumption and enhancing overall energy efficiency

Electricity Usage Statistics for the Past Three Years　Unit：kWh

Year	Self-Generated Power		Purchased Power		Total Usage		Renewable Energy (%)
	Renewable	Non-Renewable	Renewable	Non-Renewable	Renewable	Non-Renewable	
2021	30,958	0	0	441,480	30,958	441,480	7%
2022	25,905	0	190,304	228,465	216,209	228,465	49%
2023	26,247	0	403,120	0	429,367	0	100%
note	1 kWh = 3,600 kJ. Total energy consumption in 2023: 429,367 kWh (1,545,721,200 kJ). In 2023, O'right canceled 404 renewable energy certicates.						



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GRI 2-4、303-1、303-2、303-3、303-4、303-5

4.3 Water Resource Management

As a beauty and personal care company, O'right places high importance on water resource management, as water is essential in our products, production processes, supply chain, and customer operations. Protecting, conserving, and efficiently managing water resources are critical responsibilities and commitments, integral to achieving sustainable development. We are dedicated to improving water use efficiency and collaborating with stakeholders to ensure the sustainable utilization of water resources.

Water Resource Management Policy

Water Resource Protection	Implement measures to reduce water pollution, improve water quality, and protect ecosystems to ensure the health and sustainable supply of water resources.
Water Conservation	Reduce water usage through technological advancements and efficiency improvements. Encourage employees and suppliers to adopt water-saving measures while developing products like mousse and dry shampoo to help consumers conserve water, time, and resources.
Water Resource Management	Establish an effective water management system that includes usage monitoring, quality control, and recycling. The production process utilizes a water recycling system to repurpose reclaimed water and wastewater, minimizing reliance on external water sources.

Water Resource Management Performance

2023 Target	2023 Achievement	Reduction Measures
Pure Water Recovery Rate: 55%	Achieved 63%	Regular replacement of RO membrane Iters improved the recovery rate of pure water used in production. This initiative reduced overall tap water consumption, conserving water resources while lowering associated energy costs.

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Water Resource Usage at Green Headquarters			
Year	2021	2022	2023
Tap Water Consumption (kilotons)	6.262	5.118	5.213
Pure Water for Production (kilotons)	1.710	1.226	1.684
Process Water Consumption per Unit (kilotons)	2.45	1.82	2.69
Wastewater Volume (kilotons)	1.937	1.567	1.759
Reclaimed Water (kilotons)	2.670	2.068	1.130
Recycled Wastewater (kilotons)	1.926	1.567	1.759
Water Reuse Ratio (percentage)	73.40%	71.02%	55.42%
Wastewater Recycling Rate (percentage)	99.43%	100%	100%
Note	• Reclaimed water is reused for domestic use, air conditioning, and irrigation; wastewater is reused for plant irrigation within the factory premises. • Process water consumption per unit = Production water (pure water volume) / Annual product yield (kilotons). • Wastewater volume = Discharged water + Recycled wastewater. • Pure water for production = Total pure water volume - Reclaimed water volume - Domestic water volume. • Water reuse ratio = (Reclaimed water + Recycled wastewater) / Tap water consumption. • Wastewater recycling rate = Recycled wastewater / (Recycled wastewater + Discharged water); however, no		

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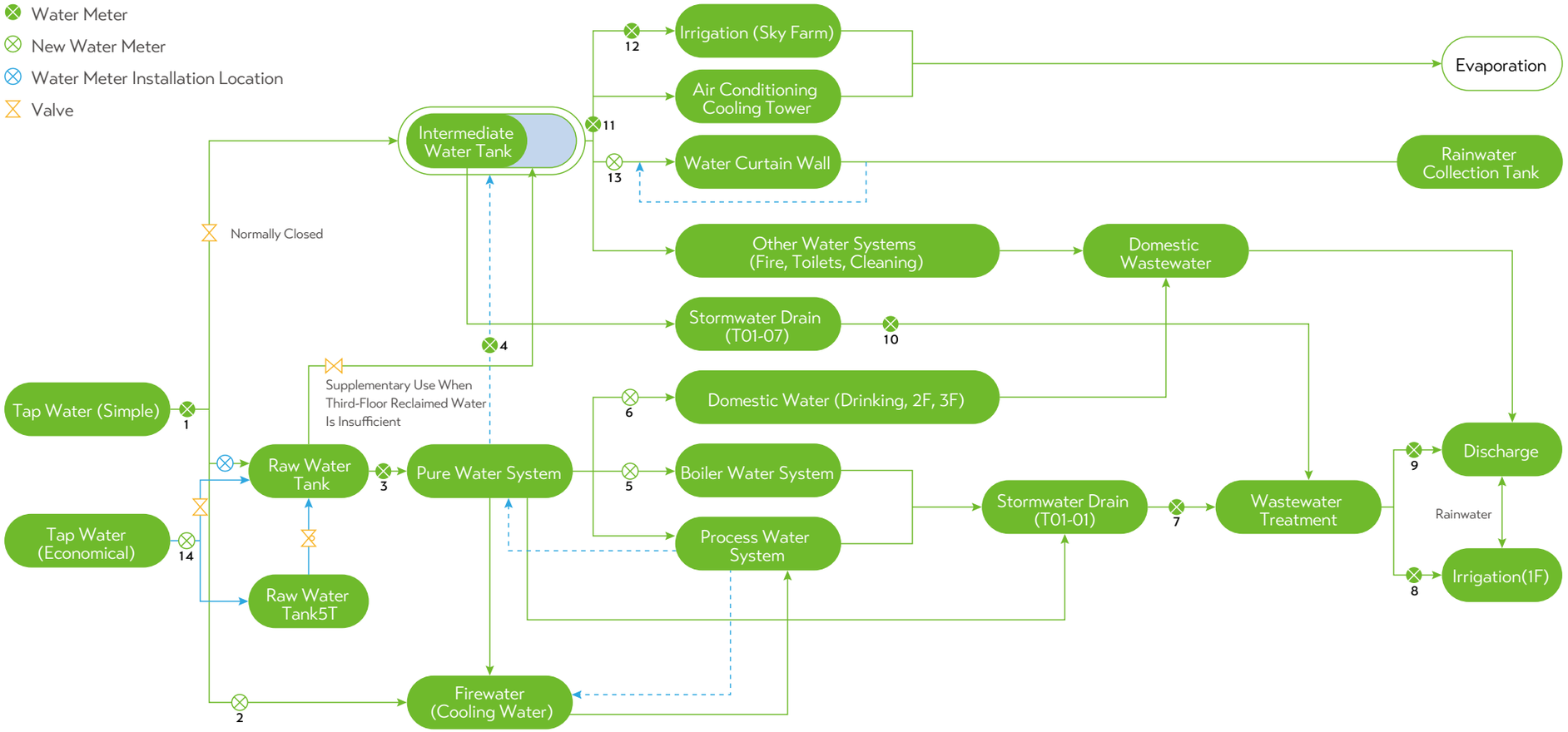

Water Resource Treatment System

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4.3.1 Waste Management

O'right is committed to minimizing wastewater generation, ensuring safe treatment and discharge, and promoting the conservation and sustainable use of water resources. Starting in 2018, we implemented equipment adjustments and source reduction measures to strive toward achieving zero wastewater discharge. By 2022, we successfully reached our goal of "zero wastewater discharge"!
According to 2023 statistics, the total amount of process wastewater treated by our water treatment system was 1.759 kilotons. During the treatment process, we effectively recycled all treated wastewater, ensuring that it met irrigation standards. The recycled water was used for plant irrigation, achieving an overall recycling rate of 100%.

All wastewater generated from product manufacturing and equipment cleaning is directed to six treatment tanks located in front of the headquarters for processing. The treatment process includes collection tanks, adjustment tanks, pH adjustment tanks, contact oxidation tanks, buffering tanks, and discharge tanks. Treated wastewater is then discharged into natural water bodies such as rivers. In compliance with water pollution prevention regulations, discharge water must meet a chemical oxygen demand (COD) standard of below 100 mg/L and a pH range between 5 and 9, ensuring it is neither too acidic nor too alkaline.
O'right maintains strict internal controls by conducting daily sampling and recording the results for documentation. In addition to self-monitoring, we also engage third-party environmental inspection agencies licensed by the Environmental Protection Administration for random water sampling and testing each month. Currently, the average COD value of wastewater discharged from O'right's cosmetics factory is below 50 mg/L, half of the regulatory limit, with an average pH value of 7.35 (neutral), ensuring no environmental impact from the discharge water.
To further enhance the efficiency of existing wastewater treatment facilities, we have undertaken self-initiated improvements, focusing on the following key aspects:

(1) Strengthening the waterproofing capacity of treatment tanks by increasing the layers from two to four.
(2) Enlarging the volume of treatment tanks to extend the operational time of microbial agents, ensuring better discharge water quality.
(3) Increasing the dissolved oxygen levels in treatment facilities to improve the survival rate of microbial agents.
(4) Utilizing the improved discharge water quality for plant irrigation systems, achieving resource recycling and reuse.

Wastewater Management Policy

Wastewater Reduction	By adopting advanced R&D technologies and optimizing production processes, we reduce water usage and minimize wastewater generation.
Wastewater Treatment and Recycling	Ensure that wastewater is treated through ecient systems to comply with relevant regulations and standards. Additionally, we encourage and support wastewater recycling and reuse, transforming wastewater into valuable resources
Monitoring and Control	Establish wastewater monitoring and control systems to regularly monitor and evaluate wastewater quality and discharge conditions, ensuring regulatory compliance and driving continuous improvement.
Education and Awareness	Enhance employee education and training to raise awareness of wastewater management. Encourage their active participation in wastewater reduction, treatment, and recycling efforts.

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4.4 Waste Management

GRI 306-1、306-2、306-3、306-4

O'right recognizes the potential environmental and social impacts of waste. Therefore, we are dedicated to managing waste effectively by reducing its generation, encouraging recycling, and promoting circular use. These efforts help mitigate pollution to soil, water, and air while preserving the health of natural ecosystems to achieve sustainable development. Additionally, waste often contains valuable materials and resources, such as recyclables and reusable items. Proper waste management not only reduces resource waste but also contributes to sustainability.

In 2023, the total volume of general industrial waste collected was 10.28 metric tons, while the total volume of recyclables (including paper, iron, plastic, and aluminum) reached 11.61 metric tons. To ensure proper waste handling, we have established designated waste collection sites within the company premises, managed by certified operators.

We also collaborate with qualified disposal contractors to transport waste to certified facilities for incineration, ensuring safe and environmentally friendly waste management practices. Moving forward, we will continue to improve our waste management systems to protect the environment, conserve resources, and create greater sustainable value for society.

Waste Management Policy

Waste Reduction	Through product design, production processes, and supply chain management, we aim to minimize the use of packaging materials and waste.
Waste Recycling and Circular Utilization	By recycling and reprocessing, waste is transformed into valuable resources, reducing the demand for natural resources.
Environmentally Friendly Disposal	For waste that cannot be recycled or reused, O'right ensures environmentally friendly disposal methods, complying with relevant regulations and standards to minimize adverse environmental impacts.
Education and Awareness	Actively strengthen employee training and educational activities to increase awareness of waste management, encouraging employee participation in waste reduction, recycling, and circular utilization actions.

Annual Waste Disposal Volume (Unit: Metric Tons)

Type	2021	2022	2023
Recyclables (including paper, iron, plastic, aluminum)	11.67	13.67	11.61
General Industrial Waste	10.02	16.09	10.28
Infectious Waste	0.49	0.52	0.36

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4.5 Greenhouse Gas Emissions

GRI 2-4、302-2、305-1、305-2、305-3、305-4、305-5

O'right embodies the spirit of green sustainability through four key aspects: obtaining green certifications, innovating green products, providing green services, and fulfilling corporate social responsibility. Since our Green Tea Shampoo first passed the PAS 2050 Carbon Footprint Inventory in 2010, we have calculated the carbon emissions throughout the product life cycle, set carbon reduction targets, integrated the supply chain, and sought strategies to reduce carbon emissions, thereby constructing value chain management. To continually implement these four aspects of green sustainability, we conduct third-party carbon footprint inventories and carbon neutrality verifications annually.

Starting from 2020, we changed our approach to carbon footprint inventory by conducting an organization-wide greenhouse gas inventory in accordance with the ISO 14064-1 Greenhouse Gas Inventory Standard. This inventory encompasses the calculation of carbon emissions across five major stages: procurement of raw materials, manufacturing, sales, consumer use, and disposal/recycling.

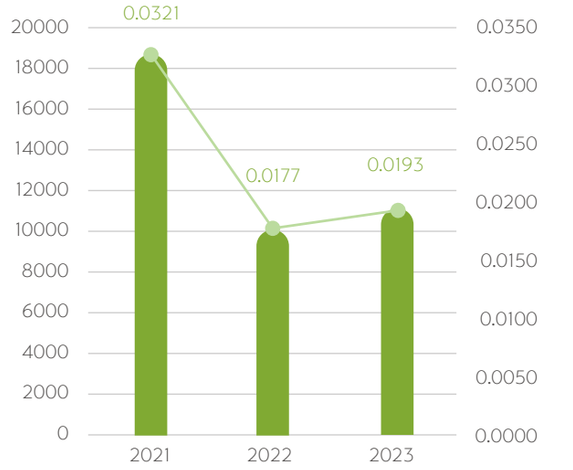
In terms of inventory scope, we added Category 3 and Category 4 (raw materials, materials, and auxiliaries) and Category 5 (emissions or removals during the product use phase) to our reporting boundary. Therefore, we changed our original base year from 2018 to 2020. Compared to previous inventories that only included major products produced at our headquarters (such as shampoos), we expanded our reporting scope to cover all products sold during the year.

In 2021, we further expanded the content of Scope 3 to include employee commuting, business travel, waste transportation, and emissions or removals from downstream transportation under Scope 3. Due to adjustments in the reporting boundary, we selected 2021 as the new base year.

Furthermore, we developed carbon reduction plans targeting carbon emission hotspots to reduce overall carbon emissions. In accordance with the company's carbon management requirements, we promoted carbon footprint management of the Green Headquarters building. Through processes such as carbon footprint reduction, re-quantification of residual carbon footprints, and seeking suitable carbon credits to offset greenhouse gas emissions, we continually maintain the carbon-neutral status of the Green Headquarters building. In 2023, we achieved the goal of 100% green electricity usage, with carbon reduction in Scope 1 and Scope 2 exceeding 60% compared to the base year of 2021.

Overview of Organizational Greenhouse Gas Inventory

Scope of Inventory	Year	Total Greenhouse Gas Emissions (Metric Tons CO_2e)
O'right Headquarters	2021	18,671.611
	2022	10,061.872
	2023	11,357.620



Absolute Emissions (tCO_2e): Total annual greenhouse gas emissions from O'right Headquarters.

Relative Emissions (tCO_2e/NTD thousand): Emissions per unit revenue, based on non-consolidated revenue for the year.

Greenhouse Gas Emissions Statistics (Last 3 Years)

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4.5.1 2023 Greenhouse Gas Inventory Results

	CO2	CH 4	N2O	HFCs	PFCs	SF6	NF3	Total Emissions	Biogenic Emissions
Emissions equivalent	30.8432101	18.6500258	0.0859451	24.8518826	0	0	0	74.431	0
Percentage of gas	41.44%	25.06%	0.12%	33.39%	0.00%	0.00%	0.00%	100.00%	0.00%

● Direct Emissions (Category 1): Annual emissions by gas type (tCO_2e/year)

	Category 1				Category 2	Category 3			
Description	Stationary combustion	Processing activities	Mobile combustion (transportation)	Fugitive emission	Imported energy	Upstream / downstream transportation and distribu-tion	Employee commut-ing	Business travel	Waste transportation
Emission Volume	25.5167	0.1350	5.2964	43.4830	39.3937	82.7918	108.3909	59.5077	0.0565

	Category 4		Category 5	
	Purchased goods and services	Waste generated in operations	Use of sold products	End of life treatment of sold products
Emission Volume	569.6889	4.5669	10400.5168	18.2759

● Plant-wide GHG Emissions by Category (tCO_2e/year)

NOTE 1：The 2023 greenhouse gas inventory follows the organizational boundary defined by the operational control approach

NOTE 2：Emission factors and calculation methods are based on the IPCC 2013 guidelines.

NOTE 3：Included greenhouse gases: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3.

NOTE 4：Global Warming Potential (GWP) values are based on the IPCC 2013 Sixth Assessment Report, as required by the Environmental Protection Administration. All results are converted to CO_2e (t/year) using coefficients from EPA GHG Emission Factors Management Table v6.0.4.

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4.5.2 Management Performance and Carbon Reduction Measures

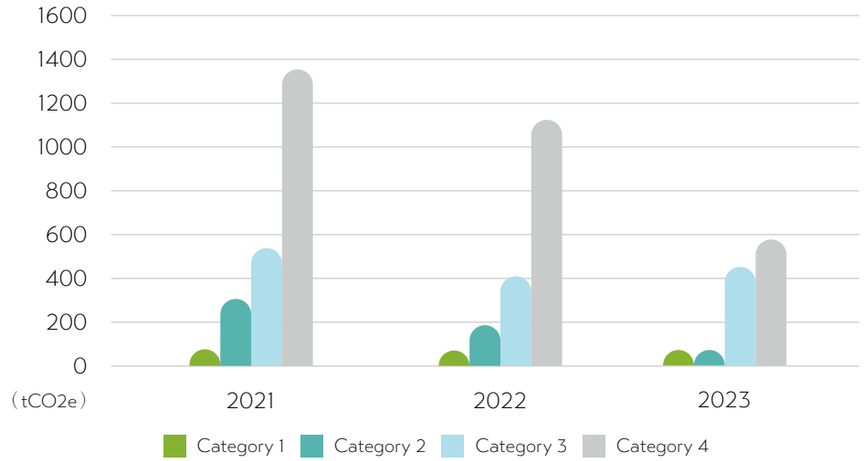
2023 Carbon Reduction Strategies

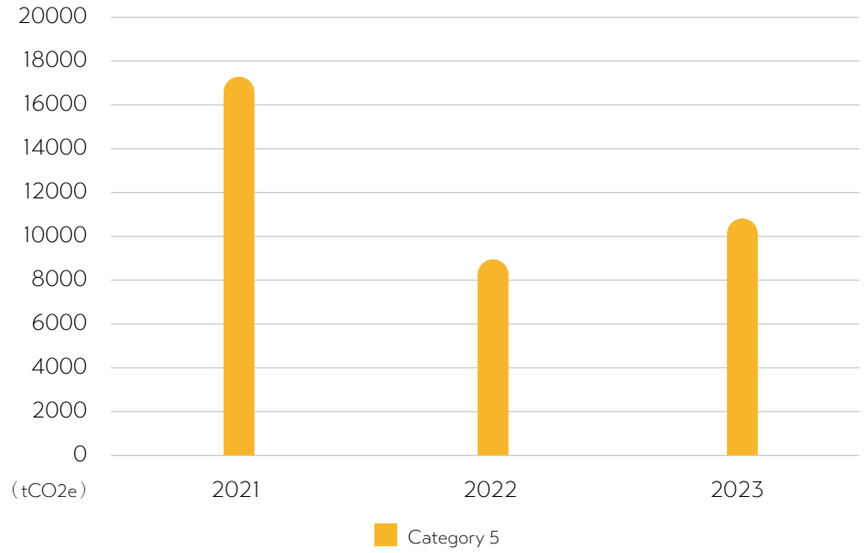
- Purchased 337,263 kWh of green electricity via renewable energy contracts, reducing emissions by 166.61 tCO_2e.
- Promoted energy-saving initiatives to reduce non-renewable energy consumption.
- Improved energy efficiency in the low-carbon green factory.
- Adjusted chiller capacities seasonally to lower air conditioning power consumption.
- Transitioned to electric vehicles, with 15,598 kWh of charging provided in 2023, reducing emissions by 7.71 tCO_2e compared to equivalent fuel vehicle mileage.
- Switched all packaging for O'right's body and hair care products to 100% PCR bottles, reducing emissions by 381.08 tCO_2e per unit.

Note: Emission reductions calculated using the Bureau of Energy's 2023 electricity emission factor of 0.494 $kgCO_2e/kWh$.

Future Plans

- Adjust the frequency settings of outdoor air fans in clean rooms.
- Develop a visualized energy management system with a targeted annual energy-saving rate of 1%.
- Execute the 100% renewable energy usage plan for 2024.
- Encourage consumers to adopt solar water heaters.





Greenhouse Gas Emissions (Categories 1–5) Over the Past 3 Years

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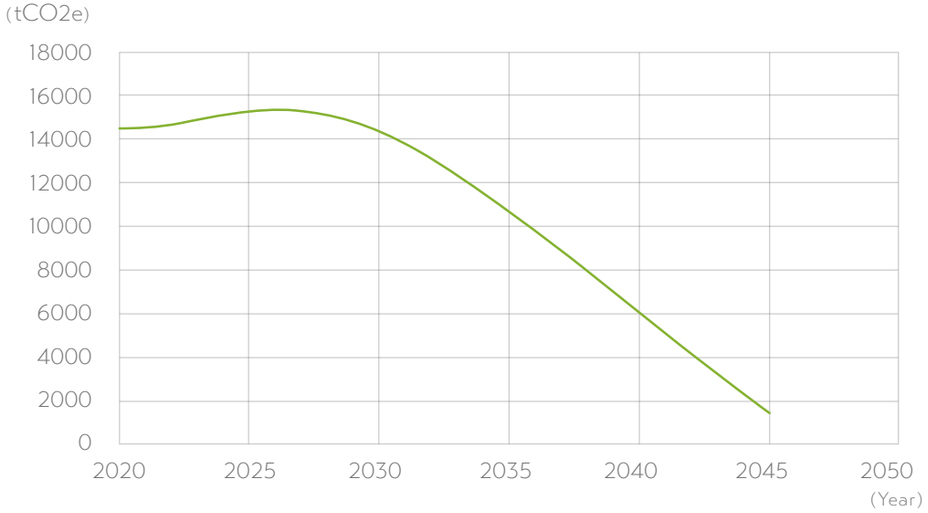
SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD

APPROVED NET-ZERO TARGETS



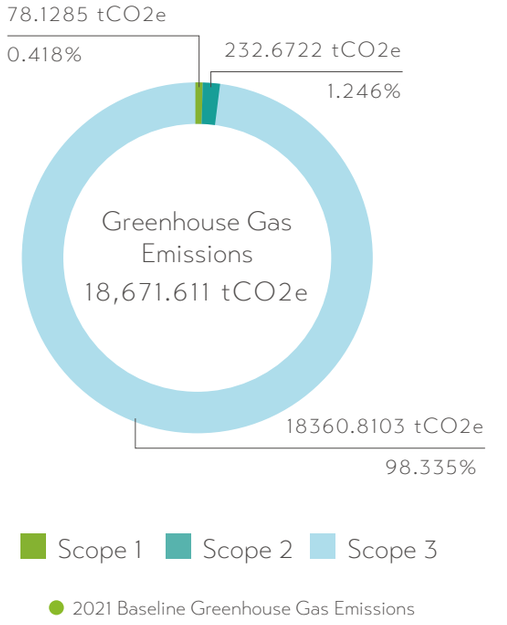
Carbon Neutrality	Net Zero	
2030	2045	2050
42%	90%	99%
Reduction in Greenhouse Gas Emissions (Scope 1 + Scope 2)	Reduction in Greenhouse Gas Emissions (Scope 1 + Scope 2 + Scope 3)	Reduction in Greenhouse Gas Emissions (Scope 1 + Scope 2 + Scope 3)

4.5.3 Sustainable Net Zero Development Blueprint

O'right recognizes the profound impact of climate change on the environment and society and acknowledges the critical role corporations play in reducing greenhouse gas emissions. In 2022, O'right joined the Science Based Targets initiative (SBTi), setting scientifically grounded reduction targets to ensure meaningful contributions to global emission reductions.

We are committed to reducing our greenhouse gas emissions within a defined timeframe, covering our production processes, supply chain, and product usage phases. Specific reduction plans are being developed for each area, with progress tracked and monitored.

In 2023, we achieved a 42% reduction in emissions, meeting SBTi's corporate short-term targets for 2030 seven years ahead of schedule. We will continue to adopt feasible measures, such as improving energy efficiency, utilizing renewable energy, and exploring carbon capture and storage technologies, to meet our reduction goals.



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05 Employee Relations and Social Engagement

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5.1 Our Green Team

GRI 2-7、2-8

GRI 401-1

To uphold principles of compliance, efficiency, and responsibility, O'right establishes clear workplace regulations for employees. These include policies on salaries, working hours, retirement, female employee provisions, performance appraisals, rewards and penalties, benefits, workplace safety and health, and sexual harassment prevention. These guidelines ensure a well-organized and orderly work environment.

5.1.1 Composition

In 2023, the O'right Green Team consisted of 267 full-time employees (including two female part-time customer service staff working night shifts) and four non-employee workers (comprising two security personnel and two interns). Among these, 64% worked at the Green Headquarters located in Longtan. Given that the beauty and hair care industry primarily caters to women, 73% of O'right's employees are female. The diversity of the O'right team highlights the strong representation of women across various functional areas. We remain committed to fostering an equitable and inclusive work environment, providing opportunities and support for all employees to achieve their career development goals.

