O'right

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2022

O'right Inc.
Corporate Sustainability Report



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Founder's Message

GRI 2-12、2-22

The Journey of Green Innovation, a Win-Win for Business and Sustainability

Since 2020, O'right has been continuously verified by SGS for three consecutive years, covering the entire range of products, factories, and organizations, achieving carbon neutrality in all aspects from raw material sourcing, manufacturing, production, transportation, sales, consumer use, to waste recycling. O'right has become the world's first carbon-neutral beauty company! With a core value of "Green, Sustainable, and Innovative," we provide sustainable green living solutions, allowing you to enjoy beauty while achieving zero carbon and zero environmental impact. Over the years, while producing a range of hair and skincare products, we have consistently adhered to sourcing materials that are completely free from petrochemicals (USDA Biobased), built a green PCR packaging supply chain, used renewable energy, adopted recycling and single-material recyclable packaging, and created a green headquarters building. In 2022, we not only received international recognition such as the RE100 Global Leadership Award and the Paris Global Sustainable Beauty Award but also, with a focus on the theme of zero carbon, were invited as representatives of small and medium-sized enterprises in Asia to speak at the United Nations Global Climate Summits for three consecutive sessions (COP25, COP26, COP27).

When individual efforts combine into collective action, we can change the world

In 2022, as O'right celebrates its 20th anniversary, we chose not to celebrate extravagantly but instead initiated a significant and globally relevant environmental education project. In July 2022, O'right launched the "Unfreeze Greenland" project in collaboration with United Daily News and the Vision Engineering Foundation. We received support from the World Climate Foundation (WCF) and the RE100 Climate Group | CDP, recognized by the United Nations. We formed an expedition team and embarked on a 23-day journey to visit the Arctic in person, visiting 11 towns, conducting in-depth interviews with local government officials, scientists, and residents, documenting the environmental, scientific, livelihood, and cultural impacts of climate change on Greenland, and witnessing firsthand the collapse of icebergs. We aim to raise awareness of climate change through environmental education, bring about the power of change, and expand Taiwan's influence in green sustainability on the international stage. O'right has always prioritized UN Sustainable Development Goal 13, "Climate Action," as the most urgent goal, which inspired the "Unfreeze Greenland" project. Through this documentary, we hope to inspire more companies to transition to net-zero and encourage global businesses to move towards sustainable development with a net-zero focus. Because the era of GDP has passed, and the era of GEP (considering human well-being and natural ecology) is the true measure of economic strength!

Chairman and CEO



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Annual Highlights

Melting Greenland project,
an environmental education documentary

Invited to attend COP27 for three consecutive yearsInvited to attend COP27 for
three consecutive years

Initiated the
3-Minute Shower
Campaign on World Water Day at COP27

Achieved
comprehensive carbon neutrality
for the entire organization in S1-S3 for three consecutive years, verified by SGS

Achieved the
100% green energy usage goal
under the renewable energy pledge ahead of schedule

Taiwan's first small and medium-sized enterprise to pass
SBTi 2050 Net Zero Target
review and receive approval

Implemented the
CDP Carbon Disclosure Project
for the first time

Received certification from the Environmental Protection Administration of the Executive for
environmental education facility locations

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Honors and Awards

International Awards

Sustainable Business Category

Green World Awards (UK)

- Best Innovation Gold Award (± R Project)
- Silver Award for Environmental Policy (± R Project)
- Bronze Award for Corporate Sustainable Business (± R Project)

RE100 Leadership Awards

- First Prize for Business Leadership

Sustainable Beauty Awards (France, Paris)

- Sustainable Leadership (Zero Carbon Beauty Supply Chain)

Sustainable Product Category

Sustainable Beauty Awards (France, Paris)

- Sustainable (Caffeine Melanin Botanical Scalp Revitalizer)

Green Building Design Category

- Muse Design Awards (USA)
- Novum Design Awards (France)
- Loop Design Award (Europe)
- A'Design Award & Competition (Italy)
- Berlin Design Awards (Germany)
- Sky Design Awards(Canada)
- SIDA (Singapore)
- IDA Design Awards (USA)

Domestic Awards

Sustainable Business Category

CommonWealth Magazine CSR & ESG Corporate Social Responsibility Awards

- Comprehensive Performance Category - Traditional Industry Group - Model Award

CommonWealth Magazine Sustainable Citizen Awards

- Small Giant Group First Prize

Bloomberg Green Finance ESG Pioneer Awards

- Environmental Pioneer Grand Award

Sustainable Product Category

Taiwan Excellence Awards

- Caffeine Melanin Botanical Scalp Revitalizer
- Sorghum Radiance Banana Fiber Sheet Mask

- 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

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GRI 2-1、2-6

Company Overview

Company Introduction

O'right Inc. is a leading brand in green hair care and cosmetics in Taiwan. We own Asia's first green building GMP cosmetics factory, certified with ISO 9001, ISO 22716, ISO 50001, ISO 14001, ISO 45001, and other certifications. We manufacture products using solar and wind power generation and have undergone comprehensive green transformation with a water resource recycling system. We are one of the few MIT hair care companies that possess green research and development, eco-friendly design, green production processes, and creative 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.