The number of males is 69

27%

The number of females is 198

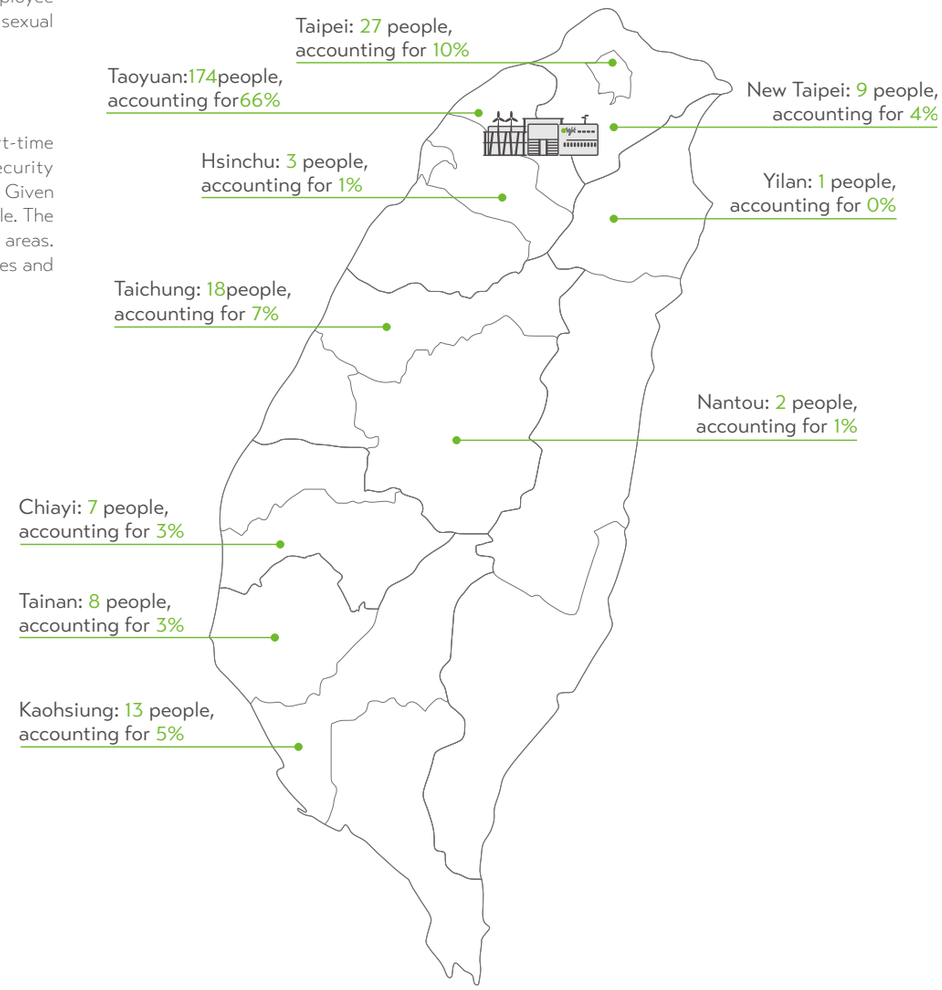
74%



Employee composition by gender

Employee Organizational Structure

Job Level	Senior Management (First Level, Decision-Making Layer)	Middle Management (Second to Fourth Level)	General Colleagues (Grassroots Level)
	10 people	14 people	45 people
	9 people	21 people	168 people



The total is 267 people, accounting for 100%.

Employee composition by region

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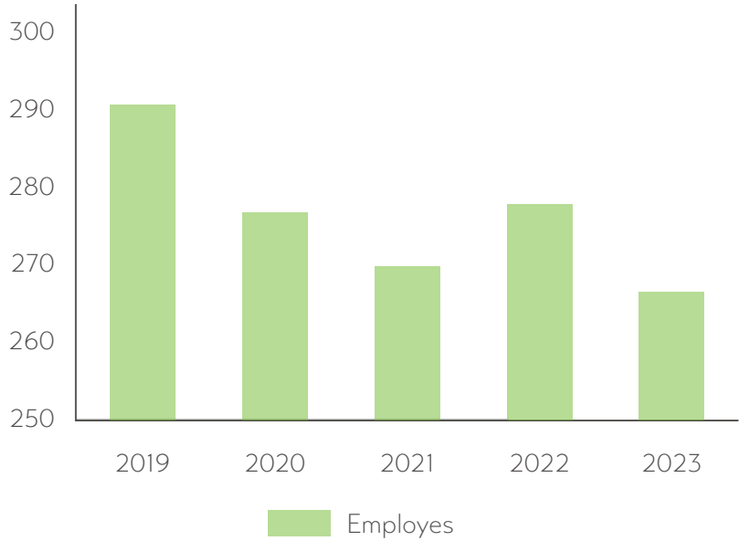
Employee Count by Employment Contract Type

	Permanent Employees		Temporary Employees (Fixed-term Contract)		Full-time		Part-time	
	male	female	male	female	male	female	male	female
Northern	61	155	0	2	61	155	0	2
Central	2	18	0	0	3	18	0	0
Southern	0	23	0	0	5	23	0	0



Number of employees in the last 5 years
(excluding part-time students, interns, and dispatched personnel)

5.1.2 Employee-Employer Relationship Overview

As a company that strictly adheres to labor laws and regulations, we ensure that all employment contracts, wage payments, working hours management, leave policies, and benefits meet legal standards, safeguarding the rights and welfare of our employees. We value the dignity and equality of every employee, regardless of race, gender, age, religion, disability, or sexual orientation. At the same time, we actively promote diversity and inclusion, striving to create a respectful and trustworthy work environment. By fostering an open and inclusive culture, we enable employees from different backgrounds and perspectives to collaborate and grow together. Moving forward, we will continue to focus on employees' needs and well-being, continuously improving our employment practices to ensure their work experiences and development opportunities are fully recognized and supported.

5.1.3Overview of New Hires and Turnover

In 2023, 83 new employees joined the O'right Green Team, with 77.1% being female. Locally, 60 new hires were from Taoyuan City, accounting for 72.3% of all new hires. New employees represented 31.1% of the total workforce. Regarding turnover during the onboarding period, the resignation rate within the first three months was 2.1% for male employees and 24.5% for female employees. We are actively monitoring and improving employee retention to ensure that employees can achieve stable development opportunities after their probationary period, thereby aligning with our values of diversity and inclusion.

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New Hires and Departures Statistics

	Northern					Central					Southern				
	Number	New	Percentage	Departed	Percentage	Number	New	Percentage	Departed	Percentage	Number	New	Percentage	Departed	Percentage
Male															
<30 y/o	12	5	42%	5	42%	3	0	0%	0	0%	0	0	N/A	0	N/A
30-50 y/o	66	13	20%	17	26%	1	0	0%	1	100%	8	1	13%	1	13%
>50 y/o	5	0	0%	0	0%	0	0	N/A	0	N/A	0	0	N/A	0	N/A
Total	83	18	22%	22	27%	4	0	0%	1	25%	8	1	13%	1	13%
Female															
<30 y/o	59	19	32%	21	36%	6	3	50%	2	33%	5	1	20%	3	60%
30-50 y/o	135	35	26%	37	27%	17	2	12%	4	24%	19	3	16%	1	5%
>50 y/o	19	1	5%	2	11%	1	0	0%	0	0%	2	0	0%	0	0%
Total	213	55	26%	60	28%	24	5	21%	6	25%	26	4	15%	4	15%

Note：New hires: Refers to newly hired full-time employees, including contract staff, part-time workers, and interns, but excluding dispatched workers.
Departures: Refers to full-time employee resignations, including contract staff, part-time workers, interns, and those on extended leave, but excluding dispatched workers.
Northern region: Includes Taipei, New Taipei, Keelung, Taoyuan, Hsinchu, Miaoli, Yilan, Hualien, and Taitung.
Central region: Includes Taichung, Changhua, and Nantou.
Southern region: Includes Yunlin, Chiayi, Tainan, Kaohsiung, and Pingtung.
Employee statistics for the year: Based on the total number of employees in service as of the end of the year.

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GRI 404-1、404-2、404-3

5.2 Talent Cultivation and Development

5.2.1 Employee Recruitment Policies and Channels

At O'right, all processes related to recruitment, selection, working conditions, promotion, transfer, rewards and penalties, training, benefits, or dismissal are conducted without discrimination based on race, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical or mental disability, or previous identity. Additionally, any operational changes that may impact employee rights or lead to significant operational adjustments are executed only after carefully considering employee interests and ensuring compliance with relevant legal requirements.

5.2.2 Code of Integrity

O'right signs contracts with all new employees to protect mutual rights and interests. These contracts, compliant with the Labor Standards Act, specify salary payment procedures, schedules, deductions, salary adjustment principles, and leave policies. Upholding the principle of integrity in business, O'right requires employees to provide a guarantor upon hiring, ensuring the employee's commitment to ethical conduct and the avoidance of corruption during their tenure.

As part of the onboarding process, the training course New Employee Education and Training Management Guidelines explicitly mandates that all gifts received from clients must be turned over to the company for centralized handling. Additionally, under the Daily Operating Procedures for Customer Service Personnel, customer service staff must complete a Daily Cash Report and remit collected payments to the company the next day to prevent fraud.

Job Boards	• Post job openings across roles on 104 Job Bank, Taiwan's leading platform, sharing company information such as philosophy, products/services, workplace photos, benefits, and development history. Additional insights include the Corporate Sustainability Report, brand annual report, and environmental documentary Melting Greenland.
Government Agencies and Employment Centers	• Leverage resources like the "Digital Youth T-Ambassador Program" to prepare for future talent needs aligned with digital and AI-driven business models. Develop innovative skills for the evolving job market and digital trends. • Collaborate with government units via TaiwanJobs and employment centers to post vacancies and utilize hiring incentives to recruit diverse roles and target groups.
Universities	• Maintain long-term academic partnerships to foster future talent. Offer free environmental education tours and annual internships across roles to strategically develop resources for the
Social Media	• Share company introductions and job links in regional or local groups to attract geographically relevant candidates.
Employee Referrals	• Provide incentives to encourage staff to recommend talented candidates.

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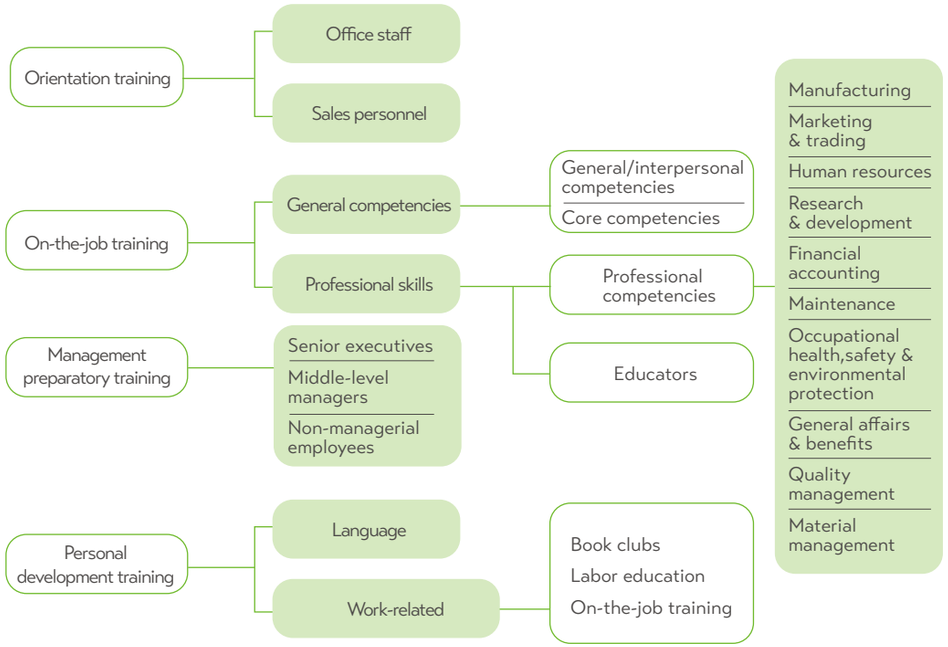
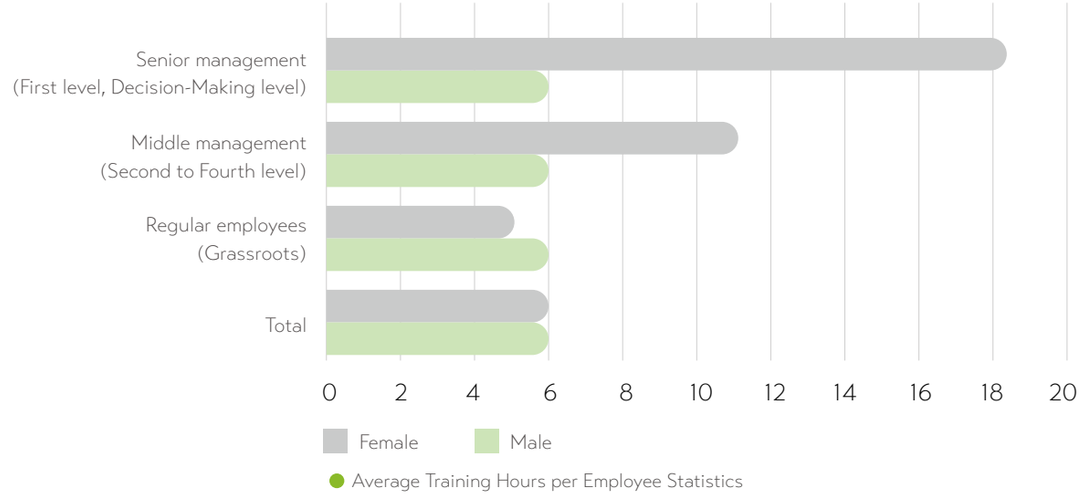
5.2.3 Talent Training and Development

O'right places great emphasis on employees' career planning and personal growth. To continuously nurture talent and enhance the professional competencies of staff across all departments, O'right conducts professional competency assessments. These assessments quantify the required skills and identify gaps, enabling the company to determine the necessary internal and external training programs effectively.





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5.2.4 Performance Evaluation Mechanism

To ensure employees' efforts are fairly assessed, O'right conducts regular evaluations in accordance with its Work Rules. Supervisors perform performance reviews based on principles of fairness and objectivity, evaluating employees' overall performance, including professional capabilities, knowledge and skills, quality and efficiency, behavior and attitude, and integrity. Evaluations are conducted through two-way communication, reviewing the past year's performance and setting future goals and improvement plans.
The evaluation period for 2023 was from January 1 to December 31, covering employees hired on or before June 30, 2023, totaling 227 eligible staff. Excluded from the evaluation were employees on parental leave during the evaluation period and those who had resigned before the evaluation commenced. The total number of employees subject to evaluation was 221, all of whom participated, achieving a 100% evaluation completion rate in 2023.

5.2.5 Promotion and Retention System

O'right values talent retention and development, implementing initiatives such as the Sowing the Seeds Program and the Promotion and Transfer Management Guidelines.

New Employees	• O'right has designed the Sowing the Seeds Program for new employees during their three-month probation period. This program guides them through three phases—exploration, orientation, and familiarity—covering company culture, vision, personal equipment setup, access to resources, workplace layout, division of tasks, peer interactions, and adherence to the Green Living Guidelines. To support and mentor new employees ("green seedlings"), senior colleagues act as mentors ("gardeners"), fostering teamwork and aiding their integration into the work environment. This approach reduces anxiety, enhances retention rates, and strengthens team effectiveness.
Senior Employees	• Through an open and transparent system, O'right provides opportunities for outstanding talent to develop secondary professional skills or advance to managerial roles with authority and responsibility. Free from traditional limitations such as gender, age, or tenure, the company ensures exceptional employees with outstanding performance and expertise have unrestricted paths for growth and promotion. • Priority is given to exceptional employees with cross-department rotation experience or multiple professional skills for critical advisory or key leadership positions.

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GRI 2-20、2-23、2-24、2-25、2-26

GRI 201-3、401-2、401-3

5.3 Friendly Work Environment and Care

5.3.1 Salary and Reward System

We uphold the principle of internal equity, ensuring that employees with the same responsibilities and performance receive fair compensation, avoiding unjustified pay disparities. Basic salaries are determined without discrimination based on gender, race, religion, political views, or marital status. Instead, they are based on employees' educational and professional backgrounds, expertise, relevant experience, and individual performance.

Each year, from March to April, we conduct a comprehensive review of all employees' salaries from the previous year to implement necessary salary adjustments. Through a transparent and fair remuneration system, we ensure that employees feel equitably treated, fostering high motivation and job satisfaction in the workplace.

5.3.2 Employee Benefits and Cultural Activities

At O'right, we offer diverse benefits to create a supportive and caring work environment. From exclusive shopping discounts to holiday and birthday perks, we aim to bring convenience and warmth to employees' daily lives. We also value employees' families, providing Mother's and Father's Day gifts and cards. During life's major moments, such as childbirth, weddings, bereavements, or emergencies, the company offers necessary support.

We believe strong colleague relationships are key to a positive workplace. Annual company events, such as the Spring Banquet, bring everyone together to celebrate achievements. Employees meeting performance targets enjoy overseas travel opportunities, while sales staff benefit from incentives like the "Salon Elite Trip." In 2023, we organized festive and team-building activities, including Dragon Boat Festival workshops, Christmas gift exchanges, and documentary screenings, enriching employees' work experiences and strengthening team bonds.

In past years, O'right hosted Family Days, inviting employees and their families to the Green Headquarters for environmental education and to show gratitude for their support. In 2023, CEO Steven Ko continued the tradition by personally visiting employees' families, fostering understanding and support for their work. Family support is vital for employees' dedication, driving the company toward its vision of "Better and Greener."

In learning and growth, O'right upholds the belief that "learning is more important than working." We provide personalized mentoring through the Seedling Gardener Program to nurture new employees. Alongside sustainability and corporate culture training, we offer diverse learning opportunities and a robust training system, supporting employees' continuous career growth.

Profit Sharing	Employee compensation is allocated annually based on a set percentage of company profits.
Employee Compensation Structure	【Sales Staff】 A designated proportion of individual and team bonuses is set, with additional rewards (e.g., luxury goods or travel incentives) for outstanding performers. This system encourages a win-win collaboration between employees and the organization. 【General Staff】 Salaries are determined based on market salary benchmarks, educational and professional background, and years of service.

Salary comparison between male and female employees(based oninsurance salary & minimum wage)

Item	Statutory Basic Wage	Average salary at O'right	Average salary/ minimum wage
Male	26,400	41,249	1.56
Female	26,400	39,060	1.48
Average	26,400	40,156	1.52

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Overview of Employee Benefits

Career Support	Health and Wellness	Family Support
Clear and comprehensive promotion pathways	Annual Spring Banquet and periodic brand events	Childbirth subsidies
Year-end bonuses (based on company performance and individual results)	Overseas travel for employees meeting performance targets	Wedding, funeral, and celebratory allowances
Profit-sharing and sales bonuses	Birthday perks for employees	Emergency assistance
Training and development programs (onboarding, professional skills, management, and talent cultivation)	Health checkups (including items exceeding regulatory requirements)	Mother's and Father's Day gifts
Employee shopping discounts	Group insurance (accident and occupational injury coverage)	Dragon Boat and Mid-Autumn Festival perks
Business travel insurance (personal accident coverage)	Free organic meals, fair-trade coffee, and soups at the Organic Vegetable Cafeteria	Employee Family Day

5.3.3 Work Management Policy

(1) Attendance System

O'right strictly complies with domestic and international labor and human rights regulations, treating all employees fairly and with respect. Labor conditions are established based on government labor laws, and equal employment opportunities and reasonable work conditions are provided in accordance with employment service regulations.

At the headquarters, three attendance schedules—Regular A, B, and C shifts—are designed to suit employees with varying work needs. Standard work hours are eight hours per day, with overtime limited to four hours on weekdays and eight hours on weekends or holidays.

For the Salon Business Division's customer service staff, whose primary role is to serve salon clients, a mobile office model has been in place since August 2015, replacing traditional office leases. This allows greater flexibility for customer service staff to cater to clients while still hosting internal meetings through mobile workspaces. This approach reduces idle office space and unnecessary energy consumption. The mobile office initiative not only enhances efficiency and service quality but also shortens commuting distances, lowers transportation-related carbon emissions, and achieves a win-win outcome for the environment, employees, clients, and the company.

Headquarters Employee Attendance

Shift	Attendance	Employee
A	08:30-17:30 with a one hour lunch break and 15 minutes break each in the morning and afternoon	Production line workers and quality assurance workers
B	9:00-18:00 with a one hour lunch break	Administrative and sales staff
C	07:30-16:30 with a one hour lunch break	Cleaning staff

Total working days	Number of employee	Total working hours	Number of days absent	Absence rate
66,216 days	267	529,728 hours	730 days	1%
Total days worked throughout the year x No. of employees	Number of Employees Insured under Labor Insurance - Regular Staff	Total days worked throughout the year x No. of employees x Hours of work per day	Sick leave, occupational sick leave, personal leave or absence without offcial leave	No. of days absent ÷ Total days worked

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(2) Leave Policy

To encourage greater contributions to environmental causes, O'right introduced a Volunteer Service Leave policy in 2014. This initiative supports employees participating in green and environmental public welfare activities organized by O'right or other legally registered organizations. Employees are granted up to 16 hours of paid volunteer leave annually upon approval, allowing them to integrate such activities into their work hours and contribute to environmental sustainability.

This policy not only motivates employees to engage in environmental initiatives outside of work but also amplifies O'right's influence in sustainability. Employee participation reflects their commitment to environmental protection and communicates O'right's green values to the broader community. O'right remains steadfast in promoting sustainability through similar benefits and initiatives, aiming to create a greener, more sustainable future while collaborating with employees to achieve shared environmental goals.

5.3.4 Retirement Policy

O'right prioritizes employee welfare and retirement security, fully complying with relevant laws and regulations. In accordance with Article 56 of the Labor Standards Act, the company contributes 2% to 15% of each employee's monthly salary to a labor retirement reserve fund. Currently, all O'right employees are enrolled in the new labor pension system, ensuring adequate financial security after retirement.

Three employees remain in a transitional period, subject to both the old and new pension systems. By implementing the labor pension system, O'right expresses gratitude for employees' long-term dedication, upholds its responsibility to employee welfare, and demonstrates care and respect. This ensures employees receive appropriate retirement benefits at every stage of their careers, safeguarding their long-term interests.







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5.3.5 Gender-Friendly Policy

We firmly believe that everyone should be treated fairly based on their abilities and performance, regardless of their gender identity or sexual orientation. To ensure all employees can thrive in an environment of equality, respect, and inclusivity, we are committed to upholding employee rights, including equitable pay, work-life balance, and a supportive and inclusive workplace.By fostering a fair, diverse, and competitive work environment, we not only enhance employee satisfaction and loyalty but also drive innovation and improved performance. O'right remains steadfast in promoting gender-friendly values, striving to achieve the goal of gender equality.

(1) Pay Equity
O'right is committed to eliminating gender pay gaps through regular salary reviews, ensuring fair compensation for employees in equivalent roles.

O'right Employee Gender Pay Ratio

Position Level	Fixed Pay (Male : Female)	Average Pay (Male : Female)
Senior Management (Tier 1, Decision-Making Level)	1.05 : 1	1.28 : 1
Mid-Level Management (Tiers 2–4)	1.09 : 1	1.17 : 1
General Staff (Entry-Level)	1.10 : 1	1.04 : 1

(2) Anti-Discrimination
We promote a respectful and inclusive workplace, strictly prohibiting all forms of gender discrimination, sexual harassment, and bullying. Employees are encouraged to support and respect one another. Policies such as the Workplace Sexual Harassment Prevention and Disciplinary Measures and the Unlawful Harm Prevention and Management Measures provide robust mechanisms for reporting and addressing violations of these principles.

(3) Lactation Rooms
On average, female employees nurse for more than six months postpartum. To respect and support their needs, O'right offers a quiet, comfortable, and hygienic lactation space to ensure privacy and convenience for breastfeeding or pumping during work hours.

(4) Parental Leave
To help employees balance family and career, O'right provides parental leave. Employees with children under six years old or not yet in elementary school can take up to three hours of childcare leave per week, with a maximum of six hours per month. This policy supports employees in managing work-life balance, reducing stress, and returning to work with greater focus and motivation. We respect individual family needs and ensure no employee is unfairly treated due to caregiving responsibilities.

(Note: Eligibility requires at least six months of employment.)

Parental Leave Applications in the Last Three Years

Item	2021			2022			2023		
	♀	♂	total	♀	♂	total	♀	♂	total
Employees who were entitled to unpaid parental leave	4	13	17	8	25	33	6	25	31
Employees who took unpaid parental leave	0	7	7	0	12	12	0	15	15
Percentage of employees on unpaid parental leave	0%	54%	41%	0%	48%	36%	0%	60%	48%
Percentage of employees on unpaid parental leave	0	3	3	0	6	6	0	7	7
Employees who returned to work after leave	0	3	3	0	4	4	0	5	5
Percentage of employees who returned to work after leave	N/A	100%	100%	N/A	67%	67%	N/A	71%	71%
Number of Employees Scheduled to Return from Parental Leave and Actually Returned in the Previous Year	0	3	3	0	4	4	0	3	3
Number of Employees Working for More than 12 Months after Returning from Parental Leave	0	2	2	0	2	2	0	2	2
Employee retention rate after unpaid parental leave	N/A	67%	67%	N/A	50%	50%	N/A	67%	67%

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5.3.6 Green Work Environment

(1) Organic Vegetable Cafeteria

At O'right, our green philosophy emphasizes the core value of environmental sustainability, incorporating eco-friendly practices into employees' daily lives. The Organic Vegetable Cafeteria is supplied with fresh, seasonal organic produce from nearby farms. Vegetables like cucumbers and lettuce are sourced from Taiwanese organic farmers, prioritizing local farms to minimize food mileage. External suppliers are considered only when local production falls short.

a. Reducing Cluster Infection Risks: Providing meals on-site minimized employees' need to dine out, reducing the likelihood of cluster infections and ensuring a safe dining space.
b. Lowering External Exposure: Meal service reduced employees' trips to external restaurants, decreasing virus exposure risks and carbon emissions from travel.
c. Improving Meal Quality: Carefully selected catering providers ensured meals were both nutritious and delicious, enhancing employees' dining experiences.
d. Enhancing Employee Benefits: By offering this service, O'right demonstrated care for its employees, boosting satisfaction and a sense of belonging, which in turn improved productivity and team cohesion.