Main Product Series

Hair	Home	Professional
Shampoo, Conditioner, Scalp Care, Home Care, Dry Shampoo, Styling Products	Hand Care/Care, Facial Cleansing/Care, Shower Gel, Body Lotion, Mosquito Repellent Massage Oil, Personal Oral Care, Personal Fragrance	Special Hair Cleansing, Professional Instant Care, Professional Deep Hair Care, Professional Scalp Care, 4D Intelligent Structural Hair Care

Sales Channels

International Agents	Taiwan Channels
11 agent sales markets and successfully sell our products in over 40 countries and regions, including Europe, Asia, Southeast Asia, North America, and Africa, covering major international cities.	Over 7,000 professional salon stores 25 department store experience centers 6 cooperating e-commerce platforms Olade 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 2023, O'right released its tenth Corporate Sustainability Report (CSR), which serves to communicate with all stakeholders from the perspective of corporate sustainability. This report outlines O'right 's sustainability efforts during the year 2022.

The content of the report presents O'right 's responses to various critical issues in the context of sustainable development and highlights the current achievements and future strategic planning of the company. The aim is to provide a comprehensive perspective on how O'right can self-reflect, evaluate, and formulate corporate strategies based on its existing foundations.

The statistical data disclosed in the report are derived from results compiled by various units and are presented using commonly accepted values and units. In cases where data needs to be recalculated, relevant explanations will be provided in the respective sections. Additionally, other publicly available data, including financial and greenhouse gas emission information, have been verified by third-party independent organizations.

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, 2022, to December 31, 2022

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: January 2024

Previous Release Version: November 2022

Compilation and Coordination

Yuhsuan Liu, Sustainability Specialist

Graphic Design

Yalian Wang, Designer

English Translation

ChatGPT

The English translation of this report was accomplished using AI technology. All contents should be referred to the Chinese version of the report as the primary source.

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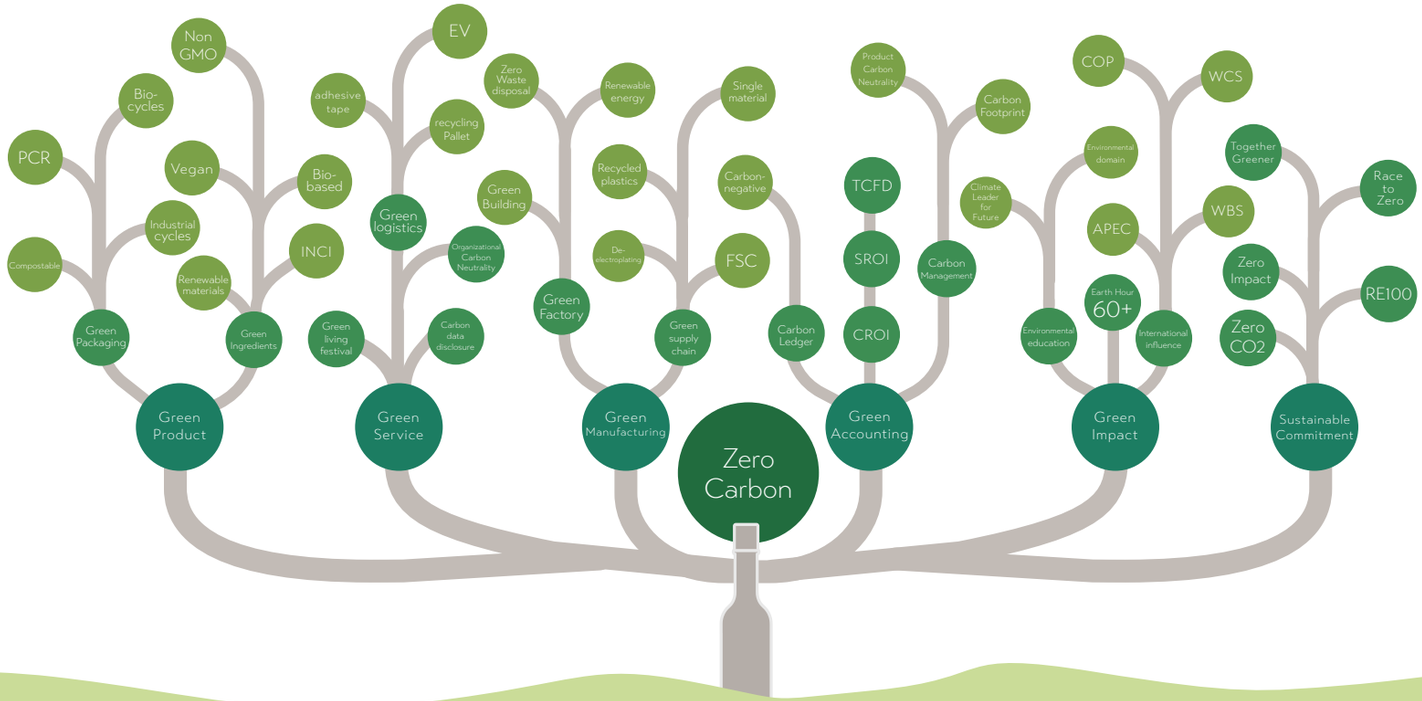
2.1 Philosophy and Policies

GRI 2-12、2-24

Since the production of our first bottle of shampoo, Olade has been guided by the principles of product responsibility, social responsibility, and environmental responsibility. Our core values revolve around "green, sustainable, and innovative" concepts. We believe that even small actions can make a significant impact, and we are committed to being a responsible company. We place importance on preserving the beauty of our planet and minimizing our environmental footprint.
To welcome the next exciting 20 years, we have embarked on a journey to create a minimalist and elegant green fashion. We have redefined our brand's visual logo with a fresh new font. The brand's name, "O'right," symbolizes "zero carbon" and "sustainability," where "right" signifies our commitment to doing the right thing. "All right, ZERO'right" represents our promise to "speak for the climate and act for environmental education," providing consumers with a new and meaningful experience and joining them in making the world a better place.