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(2) Fair Trade Coffee Beans

The coffee machines in the Organic Vegetable Cafeteria use UTZ-certified fair trade coffee beans. UTZ is a non-profit coffee certification organization that promotes environmentally friendly farming practices and socially responsible production methods. UTZ opposes the exploitation by intermediaries and advocates for fair compensation for coffee farmers, recognizing this as an effective approach to encouraging sustainable agriculture and generating greater income for farmers. Additionally, used coffee grounds from the brewing process are made available to employees and have been repurposed as compost, benefiting the cultivation of herbs, potatoes, and other plants, achieving the circular benefits of waste reuse.

(3) Sky Farm Organic Herb Garden

Starting in 2023, the rooftop Sky Farm at O'right's Green Headquarters has transformed its former grass area into a herb plantation. The garden features species well-suited to the Longtan climate, such as Tagetes lucida, pineapple sage, sweet lavender, and chocolate mint, each with a distinct fragrance. These herbs not only provide visual enjoyment but can also be brewed into tea. The garden utilizes spent coffee husks as mulch, reducing weed growth, mitigating soil erosion, and enhancing water retention. Various herb sections have been designated, encouraging employees to adopt and cultivate their own plants. This initiative not only helps employees relax but also fosters collaboration and strengthens team spirit across the workforce.





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5.3.7Employee Complaint and Communication Channels

O'right values every employee's feedback and has established a comprehensive SOP for addressing employee concerns and suggestions. To ensure prompt and efficient service, the company adopts a "report anytime, resolve anytime" approach. Internal communication channels provide equal access for employees to consult with supervisors, relevant committee members, or designated service units for immediate assistance. Follow-ups and confirmations with the relevant departments are conducted to ensure thorough resolution. Additionally, O'right provides streamlined complaint channels to safeguard employees' rights, addressing cases of legal violations, harassment, or unfair treatment to ensure basic rights are protected.

Formal Complaint Channels	Labor Relations Committee	Holds quarterly meetings to enhance labor-management communication, address labor rights, foster collaboration, and improve efficiency. Employee concerns are prioritized and resolved effectively.
	Sexual Harassment Prevention Committee	Ensures a work environment free from sexual harassment for employees, dispatched workers, and job applicants. Implements the "Workplace Sexual Harassment Prevention Measures and Disciplinary Guidelines" to prevent, correct, and manage related issues.
	Occupational Safety and Health Committee	Protects employees from workplace violence by employers, supervisors, colleagues, clients, or third parties. Enforces the "Workplace Violence Prevention and Management Measures."
Internal Communication Channels	General Manager Mailbox	Provides an equal communication platform for employees to promptly share feedback and report issues.

5.3.8 Employee Satisfaction Survey

O'right conducts an annual employee satisfaction survey to establish a two-way communication platform, systematically collect feedback, diagnose potential issues, evaluate organizational changes, and refine management strategies. In 2023, 238 employees participated, achieving a 90% response rate. The survey covered topics such as organizational alignment, leadership, operational efficiency, job responsibilities, learning and development, promotion evaluations, compensation and benefits, workplace environment, and occupational health services. The results help identify employee expectations and foster a positive corporate culture that encourages active engagement and improves team efficiency.

(1) Survey Results:

Over 80% of employees expressed satisfaction with organizational alignment, leadership, job responsibilities, workplace environment, and health services. Respondents demonstrated a high degree of agreement with the organization's culture and values, reflecting satisfaction with leadership, task arrangements, facilities, and health services.

(2) Improvement Measures:

a. Enhance internal communication channels to encourage feedback and promote teamwork.
b. Continuously improve workplace comfort and provide a more employee-friendly environment.
c. Diversify training resources and learning opportunities, offering self-learning channels to boost personal performance, unlock potential, and enhance competitiveness.

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5.4 Occupational Health and Safety

To ensure employee safety and health, O'right has established the "Safety and Health Work Guidelines" in accordance with Article 34 of the Occupational Safety and Health Act to prevent workplace accidents. Pre-employment physical examinations are mandatory for all employees, and the company regularly organizes health education and seminars.

5.4.1 Management Mechanism

(1) Occupational Safety and Health Management System

In 2014, O'right obtained the OHSAS 18001 international management system certification and transitioned to ISO 45001:2018 in 2019. The company actively promotes annual occupational safety and health plans, continuously improving and monitoring management systems. According to the Act's provisions, O'right manages labor safety at its Green Headquarters in Longtan and for suppliers performing raw material and equipment maintenance tasks within the site. For other workplaces, such as department store counters, employees follow the occupational safety regulations of those venues. As of the end of 2023, O'right managed 170 employees at the headquarters under its occupational safety system, with the remaining 97 employees adhering to site-specific regulations.

(2) Occupational Safety and Health Organization

An Occupational Safety and Health Office is established under the law, supported by a committee of 10 members, including four employee representatives. The committee, chaired by the Deputy General Manager, holds quarterly meetings to review policies and improvements. Daily safety updates are communicated through dedicated groups, and the company collaborates with Yongyue Health Management Co. to manage employee health under four major protection plans, focusing on health monitoring and overwork prevention.

The four major programs for labor health protection
Human Factor Hazard Prevention Plan
Prevention Plan for Unlawful Infringement during Job Execution
Abnormal Workload-Induced Disease Prevention Plan
Maternal Health Protection Plan

(3) Risk Identification and Prevention Mechanism

O'right operates in a low-risk environment for occupational injuries but continuously mitigates hazards. Regular safety briefings are conducted, and annual hazard risk assessments and classifications are performed. In 2023, no high-risk items were identified, and all risks were rated below category C. Safety campaigns address potential fall and electrical hazards, incorporating them into new employee safety training and pre-task briefings to minimize risks. Additional control measures address five key occupational hazards (chemical, physical, ergonomic, biological, and social/psychological), with updates to the "Work Permit Procedures" based on expert recommendations to create a healthy and safe workplace.

(4) Health Management

O'right cares for employees' health by providing age-appropriate health screenings. Employees accessing the BSL-2 Biosafety Laboratory receive annual health checks. In 2023, health checks for employees aged 40+ covered 111 individuals, with 93% completing their screenings across four regional health centers.

Health reports are managed under data privacy laws by Yongyue Health Management Co. nurses and physicians, who perform risk assessments. Results are categorized into four levels for tracking, with one-on-one physician consultations provided for high-risk cases. The company also offers an app for employees to access health data, receive health education, and monitor their wellness indicators, fostering a comprehensive healthy workplace.

2023 Health Check Results	Number of people	Received Health Guidance
Level 1	4	0
Level 2	37	1
Level 3	49	3
Level 4	13	10

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(5)Occupational Incident Handling and Investigation

To enhance the efficiency of incident investigations, O'right has established the "Accident Handling and Investigation Procedures." Following SOP guidelines, the process involves verifying facts and circumstances, identifying root causes, and implementing corrective actions to reduce the likelihood of recurrence.

No.	Work Procedures	Description
1	On-Site and Injury Management	a. Control of the scene and prevention of secondary disasters b. First aid for injuries and subsequent handling c. Maintaining the integrity of the scene
2	Occupational Accident Reporting	a. Within 1 hour of the occurrence of an occupational accident, the supervisor of the accident unit must fill out the "Occupational Accident Report Form" to notify the occupational safety unit b. In the case of a major occupational accident, report to the competent authority within 8 hours
3	Occupational Accident Investigation	a. Form an investigation team and hold an investigation meeting within two working days after the accident b. The supervisor of the accident unit should submit the "Occupational Accident Investigation and Cause Analysis Report Form" based on the investigation results within two weeks c. The report content should at least include details about the people, event, time, location, and objects involved
4	Review and Promotion of the Investigation Report	a. Based on the "Occupational Accident Investigation and Cause Analysis Report Form" and other relevant documents, employees can apply for sick leave due to occupational injury b. The HR department assists employees in applying for various insurance payments or occupational injury compensation, etc. c. Incorporate the report content into safety training materials to strengthen employees' awareness of safety
5	Implementation and Tracking of Improvement Measures	a. Hazard identification and risk assessment should be conducted before implementing improvement measures, and an execution plan should be precisely formulated b. The occupational safety unit is responsible for tracking the implementation of improvement measures and recording the audit results
6	Closure of the Accident Investigation Report	a. The occupational safety unit should timely review the investigation report results to prevent hazards from reoccurring b. The "Occupational Accident Investigation and Cause Analysis Report Form" is closed and filed after the completion of improvement measures and is kept for ten years by the occupational safety unit.

● Occupational Accident and Incident Investigation

(6) Contractor On-Site Risk Prevention Mechanism

Before contractors commence on-site construction, the requesting department must ensure compliance with safety and health regulations as per the Work Permit Operating Guidelines. Contractors are required to complete and submit the necessary documentation, including the Contractor Safety, Health, and Environmental Commitment Statement, Work Application and Hazard Notification Form, a six-hour training certificate for construction personnel, and valid occupational safety and health operation licenses.

Based on the risk level of the operation, the requesting department must hold a pre-construction safety coordination meeting and assign on-site occupational safety and health personnel as needed. Additionally, a Daily Construction Hazard Acknowledgment Form must be signed prior to commencing on-site work, and the supervising unit must ensure strict implementation of safety measures, independent equipment inspections, and hazard controls. These actions aim to enhance safety awareness among contractors and workers.

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5.4.2 Management Performance

(1)Training and Safety Awareness

To enhance employees' understanding and awareness of occupational safety and health, ensuring workplace safety and well-being, O'right annually assigns occupational safety and health representatives or professionals to participate in refresher training. The company conducts annual education sessions and drills, such as fire drills and spill response exercises. These training programs and awareness campaigns aim to foster a workplace culture with a strong emphasis on safety and health, ensuring all employees work under safe and healthy conditions.

Occupational Safety Training in the past 3 years

Year	Item	Participants
2021	Fire safety drill	Entire staff
	Fire safety drill	Chemical spill response team
2022	Fire safety drill	Entire staff
	Chemical spill drill	Chemical spill response team
2023	Fire safety dril	Entire staff
	Chemical spill drill	Chemical spill response team



Self-defense Firefighting Unit Simulation Drill

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(2)Regular Health Checkups and Health Awareness Campaigns

To prioritize employee health, O'right offers health checkup services exceeding regulatory requirements and organizes regular health promotion courses and activities. These initiatives provide employees with occupational health knowledge, including workplace safety essentials, common occupational diseases and injuries, preventive measures, and health improvement strategies. By raising awareness of potential health risks and teaching self-care practices, O'right strives to create a healthy, safe, and supportive work environment that enhances employees' overall well-being and happiness.

Occupational Safety and Health Lecture Statistics (Last Three Years)

Year	Course Titles
2021	• Negative Thinking Transformation: How to Cope with Workplace Blues • Release Your Muscles: What to Do About Muscle Tension? • Stress and Pain Relief: Understanding Pain Properly • Stress Relief and Stretching: Turning Every O ce into a Gym
2022	• Prevention of Musculoskeletal Disorders from Ergonomic Hazards: A Health Seminar • Health Management: Ergonomic Stress Relief and Stretching
2023	• Workplace Violence Prevention Seminar Workplace Violence: Sexual Harassment Case Studies • Introduction to Test Reports and Self-Paid Items



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(3) Management Results for Onsite, Remote Staff, and Non-Employees

Since 2018, injury and disability-related data for both onsite and remote employees have been calculated using a revised formula, excluding commuting accidents and temporary disabilities within a single day. From 2018 to the present, O'right employees have reported zero occupational injuries. For non-employee workers, including contractors, no occupational safety incidents resulting in disabilities occurred in 2023. The Occupational Safety and Health Office will continue its strong tradition of effective risk management to provide a safe and reassuring work environment for all employees.

Occupational injuries and lost workdays in the past 3 years

Item	2021	2022	2023
Annual Number of Fatal Occupational Accidents (persons)	0	0	0
Annual Number of Serious Occupational Accidents (persons)	0	0	0
Minor Injuries/Close Calls (non-occupational) (persons)	0	0	0
Number of man-hours worked	544,016	553,776	529,728
Disabling Injury Frequency (FR)	0	0	0
Disabling Injury Severity (SR)	0	0	0
note	• Minor Injury/Near Miss (Non-Occupational) = Incidents of minor injury or near miss that result in less than 8 hours of lost work time. • Disabling Injury Frequency Rate (FR) = Number of disabling injuries in the year × 1,000,000 / Total hours worked in the year [rounded to two decimal places] • Disabling Injury Severity Rate (SR) = Total days lost due to disabling injuries in the year × 1,000,000 / Total hours worked in the year [rounded to whole number] • Total hours worked in the year = Total working days in the year × Number of employees × Daily working hours		

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5.5 Environmental Education

GRI 413-1、413-2

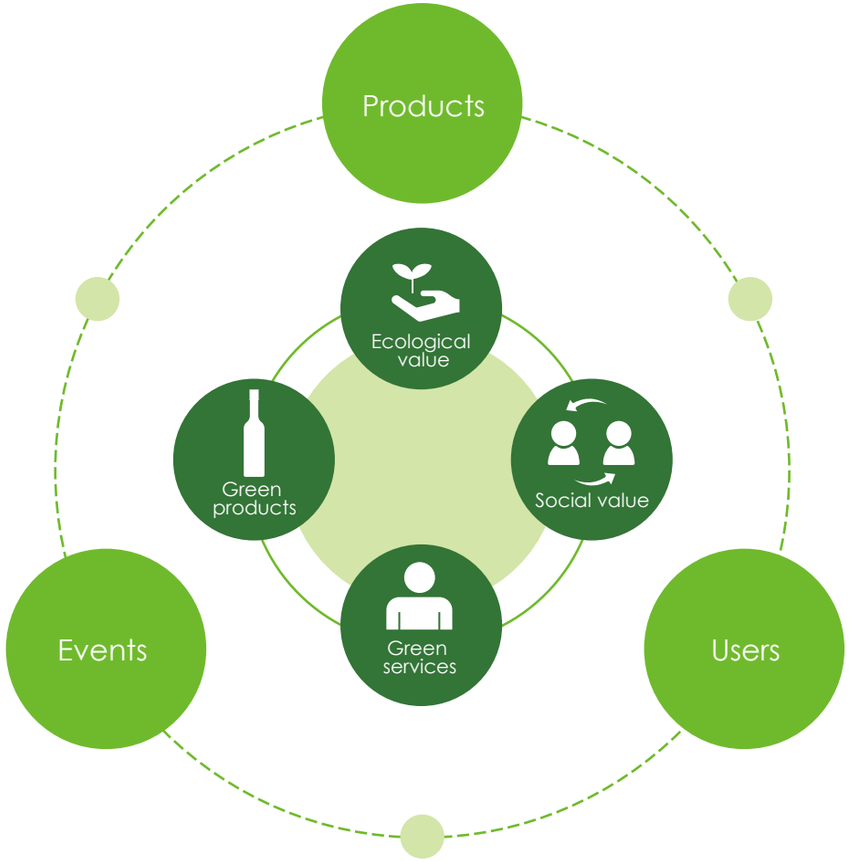
We aim to operate a business that contributes to both societal and environmental well-being. Every strategy and decision we make is guided by three key questions:
What is its value and significance to society?
What is its value and significance to the environment?
Can it simultaneously support corporate governance and growth?
Combining these three questions defines the ultimate goal our company strives to achieve!

In September 2006, O'right established its green brand development direction with a firm belief: if it is the right thing to do, we do it to the best of our ability. Our goal is to ensure that every action benefits human health, is environmentally friendly, and contributes positively to society. Guided by the belief that "everything can be utilized" and the mission to "learn from nature and cherish all life on Earth," we are committed to planting green seeds for the environment.

We continuously communicate the importance of sustainable practices, plastic reduction, and resource recycling to consumers, advocating green consumption. By encouraging consumers to embrace and internalize green values, we aim to sow seeds of sustainability in their minds, transforming recognition into tangible green actions integrated into daily life, ultimately creating true sustainable living value.
Grounded in "ecological benefits," "social benefits," "green services," and "green products," we have developed three green marketing strategies—product, usage, and activities—to foster consumer awareness of green consumption.

Product Dimension：Through green innovative products, we adopt eco-friendly designs and develop environmentally responsible ingredients, sparking consumers' green awareness.
Usage Dimension：We design water-saving and energy-efficient products that align with environmental benefits from a consumer perspective. Additionally, all products undergo greenhouse gas inventory assessments across five stages: raw material procurement, manufacturing, sales, consumer use, and recycling. Each product is certified carbon neutral, minimizing the environmental impact of every consumption behavior.

Activity Dimension:：O'right organizes or co-hosts large-scale environmental events:
a. Melting Greenland Project: A documentary series filmed in Greenland and the Marshall Islands—key sites of climate change—aimed at raising public awareness. With free public screenings, the project encourages individual and corporate participation, inspiring audiences to become proactive climate advocates. By 2023, over 10 countries, 600 schools, and 3,000 enterprises have joined the initiative. Future plans include school collaborations and charitable book donations to amplify its influence.
b. Earth Hour: A lights-off carbon reduction initiative inviting participation from public sectors, businesses, celebrities, schools, organizations, and the public.
c. Green Salon Movement: This initiative offsets carbon emissions generated during salon operations and customer use. O'right partners with over 2,000 green salons across Taiwan, awarding "Sustainable Forest Certificates" to recognize efforts in achieving carbon neutral milestones within the professional haircare industry, making tangible contributions to the planet.



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Type	2021	2022	2023	2012-2023
Enterprises	803	1,627	2,151	15,940
Salons	0	0	38	6,258
Government Agencies	15	192	820	2,856
Public Associations	12	82	112	209
Academia	253	417	991	12,090
Media and Journalists	0	7	32	159
Local Residents	62	156	121	1,243
Subtotal	1,145	2,481	4,265	38,755

● Visitors of O'right Green Headquarters

Notes: * The statistics cover the period from June 2012 (inauguration) to December 2023.
* Visitor statistics are based on the O'right Administrative Management Center's visitor list; ad hoc visitors are excluded from formal calculations.

5.5.1 Green Headquarters Visits

he establishment of the Environmental Education Center has been a long-standing dream of O'right. Amid the escalating challenges of climate change, carbon reduction has become an essential responsibility for all enterprises, embodying the principle of contributing to and giving back to society. Through the thoughtful design of this space, O'right seeks to convey the deeply rooted spirit of sustainability in Taiwan, inspiring visitors to take part in environmental protection efforts. The center serves as a bridge between the public and environmental issues, offering an exceptional environmental education experience to all guests.

Since its inauguration in June 2012, the O'right Environmental Education Center has welcomed a wide range of visitors, including major corporations, governmental organizations, academic institutions, and international environmental advocates. Beyond accommodating scheduled tour groups, we proactively invite local community residents, salon industry partners, and employees' families to the headquarters to participate in environmental education activities. The goal is to engage all stakeholders in the green movement, providing insights into O'right's green initiatives while enhancing public awareness of environmental and climate issues.

To ensure a high-quality environmental education experience, we have curated comprehensive visit programs, including brand presentations and guided tours of the headquarters. Relevant department heads undergo professional training as certified environmental educators, and the visit content is periodically reviewed and refined to maintain its excellence. This ensures that every visiting group gains a deeper understanding of O'right's commitment to its green mission.

Since the O'right Green Headquarters was officially certified as a national-level environmental education facility by Taiwan's Environmental Protection Administration in 2022, we have hosted 299 sessions with a total of 6,746 attendees. In 2023 alone, the number of visitors reached 4,265, a 172% increase compared to 2022. From the headquarters' opening to the end of 2023, we have received a cumulative total of 38,755 guests.



● The O'right Environmental Education Center has been certified as a national-level environmental education facility by the Ministry of Environment, Executive Yuan.

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5.5.2 Goals and Action Strategies for the O'right Environmental Education Facility

O'right, certified as a national-level environmental education facility, provides an exceptional learning environment for university students and corporate organizations. We actively invite relevant departments and courses from universities, such as business schools, CSR and corporate ethics programs, and design schools, to explore the design concepts and applications of our Green Headquarters. Since its establishment, O'right has hosted over a thousand visits, offering high-quality courses and observation opportunities through these activities while sharing corporate knowledge and expertise.

Leveraging administrative resources from strategic alliances, we continue to focus on environmental public welfare initiatives and responses to the UN Sustainable Development Goals (SDGs). These efforts support students in developing their potential and enhancing competitiveness while assisting businesses in adapting to climate change-related operational risks and transformation opportunities. Currently, our courses center on two main themes: zero-carbon actions in environmental and manufacturing aspects, and the practical implementation of green factory objectives. Moving forward, we will collect feedback on course delivery, investigate the need for new course modules, and study exemplary facilities of a similar nature to guide future curriculum adjustments. Our goal is to continuously refine and enhance our environmental education programs, providing an even more comprehensive and high-quality learning experience.

Action Strategies

	Short-term (1-2years)	Medium-term (3-4years)	Long-term (5years)
Goal 1 : Fully Develop Environmental Education Courses	• Continue operating the curriculum development team and regularly review course implementation. • Conduct 10 sessions of environmental education courses (for corporate groups and universities) and evaluate outcomes.	• Revise two existing environmental education course programs. • Develop and trial a new course program aligned with curriculum themes.	• Conduct 10 sessions of the new course program and collect feedback data. • Finalize revised course programs to support the next certification phase for the education facility.
Goal 2 : Train Internal Personnel	• Curriculum development team serves as seed instructors and conducts internal training with relevant environmental education units. • Plan volunteer recruitment, training systems, and evaluation mechanisms.	• Recruit and train 15 environmental education volunteers. • Train volunteers to obtain certification. • Establish environmental education workshops by integrating internal and external resources to achieve capacity-building goals.	• Utilize volunteers as teaching assistants in partner schools to refine internal teaching materials. • Promote environmental education concepts and practices through active volunteer participation.

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To continually expand green influence, O'right has, since October 2018, invited organizations participating in environmental education at the Green Headquarters to commit to supporting the UN Sustainable Development Goals (SDGs). In 2019, the Green Headquarters underwent a comprehensive 2.0 upgrade project. This initiative incorporated recycled materials, local culture, and innovative design elements to integrate the building with natural environments and sustainability themes.

The project introduced the Re Office, Environmental Education Center, Brand Experience Hall, and Glass Skywalk, all connected to the campus and low-carbon offices. These facilities utilize clean green energy, including wind and solar power, for self-sufficient electricity generation, which is entirely used in product manufacturing. Additional measures such as energy-saving, water conservation, and cooling systems further reduce the reliance on high-carbon energy. This "concept transformation" redefines the spirit of sustainability once again.

We do not charge any fees for these efforts, dedicating ourselves to promoting environmental education. Our goal is to make O'right's philosophy and global sustainable development trends more widely recognized by the public.

















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5.6 Green Impacts

In recent years, the increasing frequency of extreme weather events has heightened humanity's awareness of the importance of protecting our planet and our home. O'right not only upholds green sustainability in its products and services but also actively promotes carbon reduction initiatives to address these challenges. We take action with dedication, striving to create a better future. The green energy O'right has accumulated over the years invites you to join us in making the world a better place, together.

● Climate Action

Earth Hour	Melting Greenland	Green Salon Movement	Other Environmental Advocacy Initiatives
Earth Hour: Together Greener with O'right	A Climate Action for All	"Sustainability is the Ultimate Fashion"	3-Minute Shower Action
On Earth Hour 2023, Taiwan collectively saved 150,000 kWh of electricity, reducing carbon emissions by 76,350 kgCO2e—equivalent to planting 6,941 20-year-old trees. From 2011 to 2023, Taiwan accumulated a total electricity saving of 1,249,000 kWh, reducing 635,741 kgCO2e in emissions, which is comparable to planting 57,794 20-year-old trees.	In 2022, as part of O'right's 20th-anniversary initiative, $1 million from its revenue was allocated to document frontline footage of climate change in polar regions. This project aimed to bring the reality of climate change to the public's attention. The documentary has been licensed as a non-pro t environmental education tool for individuals and organizations concerned about climate issues, inspiring viewers to become proactive climate advocates and participants in the project. By 2023, the initiative has garnered responses from over 10 countries, 600 schools, and 3,000 enterprises across Taiwan.	The Green Salon Movement begins with salons, integrating green consciousness into everyday consumer behavior through green products, green standards, and environmental education. The movement commits to off setting the carbon emissions of salon customers. By 2023, it has engaged 2,000 salons and over 1,000 stylists, off setting 1,820 metric tons of carbon dioxide—equiv-alent to planting 165,455 20-year-old trees.	On Water Day during the UN COP27 conference, O'right launched the "3-Minute Shower Action" campaign, encouraging tangible efforts to conserve resources. If one person commits to 3-minute showers throughout the year, the carbon emissions saved would be equivalent to planting 35 20-year-old trees.