2.1.1 Green Sustainable Innovation Program

Olade initiated a series of "Green Sustainable Innovation Programs" in 2006, actively embracing green concepts and striving to enhance green sustainable value. After 2018, this effort evolved into the "Zero Carbon Program," aiming for "zero environmental impact" comprehensively. We have continuously improved the green packaging of our products. In 2019, all our shower products transitioned to the use of recycled press caps. In 2020, we collaborated with suppliers to develop single-material recycled packaging, and in 2021, we introduced single-material recycled refill packs. In 2022, we achieved the complete elimination of electroplating for product spray heads. In terms of product development, we have focused on every detail, from procurement and raw materials to design, production, transportation, use, and recycling, all with the goal of minimizing environmental impact. We have also innovatively incorporated top-quality amino acid and glucoside organic foaming agents into our products. We are committed to excluding harmful substances such as environmental hormones, dyes, and plasticizers from our products. Our green formulations not only prioritize consumer health but also promote environmental friendliness. In the future, Olade will continue to introduce innovative zero carbon strategies, addressing not only customer needs but also nature's expectations for our products, thus reducing Olade's carbon footprint on the planet.



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O'right is committed to continuous breakthroughs not only in our products but also in implementing comprehensive quality management. We have established two fundamental cycles, namely the "Bio Circulation" and the "Industrial Circulation." These cycles serve as the basis for constructing the Bio Circulation System, PCR Industrial Circulation System, and a robust international quality verification system to ensure product quality stability. In the future, we aim to achieve net-zero emissions by introducing internal corporate carbon pricing, incorporating carbon costs into our decision-making process.
Furthermore, to expand our green influence continuously, we use our products to convey the importance of environmental education to the public and inspire awareness of climate change issues. We aspire to lead the industry towards a green revolution, collaborating with our supply chain to practice the Sustainable Development Goals (SDGs).

2.1.2 O'right Industrial Circulation System: Achieving Breakthroughs in Plastic Recycling

In terms of the Industrial Circulation System, O'right is firmly committed to reducing plastic waste. We have collaborated with our supply chain to establish a green supply chain that comprehensively constructs 100% PCR (Post Consumer Recycled) packaging. This includes materials like rPE, rPP, rPET, and rPETG, which we use to develop sustainable cosmetic packaging materials such as bottles, caps, press caps, spray heads, refill packs, mask pouches, and squeeze tubes. Our goal is to eliminate composite materials from packaging materials while achieving the complete elimination of electroplating for product spray heads. All these efforts are geared towards ensuring that packaging materials can enter the recycling system, preventing thousands of plastic bottles from entering the oceans. By adopting 100% PCR packaging materials, O'right reduces its dependence on petrochemical ingredients, promotes plastic recycling, and contributes to reducing the environmental burden. This helps minimize the demand for primary petrochemical resources and reduces the landfilling and incineration of plastic waste, making a positive impact on the environment and reducing ocean plastic pollution.



Industrial Circulation System

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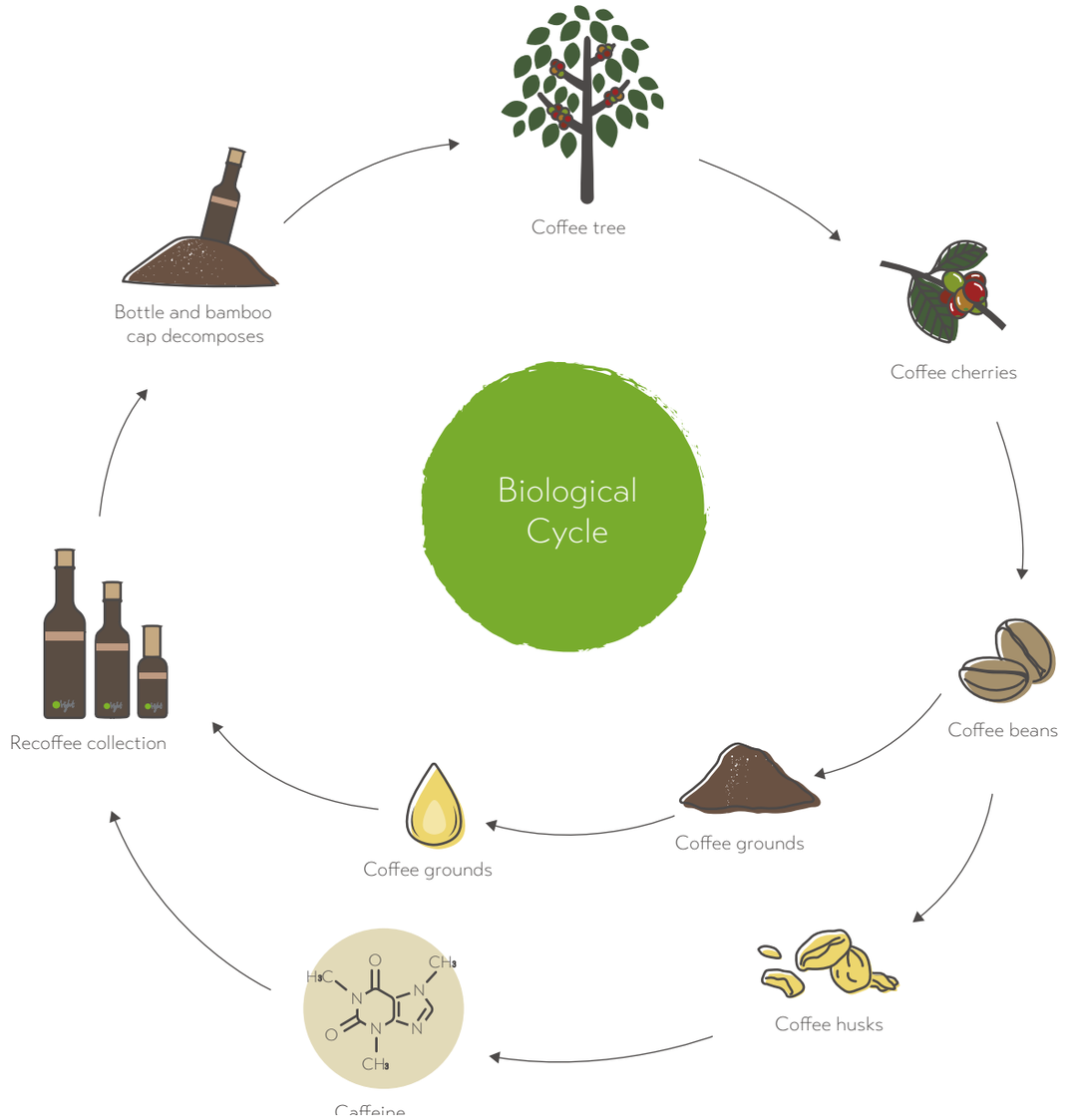
2.1.3 O'right Bio Circulation System: Upholding Ecological Green Standards for Sustainable Innovation