Sources: * Electricity Savings: Official data monitored and provided by Taiwan Power Company for this project.
* Taiwan Bureau of Energy, Ministry of Economic Affairs: Calculations are based on the national average electricity emission factor of 0.509 kg for the period 2011–2021.
* Taiwan Bureau of Energy, Ministry of Economic Affairs: A 20-year-old tree absorbs approximately 11–18 kg of CO_2 annually; this table adopts a conservative estimate of 11 kg.

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5.6.1 Earth Hour — Lights Out Initiative

Earth Hour, a global environmental movement initiated by the World Wide Fund for Nature (WWF) in Sydney, Australia, in 2007, uses the symbolic act of "turning off lights" to raise awareness of climate change. Every year on the last Saturday of March, participants worldwide switch off non-essential lights at 8:30 PM local time. Taiwan, one of the 192 participating countries, has seen over 18,000 global landmarks join the movement.

Since 2012, O'right has leveraged its resources to lead and mobilize businesses in Taiwan for Earth Hour. As global citizens, Taiwan's participation in such a significant environmental initiative is essential. Through this action, O'right aims to deeply ingrain energy-saving and carbon reduction concepts into public consciousness.

In 2023, O'right proudly marked its 13th consecutive year as the Earth Hour host in Taiwan, one of the few non-NPO organizations authorized by WWF globally. This year's event garnered extensive support from the central government, the six largest cities, county leaders, and sustainability advocates. It united over 100 celebrities, thousands of renowned companies, and green salon operators in this "world's largest voluntary carbon reduction action," showcasing Taiwan's green influence.

O'right collaborated with key partners, including FamilyMart, a leading convenience store chain, and momo shopping network, to amplify corporate influence. The event saw participation from 539 companies, 6,762 chain stores, 3,684 salons, and millions of people across Taiwan, transcending industries and sectors to collectively turn off unnecessary lights.

Prominent companies like Carrefour, LDC Hotels & Resorts, Promisedland Resort & Lagoon, Caesar Park Hotels, Far EasTone Telecommunications, Watsons, China Airlines, Farglory Group, Foodpanda, Chunghwa Telecom, Cathay Financial Holdings, and Amour Cake also joined this year's action. These corporations exemplified leadership in corporate social responsibility, inspiring citizens across Taiwan to participate in climate action.

O'right's efforts led to an unprecedented record in the 13th year of Earth Hour, with over 15,000 kWh of electricity saved across Taiwan. Since 2011, the cumulative electricity savings have reached 1.249 million kWh. Looking ahead, O'right will continue advocating for this simple yet impactful "lights out" action, encouraging everyone to contribute to sustainability.



Earth Hour — Lights Out Initiative

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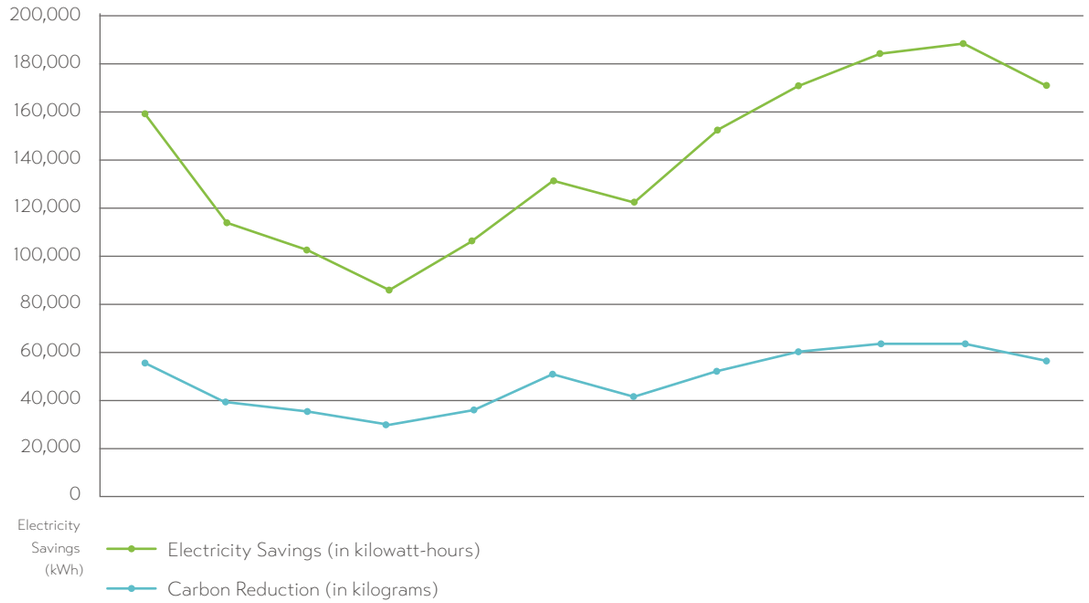
Every Choice Shapes Our Shared Future

Steven Ko, O'right Founder & CEO, stated: "In the face of climate change, no one is an outsider!" While the energy-saving efforts of Earth Hour may not keep pace with global warming, the true significance of this 60-minute event lies in awakening people's awareness of environmental sustainability.

As inhabitants of this planet, it is our shared responsibility to protect it. Let us transcend our five senses in the darkness, listen to the voice of nature, restore biodiversity, and foster harmony with the natural world.

Official Website ： https://earthhour.oright.inc/





2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
103,000	74,000	67,000	56,000	70,000	80,000	80,000	100,000	110,000	120,000	125,000	114,000	150,000
55,929	39,516	35,778	29,624	36,330	51,040	42,000	52,700	60,940	63,960	63,625	57,228	76,350

Historical Carbon Reduction Achievements of Earth Hour

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5.6.2 COP28 International Climate Change Conference

The 28th United Nations Climate Change Conference (COP28) took place in Dubai, marking a historic moment for O'right as the first Taiwanese company invited by the UNFCCC to present in the Blue Zone. At this global stage, O'right premiered the Melting Greenland: UN COP28 Screening Version environmental education documentary, shedding light on the Republic of the Marshall Islands, a nation at the forefront of the rising sea level crisis, to emphasize the urgency of climate change.

"I found a Taiwan-made television in the Arctic Ocean," began Steven Ko, CEO of O'right, holding a striking image of marine debris—a discarded TV retrieved from Arctic waters. Whether abandoned and carried by ocean currents or swept away by storms, the message is clear: no one is an outsider when it comes to the environment. Ko highlighted the transition from "linear economy" thinking to the "circular economy" as a vital solution. Businesses must now evaluate their ecological footprint through product life cycles, elevating corporate strategies to ecological thinking.

Capgemini Invent UK's Vice President of Sustainability, Courtney Holm, echoed this sentiment, emphasizing the value of the circular economy with the phrase, "one man's trash is another man's treasure." O'right has taken significant steps toward a green supply chain, sourcing raw materials free of petrochemicals and earning the USDA Certified Biobased Product certification. Its shampoo and body wash bottles are made entirely from PCR (post-consumer recycled) plastics, reducing carbon emissions by 60-80%. Moreover, O'right has achieved comprehensive carbon neutrality across Scopes 1, 2, and 3 for four consecutive years.

Renowned Czech circular economist Vojtech Vosecky pointed out that, within 30 years, over seven billion people will reside in urban areas, underscoring the critical need for circular economy solutions and sustainability. Reflecting on his expedition to Greenland, Steven Ko warned, "If Greenland's ice sheets fully melt, global sea levels will rise by 7.4 meters, submerging low-lying areas and exponentially increasing climate refugees."

Ko urged humanity to listen to the voice of nature and elevate efforts from industrial circular practices such as Reuse, Refill, and Reduce to ecological principles of Respond, Revive, and Respect. He called for unity in confronting the era of climate emergency and taking immediate adaptive and mitigating actions.



Surangel Whipps Jr
President of Palau



John Silk
Minister of Natural Resources and Commerce,
Republic of the Marshall Islands



Steven Ko
Founder & CEO of O'right

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5.6.3 O'right and Global Views Collaborate for COP28 On Air: Frontline Reports on Global Climate Action

In 2023, Steven Ko, Founder and CEO of O'right, joined forces with Global Views President Maria Yang to attend COP28 as frontline observers, providing in-depth analysis of global climate issues. Held in Dubai, UAE, this year's conference attracted representatives from over 200 countries to discuss strategies for tackling climate change. The collaboration between O'right and Global Views combined the green practices of the enterprise with the media's influence, delivering timely updates from the summit to the public.

During the two-week conference, CEO Steven Ko and President Maria Yang hosted daily live sessions from Dubai through the Global Views ON AIR program. They shared updates on the summit's progress, conducted interviews with climate experts and Taiwanese business leaders, and analyzed global net-zero achievements.

CEO Steven Ko also highlighted O'right's green innovation journey at COP28, emphasizing the critical role businesses play in addressing the climate crisis. While the conference included the screening of the Melting Greenland: Saving the Marshall Islands documentary, this collaboration demonstrated how O'right and Global Views mobilized more businesses and individuals to engage in global climate actions.

O'right has evolved beyond being a green enterprise to become a significant voice driving climate action. This collaboration with Global Views at COP28 underscores the commitment and leadership of both business and media in addressing global climate challenges.

5.6.4 The Economist's Sustainability Week Asia Forum: "Carbon as Debt or Asset"

In 2023, O'right's Founder & CEO Steven Ko was invited to represent Taiwan's SMEs at The Economist's Sustainability Week Asia Forum, one of the largest ESG forums in Asia, bringing together global government agencies, business leaders, and researchers. As the world's first beauty company to achieve carbon neutrality, O'right shared its strategies for climate risk adaptation and mitigation at the event.

During the forum, Steven Ko emphasized the pivotal role of SMEs in climate action. He highlighted O'right's remarkable achievements in carbon neutrality, carbon trading, and building a green supply chain, despite being an SME from Asia. Since 2020, O'right has achieved comprehensive carbon neutrality across scopes 1, 2, and 3 for the entire organization and product range, verified annually by SGS. Additionally, by the end of 2022, the company fulfilled its RE100 commitment ahead of schedule, achieving 100% green electricity usage.

This invitation to The Economist's Sustainability Week Asia Forum reflects O'right's growing international influence. Despite being an SME, O'right remains steadfast on its path of sustainable development, excelling in environmental innovation while driving global climate action. "In the future, carbon holds value; it can be a liability or an asset," stated Steven Ko. Facing the climate crisis, businesses must not only bear the responsibility of carbon reduction but also transform it into a long-term competitive advantage. O'right will continue to lead by example, inspiring more enterprises to join the journey toward net-zero emissions and sustainable development, collectively addressing the challenges of the future.

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5.6.4 Melting Greenland

The Melting Greenland project has received support from the United Nations-recognized World Climate Foundation (WCF) and RE100 Climate Group | CDP. Over 23 days, the team visited 11 towns, interviewing experts and scholars from various fields, including IPCC scientists, Greenland's former Prime Minister, and local residents from all walks of life. Together, they explored the social and economic impacts of climate change. The documentary, intended for public benefit screenings, is designed as an educational tool for non-profit environmental awareness initiatives, available for licensing to organizations that share a commitment to global climate issues and support the project.

In 2021, the Arctic ice sheet experienced its first recorded rainfall, signaling the increasingly irreversible state of extreme climate conditions. NASA research shows that Greenland's ice melting rate is now seven times faster than at the start of these studies. The effects of climate change ultimately return to humanity itself, which is why Greenland—a populated region with culture and economic activities—was chosen as the focal point instead of Antarctica. Through interviews with local residents, the documentary sheds light on their changing lives, aiming to inspire proactive solutions for climate adaptation. Starting with environmental education, the project seeks to empower people to create meaningful change.

The Melting Greenland documentary is made available for free public screenings without licensing fees. Supporters' names are included in the film, symbolizing that its completion is a collective achievement driven by shared concern for climate issues. This approach transforms viewers from passive spectators into active information disseminators. Unlike fear-based messaging, the documentary emphasizes collaboration and optimism to create innovative business and societal models.
The project has expanded beyond the documentary itself, with plans for exhibitions, books, and collaborations with more
educational institutions to extend its impact.

We know the solution. What are you waiting for?

Steven Ko, O'right's Founder & CEO, remarked, "What happens in Greenland today could happen to every nation tomorrow. Greenland is bearing the frontline impacts of climate change for the world. We are the generation witnessing the most dramatic climate changes in human history—and perhaps the last generation with the chance to act. This matters to everyone."

By the end of 2023, over 500 schools and 3,000 companies had joined the free public screenings of the documentary. The film was also featured at international forums, including the United Nations General Assembly (UNGA77) Climate Week in New York, COP27 Global Climate Summit, and The Economist Sustainability Forum in Singapore. In 2023, O'right extended free licensing of the full documentary to like-minded organizations as a tool for environmental education. By showcasing the realities of climate change, the project aims to inspire action through education, fostering widespread awareness and engagement with the pressing challenges of climate change.

Official Website : https://www.oright.inc/tw/news/greenland



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5.6.5 O'right | PRO SHOW

Professionals in the beauty industry often work behind the scenes, rarely stepping into the spotlight. In the past, hair shows were typically limited to industry insiders. Today, with Taiwan's beauty industry reaching world-class standards, we aim to transform these talented designers into the stars of the stage, showcasing their confidence and extraordinary creativity. To achieve this, we organized an open-to-all hair show, providing a platform for more people to appreciate the artistry of hairstyling.

O'right | PRO collaborated with "Father of Taiwanese Hairdressing" Deng Tai-Hua and his renowned "VISAVIS" professional hairstyling team. Inspired by nature, they infused color aesthetics into hair textures. The show also featured performances by the internationally acclaimed contemporary dance troupe B.DANCE, illustrating the beauty of body movement, alongside vocal performances by the award-winning band Missing Person, which captured the essence of nature through song. Every performance was meticulously crafted to embody natural aesthetics, bringing the brand's philosophy and green values to life.

The event attracted an audience of over 1,000, including prominent hairdressing teams eager to learn and participate. For the first time, influential figures and media from the global beauty industry—hailing from Belgium, Australia, Switzerland, Mexico, Austria, Belarus, Japan, Singapore, South Korea, China, and more—gathered in Taiwan. The show challenged conventional perceptions of the beauty industry, highlighting its transformation and providing a stage for designers to showcase their creations. Through this event, we also announced to the world that the hairdressing industry has entered a green transformation era. O'right unveiled its "O'right | PRO" line, specifically designed for premium salons, paying tribute to the art of hairdressing while embracing sustainable innovation.

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5.6.6 Shanghai Twin Cities Forum Discusses "Green Transition": Focus on the GEP Era and Sustainable Development

At the 2023 Shanghai-Taipei City Forum, low-carbon sustainability emerged as a core topic of discussion. As the world's first carbon neutral beauty company, O'right's Founder & CEO Steven Ko served as a keynote speaker on "Green Transition," sharing the company's experiences in advancing sustainability and carbon reduction initiatives.

Steven Ko emphasized that the arrival of the GEP (Gross Ecosystem Product) era will redefine corporate competitiveness. Future success will no longer rely solely on traditional economic growth indicators but must achieve a balance between economic development and ecological preservation. Using examples from Toyota and BYD, he underscored the critical importance of low-carbon transformation for corporate survival and long-term growth. Ko highlighted that focusing on energy transition and carbon reduction actions is the key for businesses to remain competitive in future markets.

During the forum, O'right's "Zero Carbon Sustainability Gift Set" became a symbol of climate action, further underscoring the company's commitment to addressing climate change. The gift set not only reflects O'right's efforts toward carbon neutral goals but also conveys a steadfast dedication to environmental sustainability, serving as a green emblem of cross-strait collaboration.

The forum brought together key enterprises and experts from both sides of the Taiwan Strait, showcasing their influence in driving green transitions and sustainable development. Through this platform, O'right demonstrated its leadership and commitment to green innovation. The company will continue to champion sustainability and collaborate with other businesses to embrace the challenges of the GEP era, achieving true sustainable development. This not only solidifies O'right's role in international climate action but also sets a benchmark for broader corporate participation in green transformation.

5.6.7 3-Minute Showers

According to data released by Taiwan's Environmental Protection Administration (EPA), the average shower duration in Taiwan is 10 minutes, consuming approximately 100 liters of water and 3 kWh of electricity (to heat water from 25°C to 38°C). Reducing shower time to three minutes can save approximately 70% of water and 2.1 kWh of electricity per shower, equating to a reduction of 1.05 kg in carbon emissions per person per shower.

Addressing Climate Change through Environmental Education

In 2011, O'right introduced the world's first carbon neutral shampoo. According to its lifecycle analysis, consumer usage accounts for 91.23% of carbon emissions, demonstrating that carbon reduction cannot rely solely on producers; consumers must also actively participate. To make water conservation more than just a slogan, O'right launched the "3-Minute Shower Movement" during the "Water" theme day at the COP27 Global Climate Summit. This initiative invited global participation in practical carbon reduction actions. If just one additional person commits to this campaign, the annual reduction in carbon emissions would be equivalent to planting 35 twenty-year-old trees.

Through this campaign, O'right continues to lead by example, empowering individuals and communities worldwide to take meaningful steps toward mitigating climate change.



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5.6.8 Collective Participation in CSR Activities

(1) Green Salon

The Green Salon concept has been a long-standing advocacy of O'right, encouraging people to prioritize their health, their family's well-being, and the environment. Taiwan's salon customers are key partners in spreading this vision. Since 2011, for 12 consecutive years, we have invited salon stylists to participate in CSR activities. In 2023, over 4,000 salons across Taiwan supported the Earth Hour lights-out campaign and used O'right products to offset approximately 9.3 million kilograms of CO_2 equivalent—comparable to planting 850,000 twenty-year-old trees. These efforts empower salons to take concrete steps in reducing carbon emissions, heighten awareness among stylists about sustainability, and integrate green living principles into daily life. This influence extends to clients served by these stylists, successfully fostering a vibrant green movement within the highly impactful hairdressing industry.

In 2018, we further promoted the use of mobile payment to support paperless transactions and energy conservation. This initiative enhanced customer convenience and security, streamlined payment processes, and enabled real-time access to order details, reinforcing our commitment to sustainable practices.

In 2023, leveraging 20 years of expertise in the haircare industry, O'right launched the O'right | PRO brand, offering exclusive products tailored for the premium salon professional market. These products incorporate innovative strengthening technologies to deliver the healthiest and safest solutions for stylists, consumers, and the natural environment.

The brand provides six innovative services: Experience Innovation, Traceability Innovation, Partnership Innovation, Service Innovation, Standards Innovation, and Sustainability Innovation. Among these, Service Innovation integrates digital transformation into the customer ordering system. This system combines mobile payment for paperless functionality, supporting energy-saving and carbon-reduction goals, while offering faster checkout, real-time order tracking, contract limits, and secure payment services. By the end of 2023, the system had processed approximately 3,000 orders, significantly reducing order processing time, lowering labor costs, and enhancing the customer shopping experience.



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(2) International Distributors

For 20 years, O'right has unwaveringly pursued carbon neutral sustainability, embodying its founding mission. The company has successfully implemented circular economy principles, launching the world's first 100% traceable recycled plastic bottle and award-winning recycled plastic pumps, solidifying O'right's global leadership in sustainability.

In addition, O'right continues to convince international consumers that beauty can flourish in harmony with the planet, spreading the "zero impact" philosophy to its growing network of green advocates. Each year, O'right actively invites its international distributors to join in green initiatives, encouraging them to independently implement various eco-friendly services and activities. Together, O'right and its global partners create a collective movement for sustainability.

International Partners	Green Actions
Belarus Green Salon	In Belarus, the 'Green Salon' initiative re ects our core belief in valuing health and the environment. Since 2015, our Chairman Steven Ko and our Russian distributor have been planting apple trees, a prized fruit tree in Russia. Every year, they maintain these trees, and the fruit harvested is donated to orphanages. This act of love for the planet is shared with the children in these institutions.
Netherlands GreenSalon	In the Netherlands, two Green Salons, Esther Hairstudio and ThirtyOne Haircare, embrace our green philosophy. They protect the health and beauty of their customers while showing a friendly concern for the environment. These salons embody the concepts of health, eco-friendliness, and sustainability as a lifestyle choice and a fashion trend. Additionally, we have featured these Dutch Green Salons in our Green Life Quarterly magazine, facilitating the exchange of sustainable practices among our partners.
Russia Green Salon	Our Russian distributor, headquartered in Moscow, is managed by the passionate and creative brand manager Natalia. Inspired by our beach cleaning activities in Taiwan, Natalia's team investigated local environmental conditions and discovered that while beaches near Moscow were clean, the rivers su ered from unseen pollution. This led to the launch of the 'Cleansing the riverside and forest' project, focusing on cleaning the polluted rivers and providing much-needed help to nature.
Green Salons in Singapore and Malaysia	Our Green Salon partners in Singapore and Malaysia have organized forest day hiking events. These activities aim to connect our team with nature and inspire a greater appreciation for natural resources.
Thailand Distributor	In 2022, we collaborated with our green partners in Thailand to promote an environmental and sustainable development campaign centered around toothpaste. We partnered with hotel groups that share our sustainability values to advocate for net zero and green branding concepts, encouraging Thai citizens to pay attention to environmental issues and contribute to the planet's wellbeing. This initiative received positive social feedback.
South Africa Distributor	Our South African distributor, based in Durban, actively collaborates with local hair salons to promote the Earth Hour concept and put it into action. This initiative aims to raise more awareness about environmental issues. The local hair salons are very supportive of such activities, helping to make our planet a better place

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5.6.9 Green Publishing

(1) Nespaper

Continuing the 2020 "Nationwide News Reading Campaign," the 2023 initiative once again utilized text and imagery to summarize the past year's achievements and future outlook. By distributing newsletters, the campaign fostered closer connections between the brand and stakeholders, including suppliers, customers, and consumers, allowing stakeholders to better understand the invaluable sustainable value they co-create.

To accommodate different reading preferences, the brand annual report is published in both print and digital formats. This enables readers to quickly grasp O'right's milestones in its green business model.

Official Website : https://www.oright.inc/tw/news/views/426

O'right NEWSPAPER
The world's greenest shampoo
100% Trust from the Ocean and Earth

- O'right conveys its brand values through the imagery of ocean and glacier
- aspiring for greater emphasis on environmental education.
- Every choice you make is determining our TogetherGreener



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(2) From Salons to the United Nationsr

"What can we leave behind in our finite lives?" As we progress toward green sustainability, we deeply recognize that mountains, rivers, and trees are more significant than humanity itself. Modern society must prepare its own Noah's Ark, as our generation is not only a witness to climate change but also the only one with the chance to save the planet.

From Salons to the United Nations chronicles O'right's journey since its founding in 2002, a story of how Founder & CEO Steven Ko passionately built a global green brand. Beginning with salons in Taiwan, O'right embraced green principles to lead corporate partners toward a shared vision, earning consecutive international green awards that showcase Taiwan and O'right's legendary green supply chain to the world.

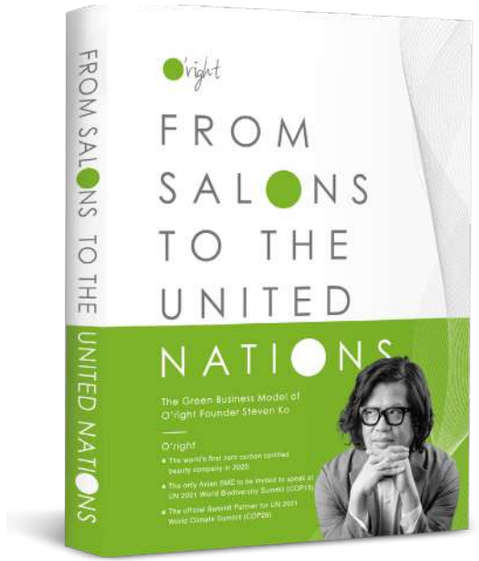
This story of O'right has not only inspired global change but also moved countless people. In From Salons to the United Nations, thought leaders from diverse fields offer endorsements, while elites from various industries lend their support through video recommendations—marking a groundbreaking achievement in book publishing.

(3) Founder's Column

Since its establishment, O'right has been dedicated to leading green impact, a commitment rooted in Founder & CEO Steven Ko's profound dedication to environmental sustainability. To better showcase the company's green development efforts, we introduced the "Founder's Column," a platform to communicate O'right's green philosophy and practices to a wider audience.

Authored by Founder & CEO Steven Ko, the "Founder's Column" covers a range of topics, including O'right's concrete sustainable practices, forward-thinking strategies, and insights into net-zero trends. Through his writings, Steven Ko shares his perspectives on climate action and sustainable development while demonstrating how O'right drives green transformation through innovation and action. From developing carbon neutral products to supporting global climate initiatives, O'right remains at the forefront of green transformation.

We firmly believe that these efforts not only strengthen O'right's leadership in sustainability but also help create a sustainable future for the next generation.





2023 Featured Articles:
The Earth is Boiling! UN TNFD Framework Reveals: Nature Risk is Financial Risk
"Carbon Credit Exchanges" Are Not Speculative Trading Platforms
Drawing the Red Line Against Greenwashing: Toward a Sustainable Planet
Is Toyota Still in Time?