O'right has also established the Bio Circulation System, dedicated to creating a green and sustainable product development and manufacturing environment. We've set up an "Organic Plant Extract Research Center" to provide a solid foundation for extracting local materials. To ensure sustainability at the product level, O'right is committed to increasing the proportion of sustainable ingredients in its products. Over the years, we have collaborated with local agriculture to replace petrochemical ingredients with agricultural by-products. This includes utilizing discarded coffee grounds to extract coffee oil, coffee husks to extract caffeine. sorghum wine lees, and Chinese wolfberry roots to manufacture hair and skincare products. O'right continues to innovate and elevate the company to an ecological level, addressing climate change issues resulting from the industrial revolution. Simultaneously, we contribute to the economic development of agriculture and the income of farmers, promoting coexistence and prosperity with the Earth's ecosystems.



Bio Circulation System

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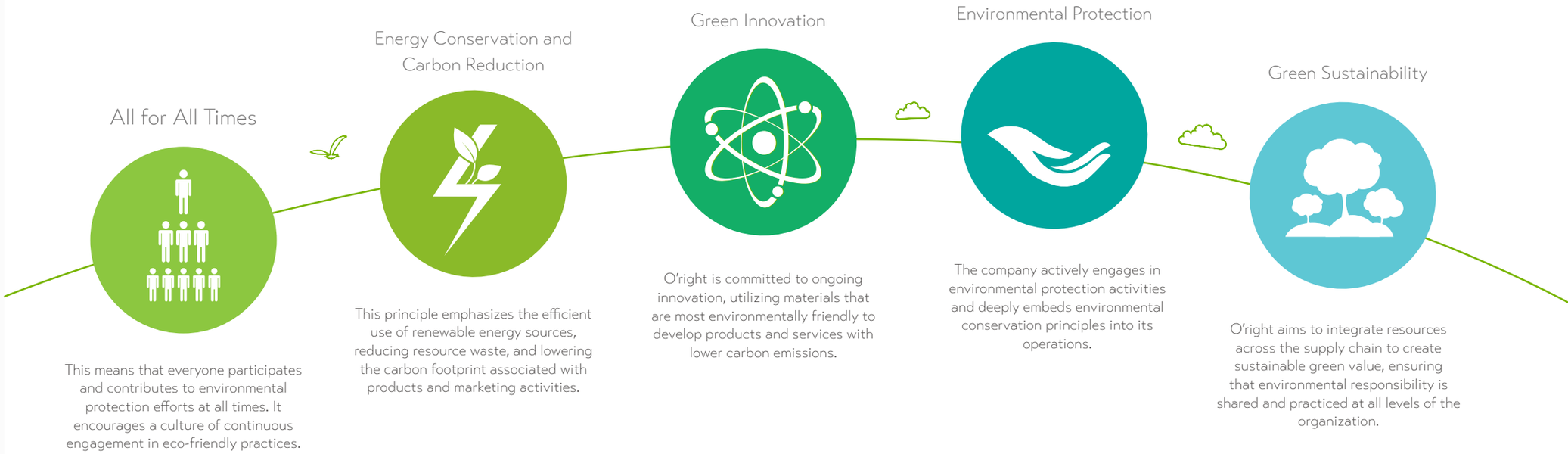
2.1.4 Internal Environmental Policy

O'right's internal environmental policy goes beyond encouraging employees to care for and adopt trees. We also encourage employees to bring their own eco-friendly cups and utensils and promote carpooling to reduce waste and emissions. Our office has adopted a comprehensive approach to digitize documents to save paper. Additionally, necessary printed documents are double-sided to reduce paper consumption by 50%. When it comes to office supplies, we prioritize the use of environmentally certified products with eco-labels, energy labels, and energy-saving labels. We actively promote waste recycling and emphasize water and energy conservation. We encourage employees to take the stairs instead of using elevators and have established a green living covenant inspired by environmental education. This covenant is integrated into new employee training programs and disseminated through various communication channels, serving as a reference for employees to fully commit to environmentally friendly practices.

2.1.5 Green Living Covenant

Our brand philosophy is "Nature, Purity, and Environmental Responsibility." We have consistently adhered to the core value of environmental sustainability, understanding that what we take from nature should be returned to nature. Faced with the environmental threats our planet is enduring and people's aspirations for nature, we pledge our determination to reduce greenhouse gas emissions with the motto "More Beautiful, Better."
In order to promote a green work environment and the sustainability of nature, O'right employees are expected to uphold the spirit of mutual respect, cooperation, and self-management. To achieve this, we have established the "Green Living Covenant," which encompasses guidelines for organic vegetarian dining, low-carbon offices, meeting rooms, outdoor public areas, and daily office life. This covenant aims to enhance the quality of the working environment, maintain a positive work atmosphere, and achieve our 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 efforts at the national, city, corporate, and individual levels to address global challenges. These goals encompass five major themes: Earth, Humanity, Prosperity, Peace, and Partnership.

O'right with its core values of "Green, Sustainable, and Innovative," has been committed to the direction of "Green Products, Green Services, Social Benefits, and Ecological Benefits" since its inception. The company integrates its core values with the United Nations' Sustainable Development Goals, aligning its efforts with these global objectives.

Within O'right 's sustainability strategy, the company focuses on ten key Sustainable Development Goals. Of these, SDG12, "Responsible Consumption and Production," and SDG13, "Climate Action," are at the core of its initiatives. O'right aims to harness its influence to maximize its positive impact on these critical goals. By incorporating the SDGs into its corporate strategy, O'right strives not only to understand the current state of the world but also to determine how it can contribute to a more sustainable future from its unique perspective.





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Sustainable Development Goal	 SDG 12 Responsible Consumption and Production	 SDG 13 Climate Action
Specific Indicators	12.2 Sustainable management and use of natural resources. 12.4 Responsible management of chemicals and waste. 12.5 Substantial reduction in waste generation. 12.6 Encouragement of companies to adopt sustainable practices and reporting.	13.3 Strengthen the knowledge and capacity to address climate change.
Actions Taken	• Innovative development of agricultural products with economic value, earning global INCI raw material naming recognition. • Utilization of clean production and advanced extraction technologies to research and develop green products aligned with sustainable consumption demands. • Use of stainless steel drainage pipes, replacing solvents with steam for disinfection. • Proactive disclosure of product natural ingredient ratios, achieving a 100% pass rate for the official USDA Biobased natural sustainability certification. • Collaboration with five TAF-certified suppliers and the establishment of a BSL-2-level laboratory to enhance innovative research and development capabilities. The company achieved the first ISO 11930 method-based preservation efficacy certification in Taiwan. • Pioneering the 8 Free program, replacing chemicals with agricultural products, with internal materials naturally decomposing in 28 days, promoting environmental and human health. • Construction of the first GMP cosmetics factory in Asia, meeting EEWH Gold-level and Building Carbon Footprint Diamond-level certifications. • Collaboration with suppliers to develop recycled packaging, producing the "world's first traceable recycled bottle shampoo" and the "world's first recycled push cap." • Establishment of a green supply chain system, procuring raw materials from suppliers providing over 80% plant-based ingredients, aiming to replace chemicals and reduce the generation of chemical waste.	• Promotion of electric vehicle usage and provision of free charging services to reduce carbon dioxide emissions. • Organizing "Lights Off" events to deepen environmental education and convey green principles through products. • Encouragement of mobile office and mobile payments to reduce commuting-related carbon emissions. • Joining the RE100 initiative with a commitment to using 100% renewable energy by 2025. • Pioneering as the world's first cosmetics company to establish a "carbon pricing" system, valuing the consumption of natural resources and integrating voluntary carbon reduction into the corporate business model. • Opening the green headquarters to external visitors to share sustainable business principles and practical experiences, conducting environmental education. • Regular publication of the "It's O'right" newsletter to report on the latest global sustainability information and trends, raising awareness of climate change adaptation. • Periodic assessment of carbon reduction achievements, encouraging stakeholders to collectively exert green influence and enhance sustainability awareness. • Delivering speeches on "Green Innovation and Sustainable Transformation" at various international conferences. • Advocating for the appointment of "Climate Ambassadors" on campuses, encouraging students to actively engage in climate action.

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2.3 Analysis of Materiality

2.3.1 The process of assessing significance involved the following steps

O'right conducted a significant issue analysis following the five principles of the AA1000 SES-2015 Stakeholder Engagement Standard. This analysis aimed to identify the primary stakeholders for communication in the 2022 Corporate Sustainability Report and gather their concerns regarding sustainability issues. Additionally, O'right referred to the GRI General Standard 2021, which encompasses principles such as accuracy, balance, clarity, comparability, completeness, context, timeliness, and verifiability.The significant issue assessment process involved evaluating the impact and significance of the identified concerns within the economic, environmental, and social dimensions. This assessment served as the foundation for the information disclosure in this report.