O'right Official Website Founder's Column：https://www.oright.inc/tw/news/founder/
Global Views Chinese Elite Column：https://www.gvm.com.tw/author/6257
ESG Global Views Column：https://esg.gvm.com.tw/author/180

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5.6.10 Brand Collaborations

NOKE x O'right: Zero Carbon Artistry Gift Box

As the world's first carbon neutral beauty brand, O'right joined forces with NOKE to launch the "World Zero Carbon Gift Box," a cross-industry collaboration that merges environmental consciousness with rich cultural significance. The design of the gift box draws inspiration from the official gift O'right presented at the COP26 UN Climate Summit. The "orange swirling curves" on the box were created by French contemporary street artist Jordane Saget, known for his iconic three-line motifs that seamlessly blend sustainability with art. Saget's works have been exhibited at Chiang Kai-shek Memorial Hall Square and featured in collaborations with global brands such as Chanel, Louis Vuitton, Christian Dior, and BMW.

The gift box is crafted from FSC-certified sustainable forest paper and contains O'right's award-winning product, the Caffeine Shampoo, housed in a bottle made of 100% PCR (Post-Consumer Recycled) plastic. With its exquisite design and eco-conscious message, the gift box is a valuable and meaningful choice, reflecting O'right's unwavering commitment to environmental protection.

Lucas Zanotto x O'right: Summer Mosquito Shield

O'right partnered with renowned Italian artist Lucas Zanotto to design a summer mosquito repellent product. Zanotto, a multi-talented designer, director, and artist, has received prestigious global accolades, including the Cannes Lions Award and the Apple Design Award. He has collaborated with international brands such as Hermès, Google, and Amazon, earning acclaim for his creative and soul-soothing works.

This collaboration infuses the product with playful, dynamic artistic elements that capture the attention of children and parents alike, delivering an engaging message about environmental education. O'right firmly believes that every child deserves the right to grow up in a healthy environment, and this creative product is part of its effort to make that vision a reality.

Zero Carbon Sustainable Gift: A Statement on Climate Change at the 2023 Shanghai-Taipei City Forum

At the 2023 Shanghai-Taipei City Forum, O'right Founder & CEO Steven Ko represented the "Low-Carbon Sustainability Sub-Forum" as a speaker, emphasizing that GEP (Gross Ecosystem Product) will be a core measure of competitiveness for nations and businesses in the future. He highlighted low-carbon transformation as a vital pathway to achieving net zero.

Taipei Mayor Chiang Wan-an selected O'right's "Zero Carbon Sustainable Gift Box" as a ceremonial gift for the Mayor of Shanghai and representatives of the Taiwan Affairs Office, symbolizing the brand's commitment to addressing climate change. The gift box, crafted from FSC-certified sustainable materials, embodies eco-friendly principles and features O'right products, showcasing the brand's low-carbon innovation practices.

Through this collaboration, O'right not only conveyed its sustainable values on the international stage but also reinforced its influence in driving global climate action.







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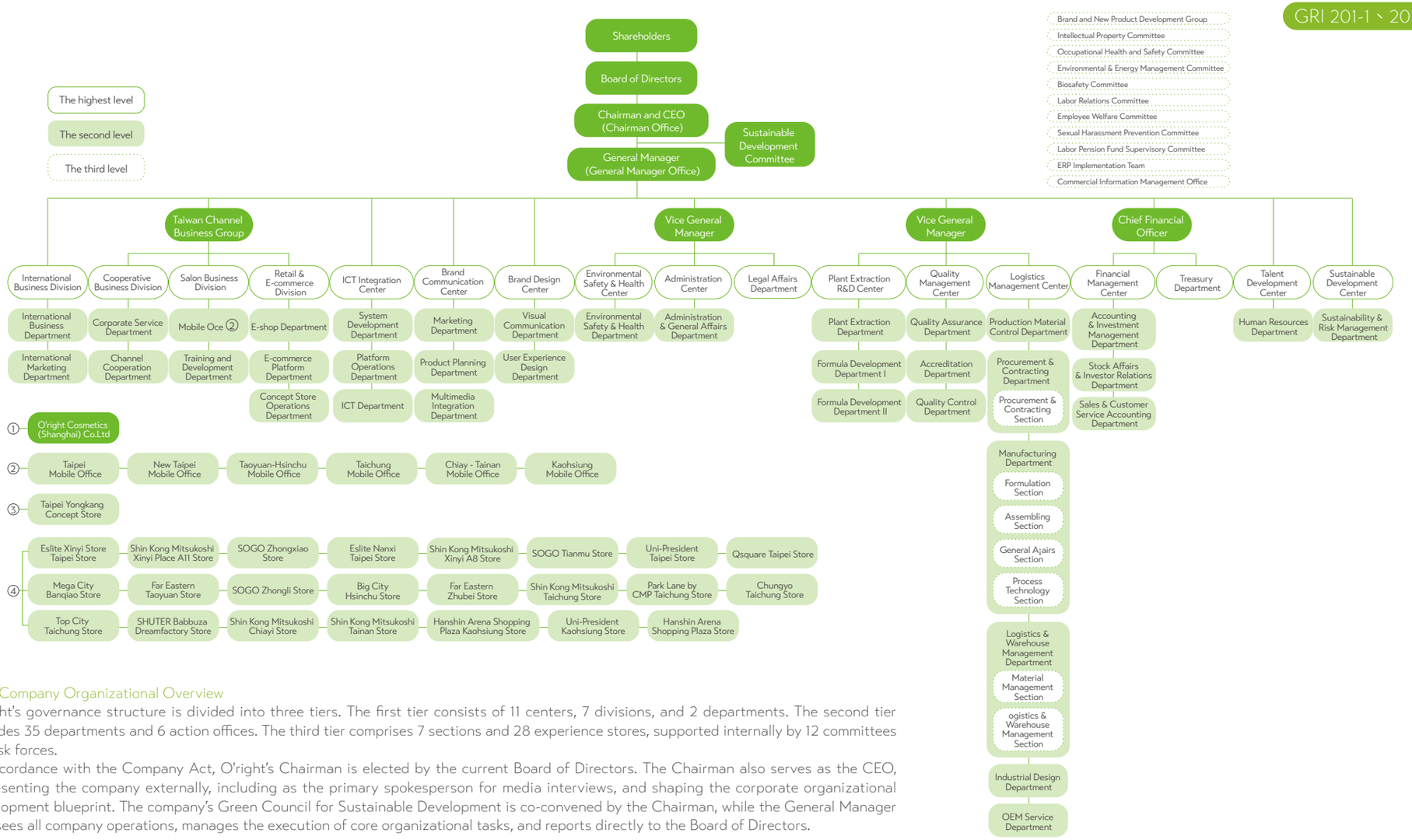
6.1 Sustainable Governance

GRI 2-9、2-12、2-13、2-14、2-16、2-28

GRI 201-1、201-4



(1) Company Organizational Overview

O'right's governance structure is divided into three tiers. The first tier consists of 11 centers, 7 divisions, and 2 departments. The second tier includes 35 departments and 6 action offices. The third tier comprises 7 sections and 28 experience stores, supported internally by 12 committees or task forces.

In accordance with the Company Act, O'right's Chairman is elected by the current Board of Directors. The Chairman also serves as the CEO, representing the company externally, including as the primary spokesperson for media interviews, and shaping the corporate organizational development blueprint. The company's Green Council for Sustainable Development is co-convened by the Chairman, while the General Manager oversees all company operations, manages the execution of core organizational tasks, and reports directly to the Board of Directors.

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O'right groups and committees	Relation	Date of establishment	Purpose and Objectives
ERP Implementation Team	Organization related	2021/12/15	Coordinated by the Finance & Investment Management Center and ICT Integration Center, this team addresses ERP system issues and holds regular meetings to develop execution measures.
Commercial Information Management Office	Organization related	2021/12/15	Aims to monitor media trends domestically and internationally, providing insights on sustainability and competitors. Weekly updates share O'right's media coverage, industry trends, and competitor activities for internal reference, predicting industry and global developments.
Occupational Health and Safety Committee	Labor related	2014/11/25	In 2023, comprised of three labor representatives (elected among labor representatives) and five company representatives. Established under the Occupational Safety and Health Act to prevent workplace hazards and protect employee safety and health.
Biosafety Committee	Organization related	2014/11/01	Composed of management representatives, lab supervisors, biosafety officers, quality control representatives, and technical staff. Holds at least one annual meeting to oversee lab biosafety, manage plans, review materials, train personnel, and ensure effective implementation of sterilization, emergency responses, and equipment inspections. Annual safety drills and equipment checks are conducted by certified vendors.
Labor Relations Committee*	Labor related	2014/8/12	Aims to coordinate labor-management relations, promote collaboration, and prevent conflicts. Labor representatives are directly elected by employees. Regular labor-management meetings are held to propose and discuss resolutions, with majority-approved decisions shared via cloud storage and company announcements. In 2023, four meetings were held, with decisions and minutes communicated to all staff.
Sexual Harassment Prevention Committee*	Labor related	2014/08/08	Established to prevent sexual harassment, promote workplace gender equality, and serve as a grievance channel. Five committee members are directly elected by employees. In 2023, one case was reported but not substantiated.
Environmental & Energy Management Committee	Organization related	2013/12/04	Comprised of production, R&D, and quality units, the committee meets quarterly to improve energy-intensive equipment and manage energy use, achieving an annual energy-saving rate of over 1%.
Intellectual Property Committee	Organization related	2013/09/11	Made up of intellectual property and relevant department supervisors, responsible for evaluating employee proposals and handling patent and trademark applications. Met three times in 2023, with Q3 and Q4 meetings combined.
Green Council for Sustainable Development	Organization related	2013/05/10	Chaired by the Chairman, General Manager, and Chief Sustainability Officer, the Sustainability Development Center organizes quarterly meetings to strengthen corporate sustainability and monitor risk control measures. The first meeting was held in 2023, with measures tracked by designated units.
Brand and New Product Development Group	Organization related	2009/06/22	Composed of product, brand design, industrial design, production management, and R&D units, the group meets every 5-6 weeks to set product development goals, define marketing strategies, and track progress. Held eight meetings in 2023.
Employee Welfare Committee*	Labor related	2009/01/01	Five members and one chair are elected every two years. Established to improve employee welfare and efficiency, the committee oversees welfare policies. Met three times in 2023 to discuss holiday gifts and Labor Day rewards.
Labor Pension Fund Supervisory Committee*	Labor related	2001/09/28	Established to provide a retirement benefit system for workers, ensuring financial security in old age and effective use of long-term social funds to support major infrastructure projects.

* Committees that are considered mandatory by the governmentgovernment

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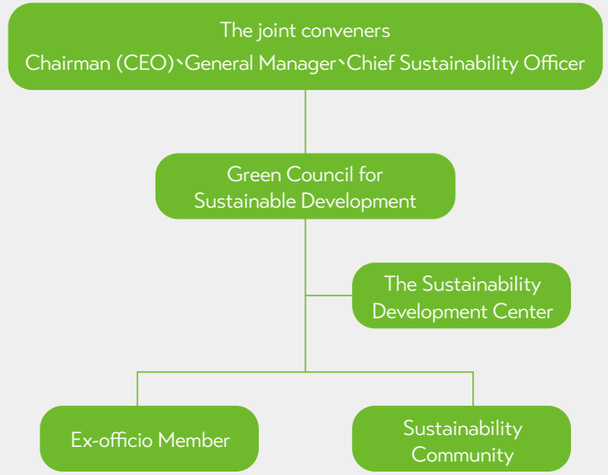
6.1.1 Green Council for Sustainable Development

Established in 2013, the Green Council for Sustainable Development is led by top executives and convenes quarterly meetings. Its goal is to strengthen corporate sustainability while fostering cross-departmental communication and information sharing. Through a streamlined organizational structure, the council provides strategic recommendations to enhance internal governance. Additionally, by adopting the "Sustainability Community" concept, the council boosts the company's actions and innovation on environmental and climate issues, amplifying its green and sustainable value. Decisions made by the council also serve as guidelines for administrative units to establish relevant policies and procedures.

Organizational Adjustments to the Green Council for Sustainable Development in 2022:
(1) Co-Chair System:The council transitioned from a single-chair system to co-chairs, with Steven Ko (Chairman), Tsai Yi-Ying (General Manager), and Hsieh Hsiu-Ming (Chief Sustainability Officer) serving as co-chairs. The Sustainability Development Center was designated as the administrative unit, responsible for convening meetings and managing council operations.
(2) Mandatory Membership:First-tier supervisors from all units are designated as mandatory members, participating in the quarterly Green Council for Sustainable Development meetings.
(3) Open Participation:Supervisors from all levels and members of the Sustainability Community are welcome to attend council meetings.

Position	Job Responsibilities
Chairman	Holds ultimate decision-making authority and supervisory management responsibilities.
General Manager	Possesses decision-making authority and supervisory management responsibilities.
Chief Sustainability Officer	Organizes the Green Council for Sustainable Development, manages the three major Sustainability communities, and has professional control over sustainability core matters.
Ex-officio Member	Reports quarterly to the joint conveners, including the Chairman, General Manager, and Chief Sustainability Officer, on the progress of risk control and sustainability strategies within their unit.
Sustainability Community	Understands the objectives and direction of the respective Sustainability community, collaborates in discussing work matters of various departments, and provides progress and evaluation reports each quarter.



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6.1.2 Participation in Industry Groups and Trade Associations

O'right places great importance on cross-industry collaboration to co-create a greener and more sustainable future. We actively participate in various associations and organizations, embedding our values of corporate social responsibility and environmental protection within Taiwanese trade associations to drive and implement environmental actions. To stay updated on cosmetic regulations and measures issued by the Taiwan Food and Drug Administration (FDA), we have joined beauty industry associations. These associations host meetings to discuss new regulations and measures announced by the FDA, exchange professional insights, and consolidate members' opinions for submission to the FDA. This ensures close communication with central authorities. Additionally, we utilize information and updates provided by the associations to align our practices with regulations announced by local health bureaus and the central FDA.

Having built our foundation on professional haircare products, we are committed to improving salon environments and advancing green sustainability. In 2019, in collaboration with YUPEI Sustainable Technology and SGS Taiwan, we initiated the "Taiwan Green Salon Sustainability Certification Association," promoting sustainable development in salon environments in support of the UN Sustainable Development Goals.

By 2022, Taiwan's focus on sustainability and its demand for sustainable development had significantly increased, with businesses actively pursuing green transformation. To further expand O'right's contribution to sustainability expertise and influence, we adopted diverse strategies to support Taiwanese SMEs in planning their sustainable transformation paths. As part of these efforts, we repositioned the "Taiwan Green Salon Sustainability Certification Association" and officially renamed it the "Net Zero Carbon Association." The association aims to foster a healthy, safe, and trustworthy environment while organizing carbon asset management courses, seminars, and other activities. Its objectives include promoting net-zero emissions, carbon neutrality, responsible consumption and production, health preservation, eco-friendly practices, renewable energy use, and social care, helping businesses achieve sustainable development goals.

nzca
Net Zero Carbon Association

● Official Website : https://www.nzca.org.tw/

Participation of Taiwanese associations and organizations
Net Zero Carbon Association（Chairperson）
Taiwan Excellence Brand Association（Executive Director）
Taiwan Cosmetics Industry Association （Executive Director）
New Economy Association, Taiwan (NEAT) （Director）
Importers and Exporters Association of Taipei (IEAT)
National Innovation and Entrepreneurship Association
The Taiwan Business Council for Sustainable Development (BCSD Taiwan)
Sustainable & Circular Economy Development Association
GS1 Taiwan



● NZCA General Assembly

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6.1.3 Corporate Governance Performance

From 2017 to 2021, O'right's revenue demonstrated consistent growth, reflecting strong operational performance. In 2022, due to the impact of the COVID-19 pandemic, revenue slightly declined by 2.09%. However, mitigating measures were implemented to reduce the financial impact. In 2023, revenue rebounded with a modest 3.27% increase compared to 2022. The total net income after tax reached NT$73,571 thousand, with earnings per share (EPS) of NT$3.61. The return on assets (ROA) was 12%, and the return on equity (ROE) was 17%.

Despite the challenges posed by the pandemic, O'right remains committed to sustainable development and long-term value creation. The company continues to adapt to market changes and uncertainties by driving growth through innovative products, expanding market share, and delivering exceptional customer service.

Additionally, O'right prioritizes corporate social responsibility, dedicating efforts to environmental protection and social welfare initiatives. These endeavors further enhance the company's reputation and influence.

O'right Financial Performance Overview (Unit: NT$ Thousand)

Aspect	Item	2021	2022	2023
Financial Capability	Total Assets	598,658	642,389	644,403
	Shareholders' Equity	361,428	433,745	444,863
	Operating Revenue	582,416	570,254	588,892
	Net Profit for the Period	86,512	67,775	73,571
Profitability	Return on Assets (ROA)	15%	11%	12%
	Return on Equity (ROE)	25%	17%	17%
	Earnings Per Share (EPS)	4.25	3.33	3.61

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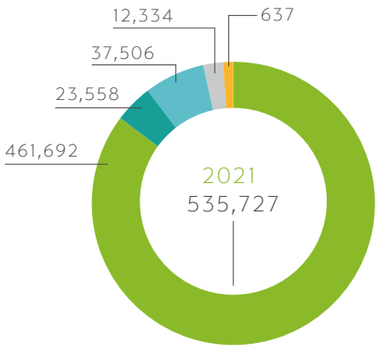
O'right Financial Overview

(unit: thousand NTD)

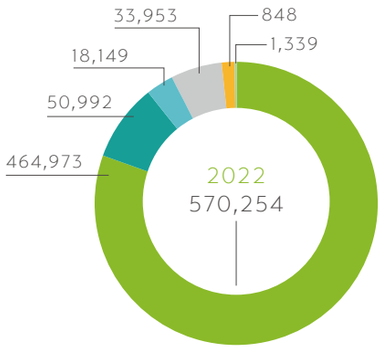
Year	Operating Revenue (Growth Rate)	Operating Costs (Growth Rate)	Operating Net Profit	Personnel Salaries	Employee Benefits	Government Expenditures	Investor Expenditures	Government Subsidy Income	Total Assets	Retained Earnings
2021	582,416 (+8.7%)	489,086 (+5.88%)	93,330	181,873	3,437	26,582	41,522	12,292	598,658	140,760
2022	570,254 (-2.09%)	492,413 (+0.68%)	77,840	177,882	3,411	28,641	881	2,095	642,389	208,805
2023	588,892 (3.27%)	510,910 (+3.76%)	77,982	191,132	3,535	28,101	62,298	402	644,403	221,142

note

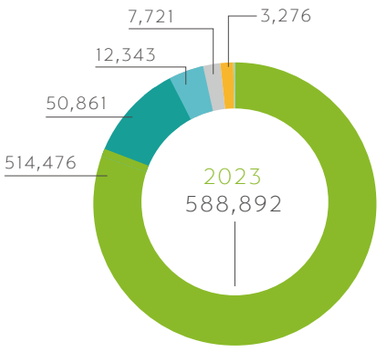
- Employee benefits include regular contributions (such as retirement funds, insurance premiums, official vehicles, and private medical care), as well as other employee subsidy expenses (like housing allowances, interest-free loans, public transportation subsidies, educational allowances, and severance subsidies).
- Payments to investors include dividends to shareholders and interest on loans.
- Payments to the government include business tax, income tax, and property tax.



(Taiwan market accounts for86.2% ; International market accounts for13.8%)



(Taiwan market accounts for81.5% ; International market accounts for18.5%)



(Taiwan market accounts for87% ; International market accounts for13%)

Taiwan China Europe Asia America Africa Australia

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6.1.4 Environmental Accounting

Beyond considering "material costs" and "labor costs," it is essential to emphasize "social costs" and "ecological costs." Thus, in our policy decisions, we account not only for "corporate benefits," "employee benefits," "customer benefits," and "shareholder benefits," but also integrate "social benefits" and "ecological benefits" into our considerations. O'right's sustainability philosophy prioritizes environmental education, protection, improvement, and social investments. In 2023, green investments totaled approximately NT$90 million, with cumulative investments over the years reaching nearly NT$780 million. These efforts embody O'right's mission, creating profound and intangible impacts. Ultimately, the greatest beneficiaries are our environment and everyone living on this planet.

Green Investment Summary (unit: thousand NTD)

	Capital Expenditure	Operating Expenditure	Total
Corporate Operating Costs	0	2,768	2,768
Upstream and Downstream Associated Costs	0	68,007	68,007
Management Activity Costs	0	11,782	11,782
Research and Development Costs	0	6,081	6,081
Social Activity Costs	0	1,215	1,215
Loss and Remediation Costs	0	0	0
Regulatory, Tax, Donation, and Other Expenses	0	435	435
Total	0	90,288	90,288
note	• Operating Costs: Pollution prevention, global environmental protection, and resource recycling expenses. • Upstream and Downstream Costs: Green procurement, resource reuse, expenses for environmentally friendly products and services, and additional costs for eco-friendly packaging. • Management Costs: Environmental training, certification and licensing expenses, environmental monitoring and measurement, impact management, and environ mental insurance. • R&D Costs: Expenses for developing eco-friendly products, research to reduce environmental impact during product sales, and environmental impact assessments. • Social Activity Costs: Expenses for nature conservation, afforestation, environmental beautification, sponsorship of community environmental initiatives, environ mental group support, and public announcements or promotions. • Loss and Remediation Costs: Expenses for resolving environmental issues, compensation, penalties, litigation, and urban landscape and living environment maintenance. • Fees and Taxes: Government-imposed fees for air, soil, water pollution, and other regulations.		

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Chairmann/ CEO	PIN FANG INVESTMENT CO., LTD. Representative: Steven Ko
Directors	PIN FANG INVESTMENT CO., LTD. Representative: Coco Chang
	b-ex Inc. Representative: Toshihiro Fukui
	b-ex Inc. Representative: Takatoshi Osada
	BO NA SHI INVESTMENT CO., LTD. Representative: Li-ying, Ko
Supervisory members	ZM Living Design CO., LTD Representative: LiLi KO
	Angel To

6.2 Board Structure and Operations

6.2.1 Board Composition

The Board of Directors of O'right Inc. consists of five directors and two supervisors, with a gender distribution of 43% male and 57% female. The board operates in accordance with the Company Act and the Articles of Incorporation, holding meetings as scheduled (at least once per quarter). In 2023, the average attendance rate of directors and supervisors at board meetings was 96%.

6.2.2 Board Selection

The election of directors, supervisors, and the appointment of the chairperson are key elements of O'right's corporate governance. These processes reflect the company's respect for shareholder rights, governance transparency, and its commitment to long-term stability and enhanced shareholder value. Following the Company Act, directors and supervisors are elected through shareholder voting for a term of three years. In compliance with Article 208 of the Company Act, the chairperson is elected from among the directors and serves as the official representative of the company.

6.2.3 Board Compensation System

To ensure that directors and supervisors receive reasonable remuneration that recognizes their contributions and dedication to the company, O'right provides compensation aligned with the company's profitability and principles of sustainable development. The compensation is capped at 5% of the company's profits, ensuring that earnings are allocated to other critical investments and development projects. This approach maintains the fairness and reasonableness of the remuneration system.

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6.2.4 Board Operations

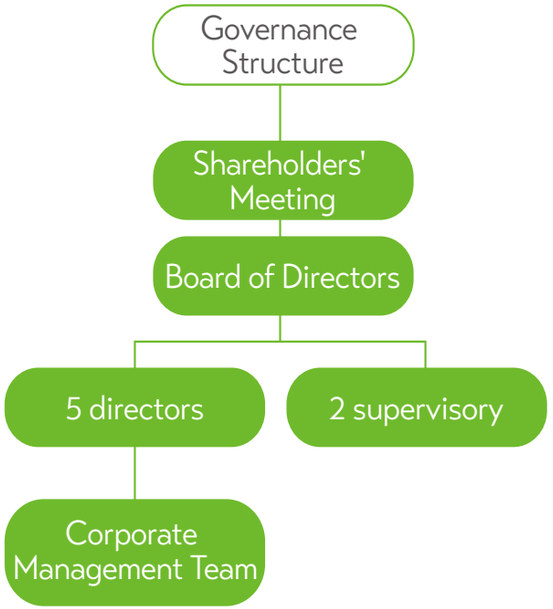
The primary responsibilities of the Board of Directors include ensuring legal compliance, guiding the company's strategic direction, and deciding on significant matters. In 2023, the board convened seven times to review financial and business reports, assess financial forecasts, and decide on key issues such as capital expenditures. Management is required to present business strategies to the board, which regularly evaluates the progress of strategy execution and provides recommendations for adjustments. To ensure transparency and fairness, conflicts of interest are addressed by requiring directors with such interests to recuse themselves from discussions and decisions. The General Manager implements the board's decisions, overseeing the company's overall strategy, production, sales, and operational planning.

(1) Board Responsibilities
O'right's Chairman, Steven Ko, represents the board in overseeing corporate governance, evaluating business performance, and serving as CEO to guide the company's strategic direction. The chairman ensures that decision-making processes account for climate risks and opportunities, including assessing climate change impacts on operations, the supply chain, and financial performance. The chairman plays a critical role in setting climate-related goals, such as emissions reduction targets, adopting renewable energy, and promoting sustainability throughout the value chain. Additionally, the chairman holds final approval authority for O'right's public sustainability reports and information, ensuring regular and accurate disclosures of governance performance to stakeholders through sustainability reports. The chairman also engages with stakeholders globally through green initiatives and speeches, communicating O'right's sustainability goals and strategies.

(2) Executive Responsibilities
The senior management team drives the implementation of annual strategies, identifies and evaluates climate risks and opportunities, and integrates key risks into corporate decision-making processes. Management is responsible for setting annual KPI targets and monitoring metrics, with regular reporting to the chairman via the Green Council for Sustainable Development to ensure alignment with organizational goals and values. In 2023, management held six meetings to discuss key decisions on product development and market strategies, one meeting to review energy and environmental performance, and two sessions on green sustainability strategies.

(3) Director Training
The company arranges periodic training sessions on economic, environmental, and social issues relevant to operations, providing directors with access to the latest insights through memberships in organizations such as the Business Council for Sustainable Development (BCSD) Taiwan. In 2023, Chairman Steven Ko and Director Coco Chang attended the "Carbon Asset Management

(4) Board Performance
In 2023, the board convened seven times, with an average attendance rate of 96% for directors and supervisors, demonstrating strong commitment to corporate governance. Directors actively participated in discussions and decision-making, ensuring effective communication and collaboration on key issues. The high attendance rate contributed to the company's stable development and long-term success.



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6.3 Ethics and Integrity

GRI 2-9、2-10、2-11、2-12、2-13、2-15、2-16、2-19

6.3.1 Code of Ethical Conduct

To ensure strict compliance with regulations, we adhere to tax laws and their underlying principles, accurately filing and paying taxes with proper documentation and regular reporting to the board. We closely monitor laws such as the Cosmetic Hygiene and Safety Act to ensure product safety and consumer health.

We have implemented multiple ISO management systems, including ISO50001:2018 (Energy Management), ISO14001:2015 (Environmental Management), ISO22716:2007 (Good Manufacturing Practices for Cosmetics), ISO45001:2018 (Occupational Health and Safety), and TIPS:2016 (Intellectual Property Management). These systems help us identify and comply with regulations in areas such as energy, environment, fire safety, occupational health and safety, and intellectual property. They enable us to operate effectively and sustainably while maintaining compliance.

In 2023, we focused on three areas for continuous improvement: internal audits and controls, employee training, and industry information exchange. Internal audits ensure ISO standards and regulatory compliance through regular reviews and risk assessments to address potential issues. Employee training enhances professional knowledge and skills for effective regulation compliance. Participation in external information exchanges allows us to share and adopt best practices, staying competitive and ensuring compliance.

We faced no penalties or violations in 2023, demonstrating rigorous adherence to regulations. We will continue to uphold this record, ensuring compliance while creating greater value for employees, customers, and society. Additionally, our internal policies include product recall and customer complaint procedures to address any health or safety impacts promptly. These measures ensure issues are handled effectively, improving customer satisfaction, protecting our reputation, and maintaining regulatory and quality standards.

6.3.2 Human Rights Policy

O'right upholds the principles of international human rights conventions such as the Universal Declaration of Human Rights, UN Global Compact, and International Labour Conventions. We integrate human rights principles into our corporate values and culture, reflecting our commitment to safeguarding human rights. Policies such as workplace rules, attendance management, sexual harassment prevention and discipline measures, and grievance mechanisms are in place to ensure and respect employees' fundamental labor rights.

6.3.3 Early Warning Principles and Internal Audit

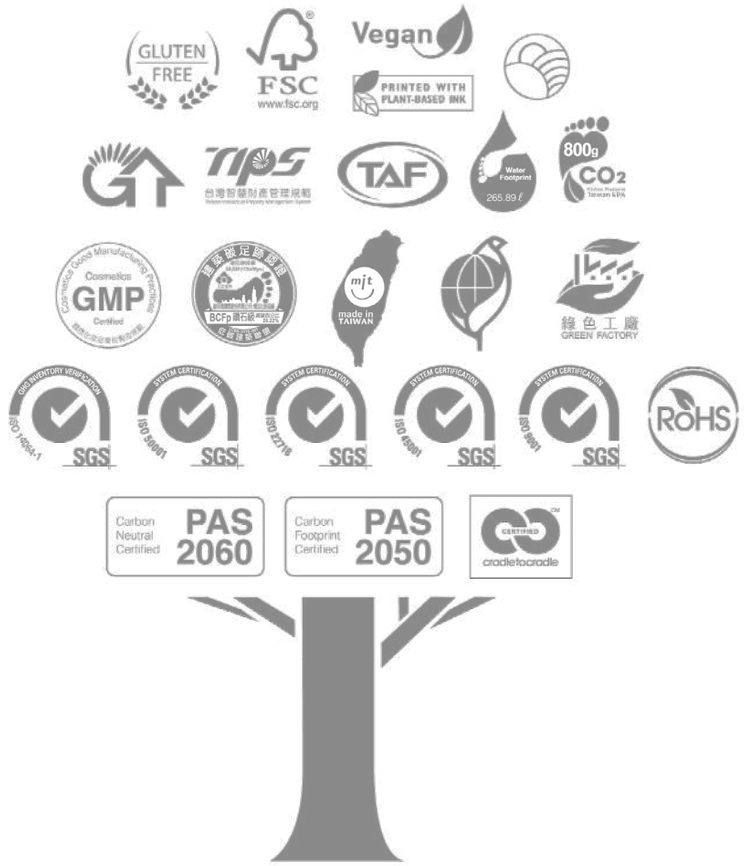
To maintain system consistency and operational effectiveness, O'right's Quality Management Center organizes an internal audit team to preemptively identify potential issues, reduce quality costs, minimize complaints, and meet management system requirements. Annual internal audits cover all systems, and unscheduled audits are conducted when significant quality issues, customer complaints, or system anomalies occur.

6.3.4 Regulatory Compliance

O'right's legal department identifies and evaluates legal risks, developing management strategies to minimize them. By collaborating closely with internal departments, the legal team establishes policies, provides legal guidance, and ensures operations remain compliant. In 2023, O'right had no instances of anti-competitive behavior, legal violations, fines, or sanctions. We maintained strict quality control to ensure compliance with environmental protection standards and product regulations, delivering high-quality, safe, and effective products. Advertising adheres to principles of honesty, objectivity, and reliability, with no regulatory violations.

6.3.5 Education and Training

Employee education is a key component of our compliance program. New hires undergo basic intellectual property training, and annual training sessions are conducted by external experts to update legal and regulatory knowledge, such as patent application processes. We also develop internal trainers to lead in-house education programs, ensuring ongoing learning and compliance across relevant departments.



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6.4 Risk Management

GRI 2-12

To implement effective risk management, the company and its departments incorporate various uncertain risk factors into strategic planning when making decisions, considering the frameworks of management systems and climate change conditions. Risk sources are evaluated based on international trends, external suppliers, government regulations, brand image, and market trends, among other internal and external factors. Following the assessment, key risks are identified, corresponding control measures are developed, and these measures are integrated into the following year's strategic plans and objectives.

6.4.1 Risk Management Organization

Responsible Party	Role in Risk Management	Risk-Related Responsibilities
Board of Directors	Highest Risk Supervision Unit	Responsible for monitoring the company's risk management system, including reviewing and evaluating the correctness of the risk management process, and assessing the effectiveness of risk mitigation strategies.
Green Council for Sustainable Development	Risk Monitoring Unit	Joint conveners and ex-officio members of the committee regularly assess the effectiveness of major risk mechanisms, ensuring that measures meet monitoring indicators.
Sustainability Development Center	Risk Management Unit	Identifies significant risk issues and collaborates with the Risk Execution Unit to discuss and resolve risk responsibilities and formulate control measures.
First-Level Managers of Each Unit	Risk Execution Unit	Proposes risk control measures and monitoring indicators. Regularly reports execution progress and outcomes to the Green Council for Sustainable Development.

6.4.2 Risk Management Policy

O'right has established a comprehensive risk management policy that emphasizes a proactive and systematic approach to risk prevention and early detection. This includes a framework for identifying, assessing, and prioritizing risks, as well as procedures for mitigating and monitoring risks across the organization, particularly those related to climate change.

As part of this policy, O'right conducts stakeholder surveys to understand the concerns and priorities of its key stakeholders, helping to identify emerging risks. A combination of internal and external evaluations is then used to assess and identify critical risk issues. Once significant risks are identified, corresponding control measures are developed based on the issues and organizational needs. These measures may include enhanced monitoring, improved internal controls, operational adjustments, or the implementation of new policies and procedures.

The company regularly monitors and reviews the implementation of risk control measures, establishing relevant indicators to ensure their effectiveness. This ongoing review process helps maintain the organization's resilience and adaptability in addressing risks.

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6.4.3 Risk Identification, Assessment, and Management Procedures

O'right adopts a systematic risk management process to ensure the identification and effective response to risks. To enhance the quality and efficiency of strategic objectives, the company integrates internal conditions and external environments to control potential risks, minimize potential damage, and continuously optimize improvements. The Sustainability Development Center collects domestic and international issues, establishes scenario analyses, and assists departments in identifying and managing risks. Key risk issues are confirmed by senior management and incorporated into the annual strategy, ensuring that risk management is closely aligned with the company's sustainability goals.



Key Risk Issue Management

Risk Issue	Issue Description	Control Measures
Energy Management	In recent years, joining major international sustainability initiatives (e.g., RE100, SBTi, CDP) has been a step towards global trends. To fulfill the commitment to future net-zero transformation, meticulous energy resource management is necessary to identify high carbon emission hotspots and consider transformation strategies, gradually increasing the use of green electricity. However, the lack of a comprehensive energy management system for energy consumption inventory and integrated management could lead to missing critical data and concerns about inventory accuracy. Additionally, the inability to maintain long-term cooperation with relevant contractors further increases management concerns.	• Regularly monitor the renewable energy certificate market. • Perform regular maintenance on significant energy equipment to ensure normal operation. ·Daily compilation and analysis of electricity usage data to ensure the accuracy of the i nformation. • Conduct an annual inventory of major energy-consuming equipment and report the results to the energy, environment, and safety committee, determining items for management in the following year.
Carbon Rights and Energy Saving Mechanisms	The carbon credit trading mechanism has become increasingly popular in recent years. As a pioneer, O'right entered the market early and prioritized purchasing carbon credits. However, as other companies gradually join the carbon trading market, future carbon credits may be in short supply. If details in energy and resource control are not scrutinized, such as increased air conditioning usage due to extreme weather, high paper usage, and lighting design, it could gradually accumulate and lead to increased carbon emissions, thereby increasing future operating costs.	• Greenhouse Gas Inventory Data: Utilize the greenhouse gas inventory as raw data to analyze the trends of carbon emission increases or decreases from equipment and activities, trace back to examine the causes and emission hotspots. • Annual Emission Reduction Plan: Based on the short, medium, and long-term net-zero emission reduction plans, establish annual emission reduction measures to achieve phased goals. • Carbon Asset Management: Establish a carbon asset management project team, define the roles and collaboration processes of the team. At the same time, explore external carbon offset actions to avoid the risk of rising carbon credit costs.
Supply Chain Management Policy	The GRI Standards increasingly emphasize sustainable management actions related to a company's supply chain. If the control over suppliers is low, it may lead to instability in raw material supply, affecting the timing of new product launches, or even cooperating with financially unstable suppliers, leading to the inability to fulfill debts and financial losses.	• A complete supplier management and procurement operation mechanism has been established and is carried out according to standards. • Conduct supplier factory inspections to immediately grasp the supplier's status. • Include suppliers' commitments to environmental and human rights issues in the supplier evaluation criteria.

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6.5 Customer and Product Services

GRI 417-1、418-1

6.5.1 Making Green Consumption Mainstream

All O'right products are equipped with comprehensive labels, markings, and relevant information upon release. Each product has a unique production and sales history, serving as its "identity card" to ensure quality and prevent consumers from purchasing unverified or counterfeit goods. We also require all channel partners to refrain from altering or damaging any product labels, markings, or information to fully protect consumer rights.

To enhance management transparency and product traceability, O'right has implemented identification and traceability procedures in accordance with internal governance policies. This ensures transparency and traceability across every stage of the product lifecycle, from production to sales.

Each product is equipped with three types of barcodes:

1. Production and Sales Traceability Barcode:

Serves as the product's "identity card" to verify its origin and authenticity, ensuring customer safety and quality assurance. It is also used for market channel management. For example, the Green Tea Shampoo (400mL) has the code 11101001AAAA723100001, which is 21 characters long:

- 11101001AAAA (12 characters): Product code
- 7231 (4 characters): Batch number
- 00001 (5 characters): Serial number

2. QR Code:

Provides detailed product information. Consumers can scan the code with a smartphone to access details such as the product name, specifications, advertisement approval number, and a company profile.

3. International Barcode:

Used for international shipping management and POS systems, facilitating future retail sales, inventory, and stock management.

O'right proactively incorporates health and environmental labels on its products. Health labels include information such as the percentage of sustainable ingredients and organic certifications, while environmental labels highlight features like clean energy manufacturing and FSC-certified packaging for paper boxes.

These detailed labels not only enhance consumer understanding of product quality but also serve as a significant competitive advantage, differentiating O'right in the market. Given the emergence of disputes caused by unauthorized sales channels, these labels help consumers distinguish authentic O'right products from counterfeits. To further educate consumers, we actively utilize platforms such as our official website, Facebook, Instagram, and blogs to promote awareness. Consumers are reminded to purchase only official O'right products and to avoid items lacking anti-counterfeit barcodes, with damaged traceability labels, or tampered packaging, as such products are unauthorized and their quality and origins cannot be guaranteed.

To better protect consumer rights and eliminate counterfeit products, O'right has pioneered the industry's first Online Product Authentication System. Consumers can easily verify the authenticity and origin of their purchased products through our official website.

O'right Online Product Authentication System: https://www.oright.inc/tw/products_security

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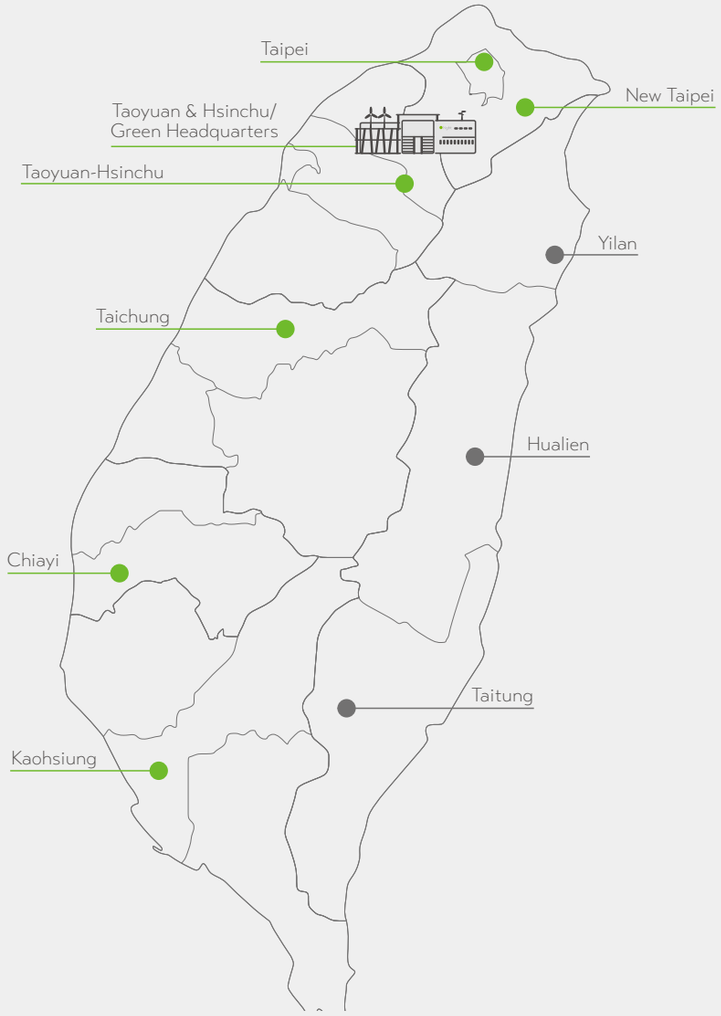

Note: Green dots indicate mobile office locations, while gray dots in Yilan, Hualien, and Taitung represent SOHO work points.

6.5.2 Diverse Market Channelst

O'right's business divisions cater to both B2B and B2C markets, including the Salon Business Division, Cooperative Business Division, International Business Development, and Retail & E-commerce Division.



(1) Salon Business Division – Professional Hair Salons

To serve Taiwan's extensive salon clientele, the Salon Business Division divides the market into six regions: Taipei, New Taipei, Taoyuan-Hsinchu, Taichung, Chiayi-Tainan, and Kaohsiung. Each region has dedicated customer service representatives, leading the industry in customer support. These representatives respond promptly to client needs, visiting salons to share green salon concepts and practices, promoting the brand, enhancing its image, and increasing brand awareness. This approach not only retains existing customers but also continuously attracts new ones, expanding O'right's green influence.

In 2023, O'right leveraged its 20 years of expertise in the haircare industry to launch the O'right | PRO brand, designed exclusively for the premium salon professional market. These innovative products embody a commitment to providing the healthiest, most reliable solutions for stylists, consumers, and the natural environment. The brand offers six key innovations: Experience Innovation, Traceability Innovation, Collaboration Innovation, Service Innovation, Standard Innovation, and Sustainability Innovation.

One standout feature is Service Innovation through digital transformation. The customer order system incorporates mobile payment and paperless solutions, supporting energy conservation and carbon reduction. It enhances the shopping experience by offering streamlined checkout processes, order tracking, contract management, and secure payment transactions. By the end of 2023, approximately 3,000 orders had been placed through the system, significantly reducing order processing time, cutting labor costs, and improving customer satisfaction.

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(2) Cooperative Business Division

O'right expands its green footprint through brand collaboration services, creating opportunities for cross-industry partnerships. Following the pandemic, more than two-thirds of consumers have shown increased climate awareness, with nearly 90% placing greater emphasis on reducing pollution. The Cooperative Business Division leverages gift procurement as a key approach to fostering partnerships, emphasizing impactful, brand-aligned, and sustainability-oriented gifts that resonate with recipients and convey meaningful messages.

As of 2023, O'right has successfully partnered with 188 hotels and lodgings, 26 postpartum care centers, 14 spas and fitness centers, 20 restaurants, 98 corporations, and 171 employee welfare committees or corporate purchase programs, totaling 517 collaborations. This represents an increase of 160 partnerships compared to 2022, a growth rate of 45%. These collaborations have successfully integrated O'right's green products into travel and daily life, spreading the concept of environmental sustainability and encouraging more people to contribute to protecting the planet.

Hotels/ Accommodations	Fuyu Business Hotel - Wanda, Caesar Park Hotel Taipei, Hotel National, Landis Resort, Fleur de Chine Hotel Sun Moon Lake, Howard Prince Hotel Taichung, Miramar Hotel, Enjoy Time, Inhouse Hotel, The Richforest Hotel, Chuan-Tang Spring Hotel, Lutetia Taitung, Taipung Suites, JIA Guesthouse, Sanfu Leisure Farm, Park City Hotel - Taichung, Forte Orange Hotel Taipei - Ximen, Crown Hotel, Mountain Moon Inn, Hui Ju Hotel, etc.
Postpartum Care Centers	Anxin, Shangshun, Baiyue, Lixin, Anyu, Happy Mama, Youbei, Baolai, Chenxin, Yingyue, etc.
SPA Centers/ Fitness Clubs	Acti Spa, EPYLLION GYM, Sanhuan Fitness, Fangxin Beauty Spa, Kenqudong Fitness Space, Biokos Spa, Kaifei Spa, WhosayFit, Caiyong Fashion Spa, Wonder Gym, Yuntian Spa, Green Harmony Mind & Body Spa, Taifeng Golf Club, Shengde Green Spa, etc.
Restaurants	Toastilia, Qianweichun Restaurant, Shaojiu BBQ, Maldives Yakiniku, In the Village, posuo coffee studio, Baoying Restaurant, bistro88 French-Italian Bistro, Niangshi Restaurant, Cork Restaurant, INIT, etc.
Corporate Partners	Fubon Life Insurance Co., Ltd., Kenyi International Co., Ltd., Duolian Technology Co., Ltd., Shuang Ho Hospital (Ministry of Health and Welfare), China Terminal Co., Ltd., Mingtai Insurance Co., Ltd., etc.
Welfare Committees/ Corporate Purchases	CDIB Capital Group, Kaguilin, Ecle, Dalu Enterprise, Sansheng International Travel Service, E.SUN Bank, Kangsion Digital Integration, Taiwan Fire & Marine Insurance, Cathay Real Estate Welfare Committee, Citibank, ASUS, Velo Industrial, Cathay United Bank, SinoPac Holdings, Anmed Biotech, Darfon Electronics, etc.

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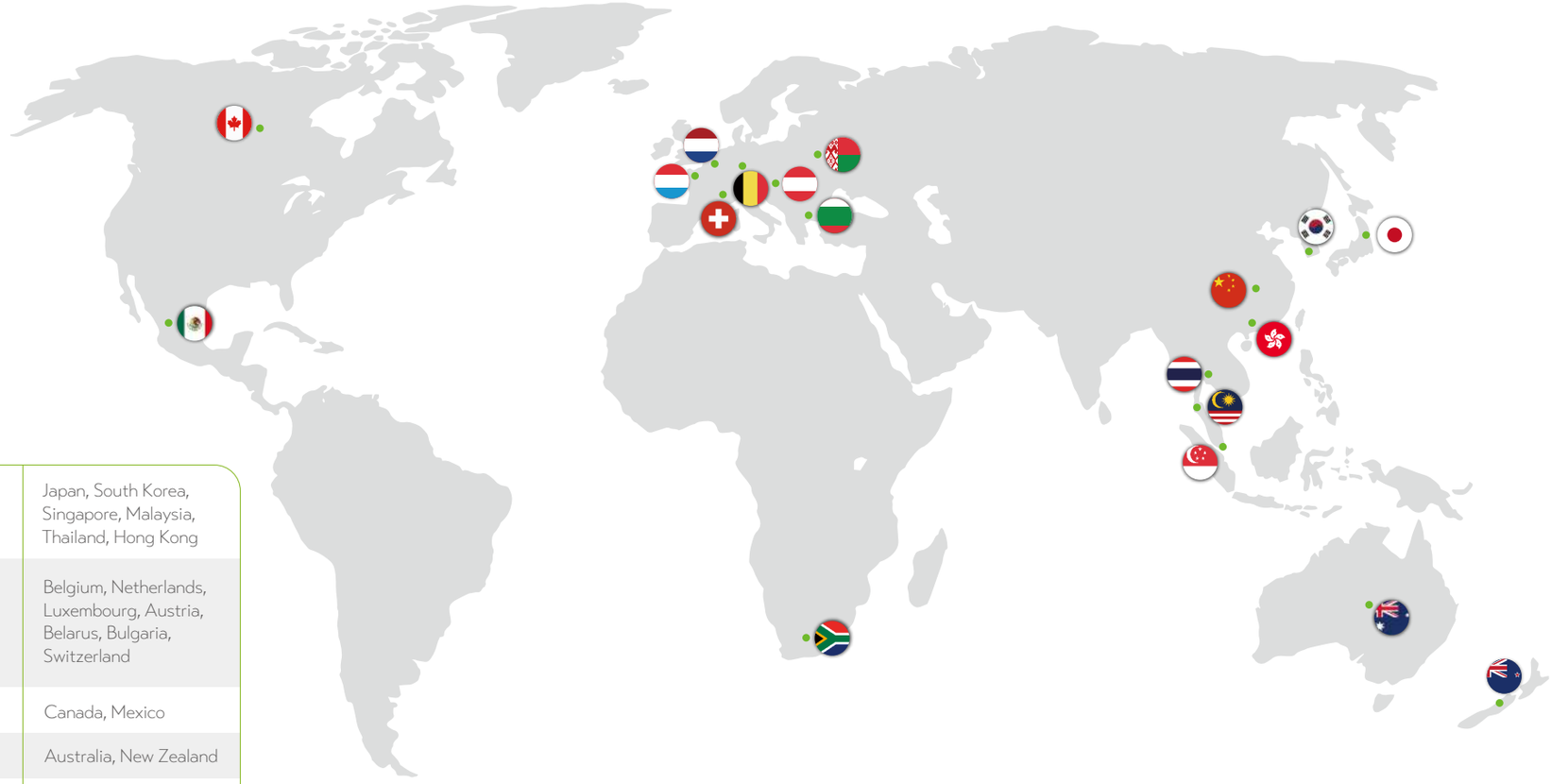
(3) International Business Division – Global Channel Market

O'right positions its products at the forefront of global trends, carefully analyzing and collecting data on different markets to identify target markets that align with the company's brand values and expected benefits. Collaborating with professional haircare distributors, O'right has established a strong presence in professional haircare markets worldwide. In recent years, the success of Taiwan's omnichannel strategy has enabled the gradual expansion of overseas omnichannel sales from B2B to B2C.

Additionally, through annual exhibitions and roadshows, O'right steadily expands its global customer base and sales locations. By the end of 2023, O'right products have been successfully exported to 40 countries and regions, spanning Europe, Asia, Southeast Asia, North America, and Africa. O'right's green hair and beauty products can be found in major international cities. Furthermore, in 2023, O'right signed exclusive distribution agreements with agents in Mexico and Australia. Moving forward, O'right will continue to promote its ESG values and green sustainability awareness to more end consumers globally.