Identification and Impact Assessment	• Identifying Stakeholders O'right, under the leadership of Chairman Steven Ko and the Green Sustainability Development Committee, categorized stakeholders into 12 groups, including employees, consumers, channel customers, agents, suppliers, partners, shareholders, government agencies, local communities, non-governmental organizations, financial institutions, and media. Considering factors such as dependency, responsibility, influence, diverse perspectives, and tensions between the organization and stakeholders, the company defined eight major stakeholder groups as employees, consumers, channel customers, agents, suppliers, partners, shareholders, and local communities. • Collecting Sustainability Concerns To comprehensively gather sustainability issues from various perspectives, O'right referred to benchmark companies and international standards (GRI Standard, SDGs, CDP, TCFD, SASB) to list 18 sustainability issues as a basis for developing a stakeholder questionnaire. Through different survey methods via various channels, the company extensively collected opinions and feedback for further analysis by the internal project team.
	• Analyzing Stakeholder Concerns Regarding Sustainability Issues The working group conducted surveys using the "O'right Stakeholder ESG Concerns Issue Questionnaire" to assess the level of concern of eight major stakeholder groups regarding 17 sustainability issues. A total of 1,286 valid questionnaires were collected. • Analyzing the Impact of Sustainability Issues on Organizational Operations The working group distributed the "Corporate Operational Impact Assessment Form" to senior management units within the organization. This assessment focused on evaluating the organization's management of sustainability issues and assessing their positive or negative impacts on the organization in six major dimensions: financial, products and services, research and development investment, business operations, supply chain and/or value chain, and adaptation and mitigation activities.
	• Analyzing the Significance of Economic, Environmental, and Social Impacts The working group referred to the GRI Guidelines 2021, specifically the GRI 3 Materiality Identification Guide, to further assess the impact of sustainability issues on "economic, environmental, and social" aspects. This assessment aimed to understand the breadth and depth of O'right's operational activities' influence on economic, environmental, and social dimensions.
Determining the Major Reporting Topics	• Identification of Significant Topics Based on the results of the O'right Stakeholder ESG Concerns Survey and the analyses from the "Corporate Operational Impact Assessment Table" and "Economic, Environmental, and Social Impact Assessment Table," significant topics were ranked and filtered using a dual materiality approach. A materiality matrix was created as per these criteria, which served as the basis for the prioritization of reporting.
	• Determination of Disclosure Content The ten significant issues identified correspond to the twelve GRI standards. These were reported to the Green Sustainability Development Committee and the Board of Directors to confirm the content to be disclosed in this report.

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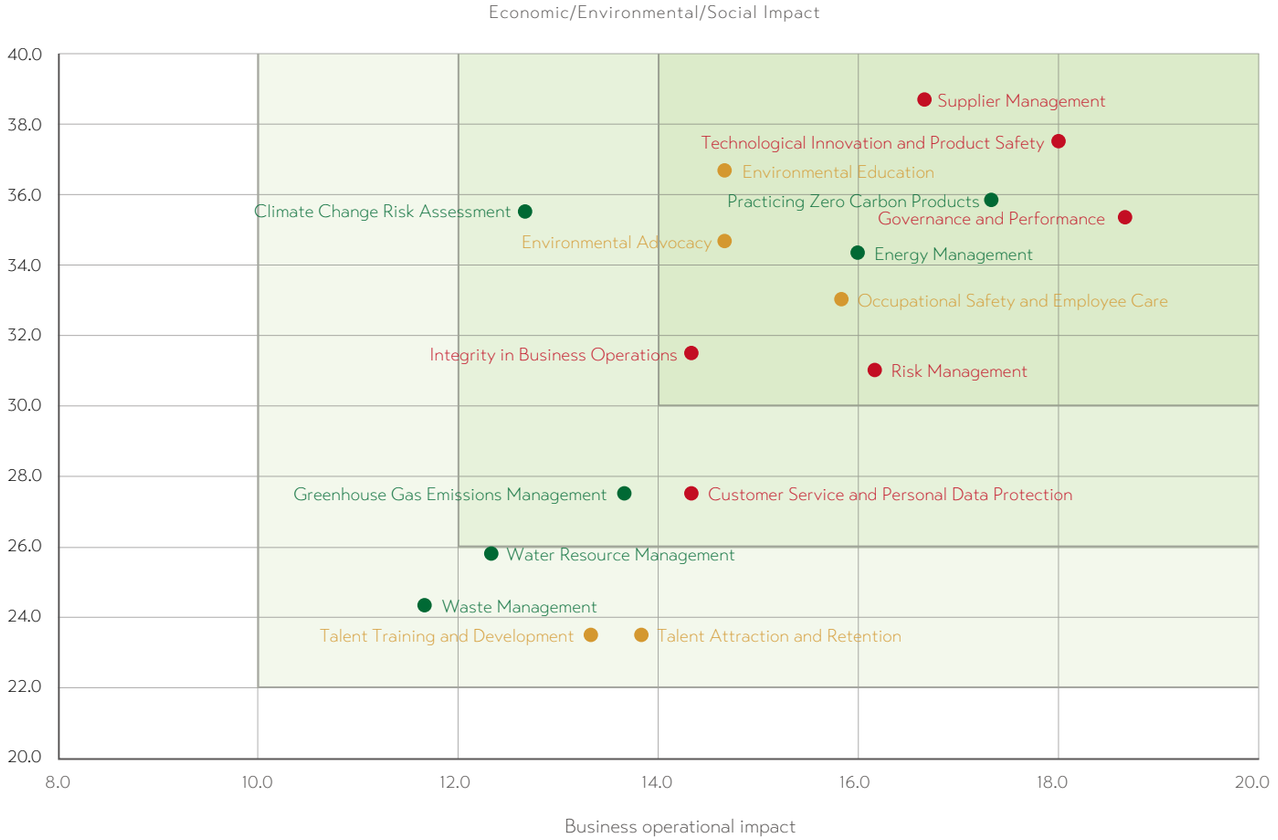
2.3.2 Matrix of Major Issues

The Major Importance Analysis Matrix takes into account dual significance, evaluating the "impact level on corporate business development" and the "impact level of company activities on the economy, environment, and society." Different regions in the matrix represent different levels of importance, such as high importance, moderate importance, and low importance. The ranking of issues or events helps prioritize them in internal decision-making and business operations, enabling the appropriate allocation of resources and the formulation of corresponding measures.