Asia (6 countries)	Japan, South Korea, Singapore, Malaysia, Thailand, Hong Kong
Europe (7 countries)	Belgium, Netherlands, Luxembourg, Austria, Belarus, Bulgaria, Switzerland
Americas (2 countries)	Canada, Mexico
Oceania (2 countries)	Australia, New Zealand
Africa (1 country)	South Africa

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(4) Retail & E-commerce Division – Online Platforms for End Consumers

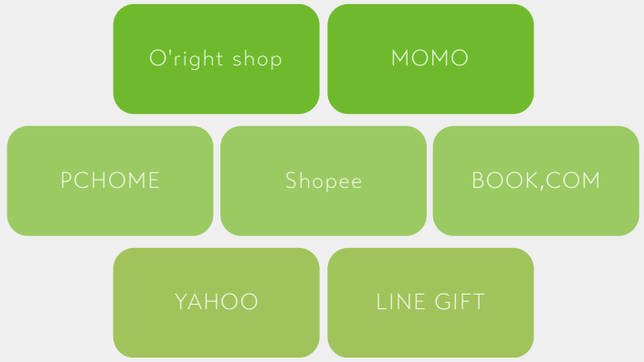
Established in 2014, the O'right Official Shopping Platform offers customers easy access to premium green hair and beauty products, enhancing shopping convenience. The platform, along with external marketplaces, operates 24/7, and customer service is available during designated hours through Facebook, Line, email, and phone. Customers can easily send inquiries and receive quick responses, fostering closer connections between O'right and its customers.

Since 2016, O'right has expanded to other shopping platforms, hosting themed marketing campaigns and increasing advertising exposure. By the end of 2023, O'right had launched four Zero Carbon Flagship Stores on major e-commerce platforms in Taiwan: Momo Shopping, Shopee, PChome 24h, and Books.com.tw. These stores aim to promote the brand's carbon neutral philosophy while leveraging online visibility to enhance brand image.

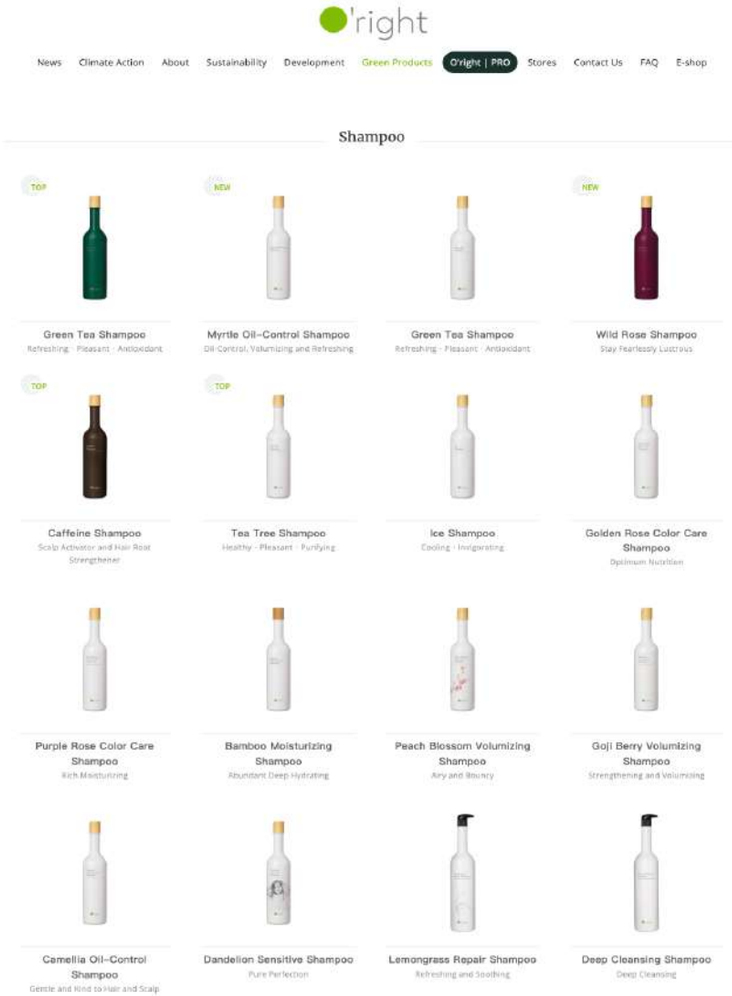
To make green consumption more tangible, O'right became the first in 2022 to display transparent carbon emission data for products on its official shopping platform. Customers can easily view the carbon footprint of various hair and body care products. O'right has achieved carbon neutrality for its organization and all products, covering the five key stages of a product's life cycle: raw material acquisition, manufacturing, transportation and sales, consumer use, and disposal/recycling. Each product's carbon emissions have been pre-neutralized. At checkout, the system even calculates the total carbon emissions reduced through the purchase, encouraging consumers to integrate environmental sustainability into their buying decisions and supporting the transition toward green consumption.

Additionally, the e-commerce team manages the independent Facebook fan page "O'right Shop" and the certified Line official account "@O'right", directly engaging with end consumers. These channels focus on promoting brand values, showcasing product features, providing usage tutorials, sharing promotions, and gathering customer feedback. This approach not only offers more choices to consumers but also fosters closer relationships with them.

O'right official website: https://shop.oright.com.tw/



O'right e-commerce platforms



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● Mitsui Shopping Park LaLaport North Building in Taichung

(5) O'right Concept Stores: Nationwide Retail and Experience Service

Since 2016, O'right has been establishing concept stores in department stores across Taiwan to promote its brand philosophy. Each concept store features unique interior designs, providing consumers with a healthy, natural, and high-quality shopping environment while enhancing convenience. Additionally, the stores offer professional scalp and skin consultations, along with hair care and rejuvenation services, introducing more people to Taiwan's local green beauty brand.

The O'right Concept Stores bring the brand to iconic and renowned department stores across Taiwan, including the culturally influential Eslite Spectrum, Taiwan's largest department store chain Shin Kong Mitsukoshi, and other popular retail destinations nationwide. In 2023, O'right expanded into the NOKE Zhongtai Living Mall, a new-generation complex by the Chong-Tai Group that integrates art, design, retail, dining, and sports. The collaboration launched Asia's first zero-carbon gift set co-branded with Jordane Saget, a French contemporary and street artist. Additionally, O'right introduced a mosquito repellent product created in collaboration with Italian artist Lucas Zanotto, reflecting its commitment to people and home aesthetics.
New store locations in 2023 include Tainan Nanfang Shopping Center, Shin Kong Mitsukoshi Nanxi Building 1 in Taipei, NOKE Zhongtai Living Mall in Taipei, and Mitsui Shopping Park LaLaport North Building in Taichung, the largest concept store by area. By the end of 2023, O'right had opened 27 department store concept stores and one independent direct store, the Yongkang Xinyi Concept Store in Taipei. These locations cover key department stores and major shopping districts in Taiwan.
Every aspect, from the choice of department stores, the selection of floors, to the visual design of the counters, reflects the core values of O'right as a green brand. Through professional scalp analysis services, the concept stores effectively target their audience, offering advice on scalp and skin health alongside premium products. This approach not only enhances the brand's image and drives revenue growth but also increases brand value and customer satisfaction, while promoting a green and sustainable lifestyle to its customers.

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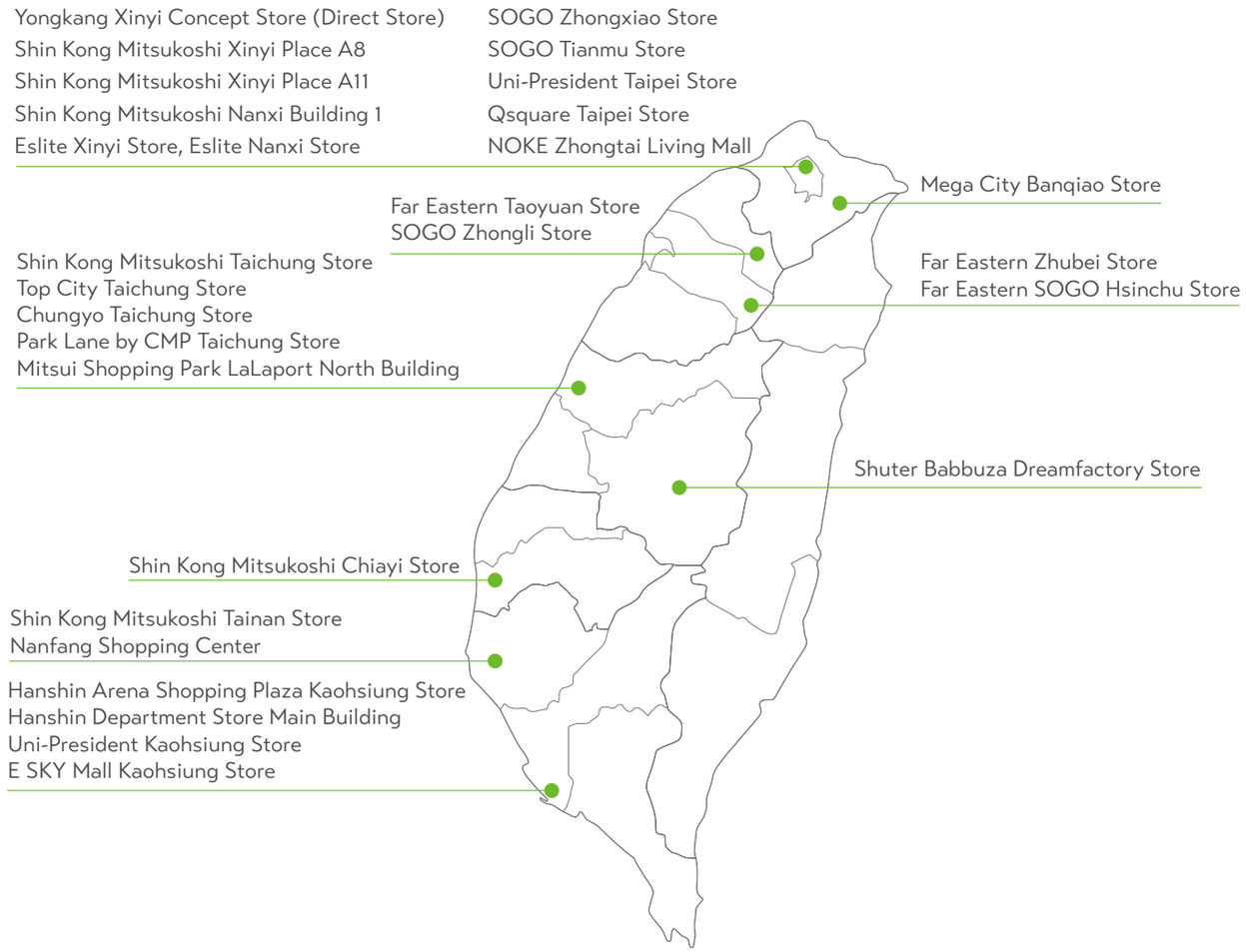

O'right Concept Store Locations in Taiwan

Key Features of O'right Concept Stores as Retail Channels:

- Wide Coverage: Strategically located across major cities in western Taiwan.
- Green Knowledge Sharing:
  Distribute O'right's annual report, featuring discussions on environmental protection, green topics, and diverse insights into sustainable concepts.
- Eco-Friendly Events:
  Host regular environmental activities, inviting consumers and department stores to actively participate and engage.

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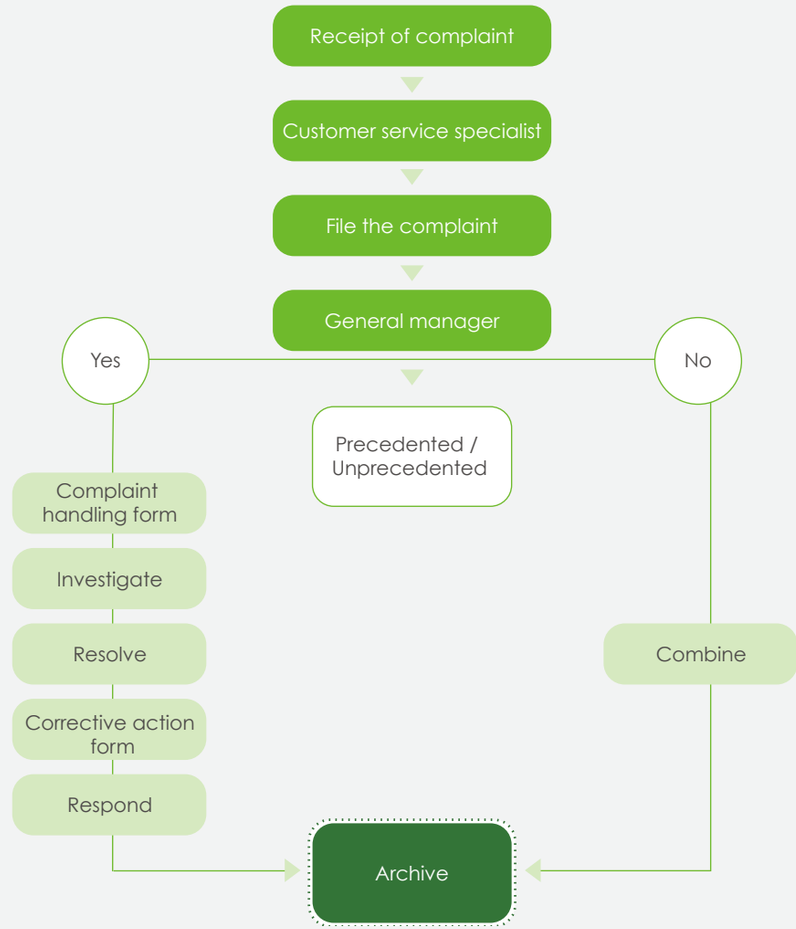
6.5.3. Customer Service

We place great importance on protecting customer privacy by implementing multi-layered security mechanisms. These include a security-integrated infrastructure combined with advanced anti-malware and threat detection systems to prevent data breaches caused by cybersecurity issues. Regarding customer concerns about privacy, we maintain strict and well-organized data management for all collected customer information. To date, there have been no reports of privacy violations or data breaches from our customers.

6.5.4 International Business Division – Global Channel Market

O'right values every customer concern and has established a complete SOP for handling complaints. The process outlines clear timelines for customer service representatives to report issues, department supervisors to review and respond, and headquarters to investigate. Final approval and customer response timelines are managed by the General Manager, ensuring complaints are addressed promptly with satisfactory resolutions.
All complaint cases are systematically recorded and shared to prevent recurrence of similar issues. For general customer feedback, O'right provides multiple channels, including official platforms such as Facebook, LINE, Instagram, and Twitter, enabling customers to share their input conveniently.
Overall, whether complaints originate from stores or are directly submitted by consumers, the number of complaints and the complaint rate have shown a declining trend. This reflects the continuous improvement of our product quality and service standards, aligning more closely with customer needs and expectations.

External Complaint/Suggestion Methods
Online Customer Service：Messenger / Line
Customer Service Hotline：03-411-6789
ESG Email：esg@oright.inc
Official Website：https://www.oright.inc/tw/contact_us



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6.5.5 Commitment to Satisfaction Surveys

O'right places a high priority on customer satisfaction and conducts regular surveys to ensure timely understanding and response to customer needs. These surveys, performed at least once a year, evaluate key areas such as quality, expertise, delivery service, after-sales support, and overall satisfaction.
Product quality remains the primary focus, with stringent attention from raw material selection to production control. Customer feedback is invaluable for improving product quality and enhancing satisfaction.

O'right also prioritizes the provision of professional expertise. The team undergoes rigorous training to ensure extensive product knowledge and skills, enabling them to offer professional advice and support that fosters trust and reliance from customers. Comprehensive after-sales services, including consultations, issue resolution, and product repairs, further enhance satisfaction and loyalty.
By evaluating customer feedback across multiple aspects, O'right identifies potential areas for improvement, continuously enhancing the customer experience and satisfaction.



The Customer Satisfaction Survey Process

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(1) Retail & E-commerce Division

In the retail and e-commerce domain, the following measures are implemented to enhance product quality and customer satisfaction:

a. Product Dimension

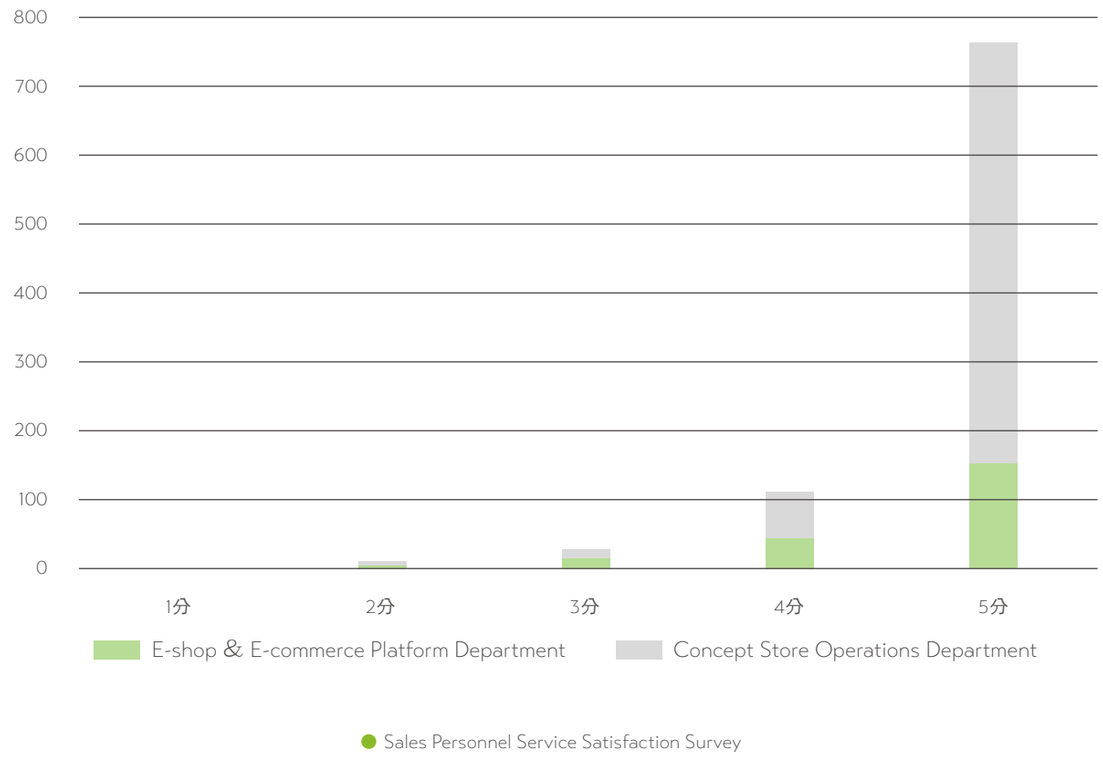
Sales personnel are required to complete the introductory product course and pass evaluations before providing on-site services. A two-way verification process ensures that sales staff acquire the latest product information and maintain accurate product knowledge. Frequently asked questions from customers are compiled into a product database (including product knowledge, ingredients, benefits, and FAQs) to serve as training materials for product education.

b. Information Dimension

Customer information is consolidated into the system, enabling sales personnel to quickly understand customer situations and needs. Latest updates are shared with customers via LINE, Facebook, and other platforms. A comprehensive internal communication network is established to facilitate seamless communication, ensuring timely dissemination of the latest information for effective vertical and horizontal communication.

c. Personnel Dimension

A standard sales service procedure is established to maintain consistency in service quality. Customer feedback is regularly shared with quality assurance and R&D departments to address issues promptly. Sales personnel not only serve customers but also act as our "green ambassadors," responsible for conveying our philosophy to customers. Quarterly training sessions are arranged for staff to return to headquarters for product usage training and to reinforce company values. Annual satisfaction surveys are conducted to gather customer feedback and adjust future communication strategies accordingly.



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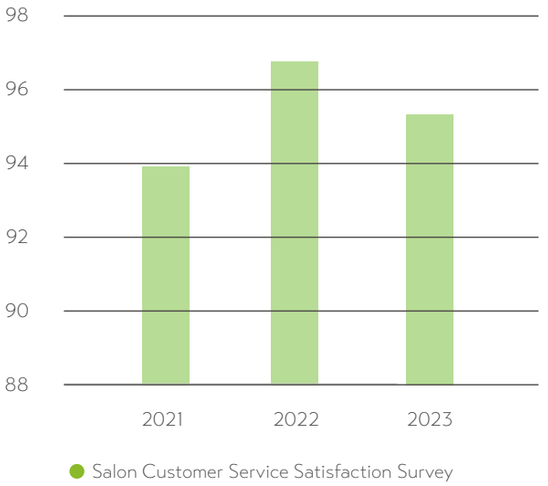
(2) Salon Business Division

In 2023, satisfaction surveys targeted salon clients with the highest annual transaction volume in each customer service region. Since 2012, O'right has conducted annual customer satisfaction surveys, maintaining this practice for 11 consecutive years as of 2023. The KPI for customer satisfaction is set at 80 points, while overall satisfaction reached 88.4 points in 2023. Efforts will continue to enhance customer relationship management, complaint handling, and customer service professionalism to provide better services for salon clients.

To improve product quality and customer satisfaction in the salon domain, the following measures have been implemented:

Main Sources for Product Information	• Customer service personnel must maintain two methods of communication with salons. Information transmission must be confirmed as received and acknowledged by the salon; otherwise, a follow-up phone call must be made the next day to ensure receipt.
Customer Complaint Handling Responses	• Develop standardized response templates for complaints, and regularly audit the accuracy of customer service replies. • Simplify internal complaint handling processes.
Product Quality Satisfaction	• Ensure comprehensive product education for customer service personnel. • Collect relevant data and provide regular feedback to the quality assurance department.
Product Variety Suitability	• Arrange training sessions with instructors at hair salons and customer service units to ensure proper product usage understanding. • Collect relevant data and provide regular feedback to R&D personnel.
Order Delivery Accuracy	• Customer service personnel must confirm order details with salons before the accounting team inputs the order into the system.

2023 Salon Customer Service StaffSatisfaction Survey	
Quality Satisfaction	93.9
Professional Knowledge	98.6
Delivery Service	96
After-Sales Service	90.3



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(3) International Business Division

In the area of international agency operations, O'right has implemented the following measures to enhance customer relationship management, product quality, and customer satisfaction:

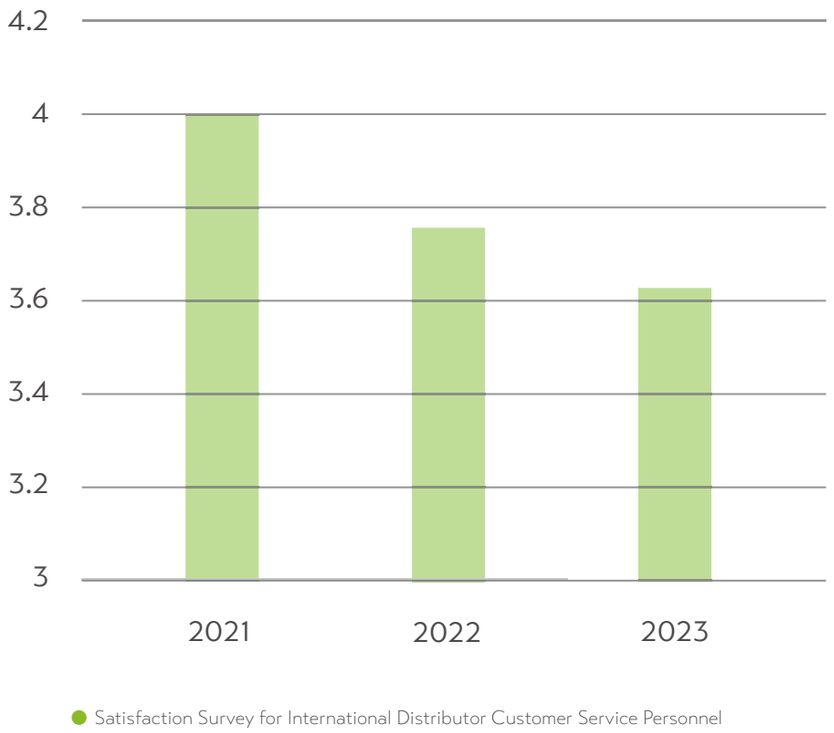
a. Product Education and Business Promotion:

Meetings and training sessions are arranged based on the needs of international agents to ensure alignment of brand and product information.

b. Marketing Materials:

Strengthen information flow between headquarters and agents, offering more diverse and flexible plans and services tailored to international markets.

2023 International Distributor Customer Service Satisfaction Survey	
Customer Service	4
Product Development	3
Brand Marketing	3.7
Order Services	3.4
Brand Satisfaction	4



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GRI Indicator Content Comparison Table

Declaration of Use	O'right's Corporate Sustainability Report has been prepared in reference to the GRI Standards for the reporting period of 2023 (January 1, 2023, to December 31, 2023).
GRI 1 Version Used	GRI 1: Foundation 2021 (excluding any disclosures).
Application of GRI Sector Standards	Not applicable.