With the launch of this year's documentary project on environmental education in Greenland, we have successfully increased the emphasis on "environmental education" both internally and externally within the organization. At the same time, the general consumer market is gradually shifting towards green consumption behavior, with increasing demand and expectations for green products. As a result, we are placing greater importance on related issues such as "technological innovation and product safety" and "practicing zero-carbon products." These changes provide us with a valuable opportunity to make more proactive efforts in environmental protection and sustainable development. We will continue to monitor market trends and respond to society's expectations for environmental protection through continuous innovation, ensuring that our products and services align with environmental preservation principles and lay a solid foundation for the future.



Changes in Ranking of Major Themes

Major Issue	Rank This Year	Rank Last Year	Change
Technological Innovation and Product Safety	1	10	▲
Governance and Performance	2	1	▼
Supplier Management	3	15	▲
Practicing Zero-Carbon Products	4	8	▲
Energy Management	5	7	▲
Occupational Safety and Employee Care	6	4	▼
Environmental Education	7	23	▲
Environmental Advocacy	8	5	▼
Risk Management	9	2	▼
Integrity in Business	10	17	▲

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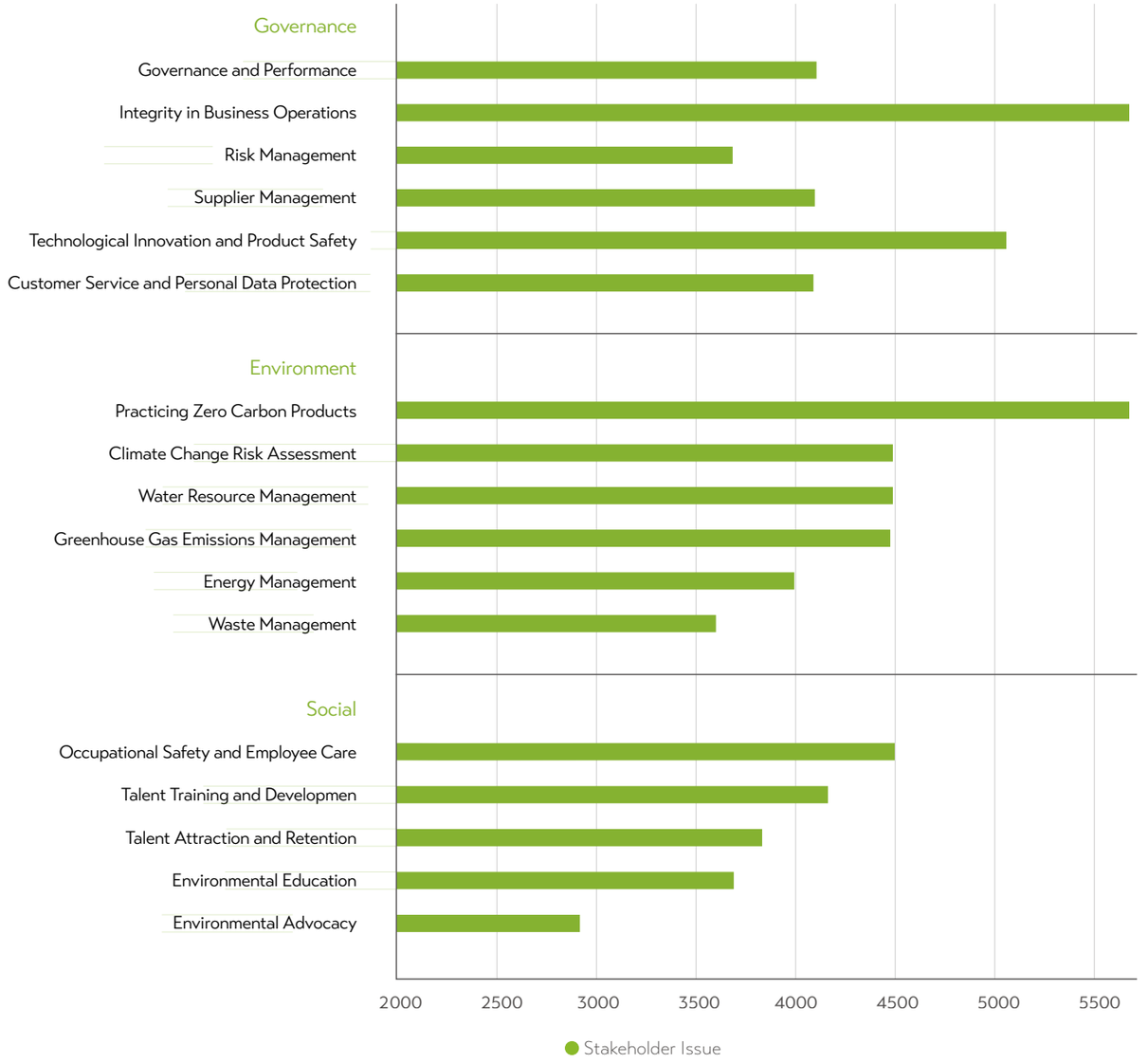
2.3.3 Quantitative Assessment Results

(1) Stakeholder Issue Survey

A survey was conducted among O'right's eight major stakeholders, resulting in a total of 1,286 valid responses. The results, sorted based on weighted statistical analysis, indicate that in the realm of corporate governance, the most prominent issues of concern are "Integrity in Business," "Technological Innovation and Product Safety," and "Governance and Performance." In the context of environmental and climate matters, the most significant issues include "Practicing Zero-Carbon Products," "Climate Change Risk Assessment," and "Water Resource Management." In the realm of social prosperity, the most emphasized issues are "Occupational Safety and Employee Care," "Talent Training and Development," and "Talent Attraction and Retention."