GRI Standard	Disclosure Item	Chapter/Page	Explanation
GRI 2: General Disclosure 2021			
2-1	Organizational Details	1.4 Company Overview	
2-2	Entities Included in the Sustainability Reporting	1.5 About the Report	
2-3	Reporting Period, Frequency, and Contact	1.5 About the Report	
2-4	Restatements of Information	3.1 Green Headquarters GMP Cosmetics Factory 4.3 Water Resource Management 4.5 Greenhouse Gas Inventory	Adjusted water retention area of Green Headquarters. Revised 2022 data for water usage per unit process. Baseline year for greenhouse gas inventory adjusted to 2021.
2-5	External Assurance	1.5 About the Report 6.2 Board Structure and Operations Appendix III Third-Party Verification Statement	
2-6	Activities, Value Chain, and Other Business Relationships	1.4 Company Overview	
2-7	Employees	5.1 Green Team	Employee statistics based on end-of-year data (December 31, 2023).
2-8	Non-Employee Workers	5.1 Green Team	Non-employee workers include 2 security personnel and 2 interns.
2-9	Governance Structure and Composition	6.1 Sustainable Governance 6.2 Board Structure and Operations	
2-10	Nomination and Selection of the Highest Governance Body	6.2 Board Structure and Operations	

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GRI Standard	Disclosure Title	Chapter/Page	Explanation
2-11	Chair of the Highest Governance Body	6.2 Board Structure and Operations	The chair of the highest governance body is the Chairman. The organization's top executive is the General Manager.
2-12	Role of the Highest Governance Body in Overseeing Impact Management	1.1 Founder's Message 2.1 Philosophy and Policies 2.4 Stakeholder Engagement 6.1 Sustainable Governance 6.2 Board Structure and Operations 6.4 Risk Management	
2-13	Delegation of Responsibility for Managing Impacts	6.1 Sustainable Governance 6.2 Board Structure and Operations	
2-14	Role of the Highest Governance Body in Sustainability Reporting	6.1 Sustainable Governance 6.2 Board Structure and Operations	
2-15	Conflicts of Interest	6.2 Board Structure and Operations	
2-16	Communication of Critical Concerns	6.1 Sustainable Governance 6.2 Board Structure and Operations	
2-17	Collective Knowledge of the Highest Governance Body	6.2 Board Structure and Operations	
2-18	Evaluation of the Performance of the Highest Governance Body	6.2 Board Structure and Operations	
2-19	Remuneration Policies	6.2 Board Structure and Operations	
2-20	Process for Determining Remuneration	5.3 Employee Welfare and Care	
2-21	Annual Total Compensation Ratio	N/A	This information will be included in the 2024 report.
2-22	Statement on Sustainable Development Strategy	1.1 Founder's Message	

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GRI Standard	Disclosure Title	Chapter/Page	Explanation
2-23	Policy Commitments	5.3 Employee Welfare and Care 5.6 Green Impact 6.3 Ethics and Integrity	
2-24	Embedding Policy Commitments	2.1 Philosophy and Policies 5.3 Employee Welfare and Care	
2-25	Processes to Remediate Negative Impacts	2.4 Stakeholder Engagement 5.3 Employee Welfare and Care	
2-26	Mechanisms for Seeking Advice and Raising Concerns	5.3 Employee Welfare and Care	
2-27	Compliance with Laws and Regulations	6.3 Ethics and Integrity	No penalties or administrative sanctions occurred in 2023.
2-28	Membership of Associations	6.1 Sustainable Governance	Company participation in associations is detailed in "6.1 Sustainable Governance." Memberships in international advocacy organizations, such as RE100 and SBTi, are described in "4.2 Energy Management" and "4.5 Greenhouse Gas Emissions."
2-29	Approach to Stakeholder Engagement	2.3 Analysis of Materiality 2.4 Stakeholder Engagement	
2-30	Collective Bargaining Agreements	N/A	O'right has labor-management communication mechanisms but does not have unions or collective agreements. An internal General Manager Mailbox provides a platform for employees to share feedback and raise concerns.

GRI 3: Major Topics Disclosure Items			
3-1	Process to Determine Material Topics	2.3 Analysis of Materiality	
3-2	List of Material Topics	2.3 Analysis of Materiality	
3-3	Management of Material Topics	2.3 Analysis of Materiality	

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Specific Topic Disclosures (*) Indicates a Key Topic for This Year

GRI Standard	Disclosure Item	Chapter/Page	Explanation
GRI 200: Economic Series 2016			
*201 Economic performance			
201-1	Direct Economic Value Generated and Distributed	6.1 Sustainability Governance	
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	4.1 Climate Risks and Governance	Most cost and financial impact data are assumptions and estimates; detailed calculations will be developed within the next two years.
201-3	Defined Benefit Plan Obligations and Other Retirement Plans	5.3 Employee Benefits and Care	
201-4	Financial Assistance Received from Government	6.1 Sustainability Governance	
*204 Procurement practices			
204-1	Proportion of Spending on Local Suppliers	3.3 Green Supply Chain	

GRI 300：Environmental Series 2016			
*301 Materials			
301-2	Recycled Input Materials Used	3.2 Green Products	N/A
301-3	Reclaimed Products and Their Packaging Materials	N/A	
*301 Materials			
302-1	Energy Consumption Within the Organization	4.2 Energy Management	
302-2	Energy Consumption Outside of the Organization	4.5 Greenhouse Gas Emissions	
302-3	Energy Intensity	4.2 Energy Management	
302-4	Reduction of Energy Consumption	4.2 Energy Management	
302-5	Reductions in Energy Requirements of Products and Services	N/A	O'right offers hundreds of products and services. Detailed data on individual products and corresponding energy requirements will be reported within the next two years.

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GRI Standard	Disclosure Item	Chapter/Page	Explanation
303 Water and Effluents			
303-1	Interactions with Water as a Shared Resource	4.3 Water Resource Management	
303-2	Management of Water Discharge-Related Impacts	4.3 Water Resource Management	
303-3	Water Withdrawal	4.3 Water Resource Management	
303-4	Water Discharge	4.3 Water Resource Management	
303-5	Water Consumption	4.3 Water Resource Management	
*305 Emissions			
305-1	Direct (Scope 1) GHG Emissions	4.5 Greenhouse Gas Emissions	
305-2	Energy Indirect (Scope 2) GHG Emissions	4.5 Greenhouse Gas Emissions	
305-3	Other Indirect (Scope 3) GHG Emissions	4.5 Greenhouse Gas Emissions	
305-4	GHG Emissions Intensity	4.5 Greenhouse Gas Emissions	
305-5	Reduction of GHG Emissions	4.5 Greenhouse Gas Emissions	
305-6	Emissions of Ozone-Depleting Substances (ODS)	N/A	Not applicable. O'right does not emit ozone-depleting substances.
305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	N/A	Not applicable. O'right does not emit these substances.
*305 Emissions			
306-1	Waste Generation and Significant Waste-Related Impacts	4.4 Waste Management	
306-2	Management of Waste by Type and Disposal Method	4.4 Waste Management	
306-3	Waste Generated	4.4 Waste Management	
306-4	Waste Diverted from Disposal	4.4 Waste Management	
306-5	Waste Directed to Disposal	N/A	Not applicable. O'right does not directly dispose of waste; all waste is sent to certified facilities for proper disposal (incineration, composting)

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GRI Standard	Disclosure Item	Chapter/Page	Explanation
GRI 400: Social Series 2016			
404 Training and Education			
404-1	Average Hours of Training Per Year Per Employee	5.2 Talent Recruitment and Development	
404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	5.2 Talent Recruitment and Development	O'right provides internal and external training courses to enhance employees' professional competencies. While no formal transition assistance programs are offered for employees retiring or terminating employment, O'right emphasizes employee welfare and continuously improves employment practices. Employees with specific needs can contact the Talent Development Center for government resources or Employee Assistance Programs (EAPs) offering psychological, legal, and financial consultations.
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	5.2 Talent Recruitment and Development	
413 Local Communities			
413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	5.5 Environmental Education 5.6 Green Impact	
413-2	Operations with Significant Actual or Potential Negative Impacts on Local Communities	5.5 Environmental Education 5.6 Green Impact	
*416 Customer Health and Safety			
416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	3.2 Green Products	
416-2	Incidents of Non-Compliance Concerning Product and Service Health and Safety	6.3 Ethics and Integrity	No violations of relevant regulations occurred during the reporting period.
*417 Marketing and Labeling			
417-1	Requirements for Product and Service Information and Labeling	6.5 Customer and Product Services	
417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	6.3 Ethics and Integrity	No violations of relevant regulations occurred during the reporting period.
417-3	Incidents of Non-Compliance Concerning Marketing Communications	6.3 Ethics and Integrity	No violations of relevant regulations occurred during the reporting period.
418 Customer Privacy			
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy or Loss of Customer Data	6.5 Customer and Product Services	No complaints related to privacy breaches or data loss were reported during the reporting period.

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SASB Comparison Table

O'right adheres to the Sustainability Accounting Standards Board (SASB) guidelines for disclosure. According to the Materiality Map index, 11 industry categories and 77 sectors were reviewed to identify key topics and metrics relevant to O'right. The corresponding data and information were disclosed to comprehensively assess our environmental, social, and governance (ESG) impact.

- Industry Category: Consumer Goods
- Industry Standards: Household & Personal Products

Sustainability Topics and Metrics

Category	Disclosure Topic	Metric Code	Disclosure Metric	2023 Disclosure Content	Chapter
Environmen	Water Resource Management	CG-HP-140a.1	Total Water Withdrawal	The total water withdrawal for 2023 was 5,213 cubic meters.	Water Resource Management
			Total Water Consumption	O'right categorizes water use into "purified water for production," "boiler water," "domestic water," and "cooling water." All wastewater is treated for 100% reuse. In 2023, treated water was reused for irrigation, achieving zero discharge, with a total water consumption of 5,213 cubic meters.	
			Percentage of the above metrics in areas with High or Extremely High Baseline Water Stress	Both metrics are 0% (no locations are situated in high or extremely high water-stressed areas).	
		CG-HP-140a.2	Description of water risk management and mitigation strategies	As a cosmetics company, water is a critical resource. To avoid wasting water, we utilize a water recycling system during production to reuse discharged reclaimed water and wastewater.	
Social Capital	Environmental, Health, and Safety Performance of Products	CG-HP-250a.1	Revenue from products containing substances of very high concern (SVHC) under the EU REACH regulation	All materials used comply with REACH and EU Regulation (EC) No 1223/2009. No revenue exceeds REACH regulation limits.	Green Products
		CG-HP-250a.2	Revenue from products containing substances on California's Candidate Chemicals List	O'right does not use substances on California DTSC Candidate Chemicals List; therefore, no revenue is derived from such products.	
		CG-HP-250a.3	Discussion of processes to identify and manage emerging concerns and chemical substances	The Organic Plant Extraction R&D Center, accredited as a TAF laboratory, operates under ISO/IEC 17025 standards, conducting efficacy and safety testing. Laboratory personnel participate in proficiency testing to maintain international standards. O'right adheres to principles such as 16-Free, Vegan, and Gluten-Free, excluding high-risk substances and continuously monitoring global safety trends to ensure product compliance.	
		CG-HP-250a.4	Revenue from products designed with green chemistry principles	O'right prioritizes green chemistry-compliant materials in production. All products meet green chemistry principles, contributing to total sales revenue of NTD 588,891,853.	

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Category	Disclosure Topic	Metric Code	Disclosure Metric	2023 Disclosure Content	Chapter
Business Model and Innovation	Packaging Lifecycle Management	CG-HP-410a.1	Total Packaging Weight	In 2023, the total procurement weight of product-related packaging materials was 321.807 metric tons, detailed as follows: - HDPE recycled plastic bottles: 254.261 metric tons - PP recycled pumps: 43.702 metric tons - PET recycled plastic bottles: 23.844 metric tons	Green Products
			Percentage of Recycled and/or Renewable Materials Used	In 2023, the recycled plastic usage rates for various packaging categories were as follows: - HDPE recycled plastic bottles: 100% - PP recycled pumps: 83.70% - PET recycled plastic bottles: 100% Note: Due to the precision components such as springs and steel balls, PP pumps currently do not achieve 100% recycled plastic. O'right will continue developing technologies to increase recycled material usage.	
			Percentage of Recyclable, Reusable, and/or Compostable Materials	All O'right products use single-material recyclable packaging, achieving 100% recyclability. O'right has made circular economy the core goal of green packaging by continuously developing eco-friendly refill packs, squeezable tubes, recycled pumps, recycled bottles, and de-electroplated cosmetic sprayers. O'right's shampoo and body wash bottles now use 100% PCR materials, becoming the first brand to fully implement "circular economy" in both materials and packaging.	
		CG-HP-410a.2	Strategies to Reduce Environmental Impact of Packaging Lifecycle	O'right's green packaging designs consider the entire product lifecycle, actively developing organic green materials to replace petrochemical materials. The company focuses on reducing packaging or using sustainable green materials through innovations in material, shape, and structure to achieve carbon reduction goals.	
	Environmental and Social Impacts of Palm Oil Supply Chain	CG-HP-430a.1	(a) Identity-Preserved System Certification in Palm Oil Supply Chain	N/A	
			(b) Segregated System Certification	N/A	
			(c) Mass Balance System Certification	In 2023, O'right purchased approximately 126.2 metric tons of palm oil derivatives, 26% of which were RSPO certified.	
			(d) Percentage of Certification Through Book and Claim Systems	N/A	
Activity indicators					
Operational Metrics		CG-HP-000.A	Total Number of Products Sold and Total Weight of Products Sold	In 2023, a total of 1,312,691 product items were sold, weighing approximately 794.14 metric tons.	Green Headquarters GMP Cosmetics Factory
		CG-HP-000.B	Number of Manufacturing Facilities	1 facility (O'right Green Headquarters GMP Cosmetics Factory)	

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Third Party Verification Declaration

GRI 2-5

SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD. 'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE O'RIGHT INC. 'S CORPORATE SUSTAINABILITY REPORT FOR 2023

NATURE AND SCOPE OF THE ASSURANCE
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by O'right Inc. (hereinafter referred to as O'right) to conduct an independent assurance of the Corporate S ustainability Report for 2023 (hereinafter referred to as the Report). The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 2 Moderate level to assess whether the text and data in accompanying tables contained in the report and complies with the GRI Standard s and AA1000 Accountability Principles (2018) during on-site assurance (2024/08/06-202 4/09/25) in O'right headquarter . The boundary of this report includes O'right Taiwan operational and production sites' specific performance data included the sampled text, and data in accompanying tables, contained in the report presented. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate -related financial disclosures (TCFD) and sustainability accounting standards (SASB).
SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all O'right's Stakeholders.

RESPONSIBILITIES
The information in the Report and its presentation are the responsibility of the directors or governing body (as applicable) and management of O'right SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the report content within the scope of assurance with the intention to inform all O'right's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sust ainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3 2021 for organisation's process of determining material to pics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards and/or ISAE3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance	
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)	n/a
B	AA1000ASv3 Type 2 (AA1000AP Evaluation plus evaluation of Specified Performance Information)	Moderate

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SCOPE OF ASSURANCE AND REPORTING CRITERIA
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	GRI Standards (Reference)
2	AA1000 Accountability Principles (2018)

☒ The evaluation includes AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018).

☒ The evaluation of the reliability and quality of specified sustainability performance information in the Report is limited to determined material topics or those clearly marked in the report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level of scrutiny for O'right

☒ The evaluation of the report against the requirements of GRI Standards is listed in the GRI content index as material in the report and is conducted with reference to the Standards.

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre -assurance research, interviews with relevant employees , superintendents, Sustainability committee members and the senior management in Taiwan ; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION
Financial data drawn directly from independently audited financial accounts , Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and assurance , operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance.
SGS affirm our independence from O'right, being free from bias and conflicts of interest with the organi zation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 50001, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

ASSURANCE /VERIFICATION OPINION
On the basis of the methodology described and the assurance work performed, we are satisfied that the d isclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.
We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

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AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLU SIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity
O'right has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, suppliers, and other stakeholders are implemented to underpin the organizat ion's understanding of stakeholder concerns. For future reporting, O'right may proactively consider having more direct two -ways involvement of stakeholders during future engagement.
Materiality
O'right has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect thei r importance and priority to these stakeholders.
Responsiveness
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.
Impact
O'right has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARD S CONCLUSIONS, FINDINGS AND RECOMMENDATIONS
The report, O'right's CS Report of 2023, complies with the Requirements for reporting with reference to the GRI Standards set out in Section 3 of GRI 1. The significant impacts are assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021. The report has properly disclosed information related to O'right's contributions to sustainability development. For future reporting, O'right is encouraged to prepare for the transition to reporting in accordance with the GRI Standards, with more comprehensiv e details of its management processes on the identified impacts on the economy, environment, and people, including impacts on their human rights.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000
Licensed Report
000-8/V3-Y38PP

Stephen Pao
Business Assurance Director
Taipei, Taiwan
13 November , 2024
WWW.SGS.COM

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Green Footprint

2008-2009

- Taiwan's Excellent Brand Award
- Eco Paper Bimonthly
- Green Earth Project with annual revenues hitting a new record high
- International Business Department to expand our European market

2010

- Product Carbon Footprint Label
- Taiwan's Carbon Footprint Label
- Expanded internationally and successfully entered the European market
- Fren Bag made from photolytic material
- Began construction of Asia's first GMP certified green cosmetics plant
- SGS PAS 2050 Product Carbon Footprint
- ISO 9001 Quality Management Systems
- Taiwan's Top 100 MVP Managers
- Special Innovation Award by Pure Beauty
- PAS 99 Integrated Management Systems

2011

- Developed the Tree in the Bottle
- Developed the Floral Box
- Carbon Neutral by BSI PAS 2060
- Taiwan's CSR Award
- Chairman Steven Ko attended the APEC summit in the United States on behalf of all Taiwan SMEs
- Taiwan Green Classics Award
- Selected as one of the top green brands under the Daily Supplies category in the Top Green Brands survey conducted by Business Next Magazine
- Xue Xue Special Award in the Green Eco-friendly Industry category
- Golden Pin Design Mark
- Top 100 Taiwan Innovative Enterprises by the Ministry of Economic Affairs



2012

- EEWH Gold-level Green Building Certification
- Taiwan's CSR Award
- Environmental Sustainability Award by Taiwan SGS
- National Outstanding SMEs Award
- National Sustainable Development Award
- Enterprise Environmental Protection Award
- Industrial Sustainable Excellence Award
- Green Excellence Award by Taoyuan County
- Xue Xue Creative Award in the Green Industrial Design category
- Model of Entrepreneurs Award
- Moso Bamboo Cap
- Enable QR code scanning for easy access to product information

2013

- Red Dot: Best of the Best 2013
- Environmental Sustainability Award by Taiwan SGS
- Only SME in Taiwan to receive the CSR Award
- Green Excellence Award by Taoyuan County
- Cradle to Cradle certification
- ISO 22716 Cosmetics GMP certification
- SGS Water Footprint certification
- Taiwan Intellectual Property Management Systems (TIPS)
- ISO 50001 Energy Management Systems
- Action Mark for Energy Saving and Carbon Award by the Executive Yuan
- Taiwan Green Classics Award
- Taiwan Voluntary Cosmetic GMP certification
- Green Building Honorary Award
- Chairman Steven Ko invited as a speaker for the United Nations Sustainable Development Summit in New York

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2014

- World Genius Convention Gold Medal Award
- IENA Gold Medal and Green Invention Award
- INPEX Gold Medal and Special Award
- IF Design Award
- Red Dot Awards for packaging design and social responsibility
- Excellent Enterprise Award in Taoyuan City
- FT-Standard Chartered Taiwan Business Award
- Taiwan Excellence Award
- International Green Classics Award
- Silver Medal at Seoul International Invention Fair
- CSR Award of Global Views Monthly
- 2014 Top Green Brands by Business Next Magazine
- Special Innovation Award by Pure Beauty
- PAS 99 Integrated Management Systems

2015

- Excellence in Soil and Water Conservation
- International Exhibition of Inventions of Geneva Gold Medal and Special Award
- CommonWealth Excellence in CSR Little Giant Award
- National Intelligence Award Excellence Award
- Golden Pin Design Mark
- Taiwan OTOP Product Design Award
- Good Design Award
- EY Enterpreneur of the Year Green Innovation Entrepreneur of the Year
- National Intelligence Award Excellence Award



2016

- Shopping Design 2016 Best 100 Award
- AREA Green Leadership Award
- Excellent Enterprise Award in Taoyuan City for Environmental Protection
- Environmental Protection Education Award in the Private Enterprise group
- CommonWealth Excellence in CSR Little Giant Award

ISO 9001 Plus Award

2017

- Taiwan Excellence Award
- Katerva Award Finalist in the Environment category
- National Environmental Education Award by the Executive Yuan
- CommonWealth Excellence in CSR Award
- Sustainability Best Practice Award
- Sustainability Influence Award
- Green World Awards
- Sustainable Beauty Awards – Sustainability Leadership
- Sustainable Beauty Awards – Sustainable Packaging
- ISO 9001 Plus Award
- Good Design Award
- Excellent Enterprise Award in Taoyuan City
- Red Dot Award for our CSR Report
- Asia Sustainability Reporting Awards – Asia's Best Sustainability Report (SME)

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2018

- Replace all shampoo and body wash bottles with renewable ones
- The world's first renewable plastic pump
- Join RE100
- Organizational and product carbon neutrality
- Taiwan Excellence Award
- CSR Award by Global Views Monthly
- International Exhibition of Inventions of Geneva Gold Medal, Silver Medal, and Special Award
- Pure Beauty Global Award
- CommonWealth Excellence in CSR
- Green World Awards
- PwC Taiwan CSR Impact Award
- IENA Gold Medal
- National Quality Award – Excellence in Business Award
- Enterprise Environmental Protection Award
- Taoyuan Green Excellence Award
- Excellent Enterprise Award in Taoyuan City for Environmental Protection

2019

- Made the switch to renewable plastic pumps for entire shampoo, conditioner and body wash range
- Organizational carbon neutrality and carbon neutrality for 27 products
- Invited to speak at UN Climate Change Conference COP25

Unveiled the new section of O'right Green Headquarters

- Taiwan Excellence Award
- (Lemongrass Green Dry Shampoo)

Sustainable Beauty Awards

- Green World Awards
- AQFDA Asia Quality Innovation Award
- National Industrial Innovation Award
- ROC Enterprises Environmental Protection Award
- Low Carbon Reward by the Environmental Protection Administration



2019

- National Sustainable Development Awards
- Taiwan Circular Economy – Golden Awards
- The Excellent Enterprise Award in Taoyuan City
- CommonWealth Excellence in CSR Award
- Global Views CSR Award
- SGS Environmental Sustainability Award

2020

- Taiwan Excellence Award (Goji Berry
- Sensational Body Lotion, Beauty Ferment Hand Cream & Toothpaste N° Zero)
- The Excellent Enterprise Award in Taoyuan City
- Low Carbon Reward by the Environmental Protection Administration
- Protection Administration
- National Enterprise Environmental Protection Award
- Sustainable Beauty Awards
- Global CSR Awards – Gold
- Good Design Gold Award
- Good Design Best 100
- Good Design Award
- CommonWealth Excellence in CSR Little Giant Award
- Best SDGs Concept Award

2021

- Good Design Gold Award-Top 3 Finalist for the Good Design Grand Award、Best 100
- Taiwan Excellence Award-Botanical Curl Defining Oil
- Sustainable Beauty Awards-New Sustainable Product、Sustainability Leadership
- Green World Award-Innovation (Silver)、Environmental Policy (Silver)、Carbon Reduction (Silver)、Energy Management (Bronze)、Products (Bronze)
- CommonWealth Excellence in CSR-Little Giant
- Global Views Monthly CSR/ESG Award

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2022

- Achieved comprehensive carbon neutrality across Scope 1, 2, and 3 for the entire organization and product range for the third consecutive year (SGS verified).
- Reached 100% renewable electricity usage target starting December.
- Invited as a speaker at COP27 for the third year, initiating the "3-Minute Shower" campaign on Water Day.
- Launched the "Melting Greenland" project, endorsed by WCF and supported by RE100 Climate Group | CDP.
- Bloomberg Green ESG Environmental Pioneer Award
- National Low-Carbon Product Award (three-time winner)
- Taiwan Excellence Awards (nine-time winner, including Hair Tonic and Fermented Mask)
- Paris Sustainable Beauty Awards: Sustainable Product (Hair Tonic) and Leadership (Zero-Carbon Supply Chain)
- RE100 Global Leadership Award - Corporate Leader
- SBTi-approved 2050 Net-Zero Commitment
- CommonWealth Sustainability Award - Small Giants (eight-time winner)
- Global Views CSR/ESG Exemplary Award (Traditional Industries)
- UK Global Green Awards: Best Innovation (Gold), Environmental Policy (Silver), Corpo-
- rate Sustainability (Bronze) for ±R Project

2023

- Achieved comprehensive carbon neutrality across Scope 1, 2, and 3 for the fourth consecutive year (SGS verified).
- Maintained 100% renewable electricity usage throughout the year.
- Invited as a COP28 speaker, premiering the environmental documentary Melting Greenland: UN COP28 Screening Version in the Marshall Islands.
- Reuters Global Responsible Business Award: Best Corporate Transformation Case
- Japan Good Design Award BEST100 (Melting Greenland Project)
- Paris Sustainable Beauty Awards: Leadership, Pioneer
- Bloomberg Green ESG50: Highlighted Project (Melting Greenland)
- Taiwan Excellence Awards (Hair Tonic and Fermented Mask)
- Taoyuan Environmental Education Award (Individual - Excellence)
- SARCH Awards (O'right Green Headquarters)
- AMP Best of the Best (O'right Green Headquarters)



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