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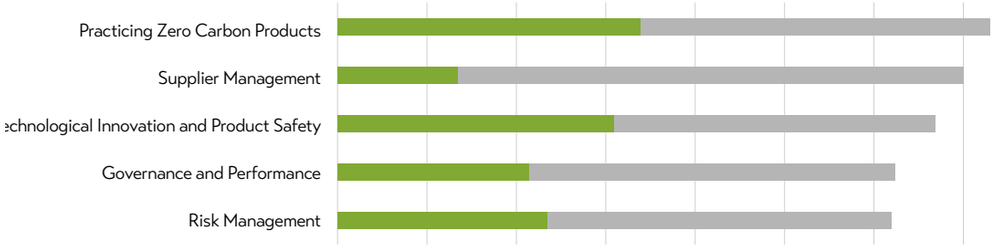
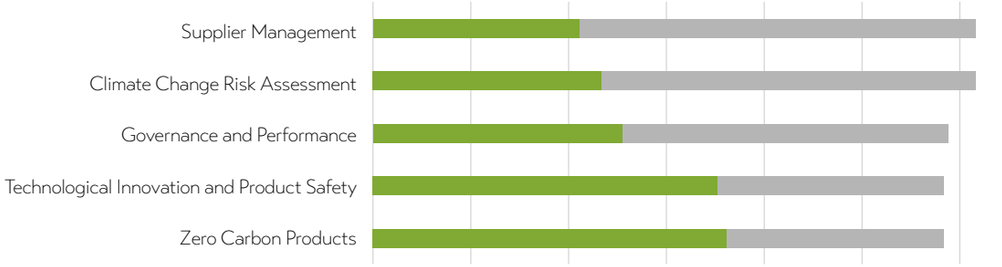
(2) Economic, Environmental, and Social (People) Impact Assessment

The possible positive and negative impacts of each issue on the economy, environment, and society (people), as well as the degree of impact, were assessed according to the defined levels by an internal working group. Ratings ranged from 1 to 3, and the assessments were consolidated by the working group and a level-one supervisor from the Sustainable Development Center. The individual impact rankings for these three major dimensions are as follows:

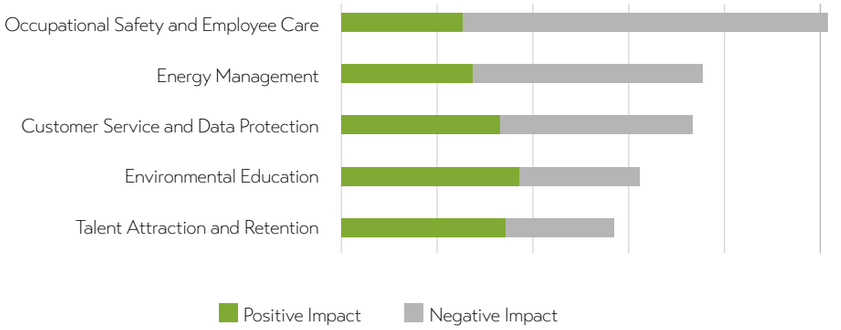
Top 5 Economic Impact Rankings



Top 5 Environmental Impact Rankings



Top 5 Social Impact Rankings



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2.3.4 Value Chain Impact Assessment

Significant Issues	Explanation of Significance 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	In the areas of product research and technological innovation, we continually strive for innovation and apply advanced technologies to provide more competitive products. We also aim to enhance efficiency and meet environmental goals in our production processes. Safety and transparency in product procurement and manufacturing processes, product efficacy, and human safety are of utmost importance. Ensuring stable and compliant raw material supplies helps avoid quality issues and safety hazards, safeguards our company's reputation and financial stability, and builds the foundation of brand trust, earning the trust and support of consumers. Continuously monitoring and taking proactive measures in these critical areas will help O' right gain an edge in a competitive market and achieve sustainability goals.	✓	✓	✓
Governance and Performance	Governance and performance are of paramount importance to O' right, encompassing board oversight, governance structure, composition, corporate policy decisions, and financial performance. Superior financial performance is directly related to sustainable development. Effective governance and clear corporate policies can enhance operational efficiency, thereby influencing financial performance.	✓	✓	✓
Supplier Management	The importance of supplier management to O' right cannot be overstated. Neglecting its significance in supplier management can lead to product quality issues, supply risks, and damage to our image. Therefore, O' right rigorously selects suitable suppliers and requires them to adhere to relevant standards and commitments, ensuring that raw materials and products meet our high standards and requirements. In addition, as raw material procurement strategies directly affect product costs and supply stability, adopting clear procurement strategies, selecting the right suppliers, and procurement channels help reduce costs and ensure supply stability. O' right places a strong emphasis on supplier management, establishes clear procurement strategies to ensure the quality of raw materials and supply stability, and strives for long-term, robust development. We also establish rigorous screening criteria and requirements and implement regular audit mechanisms.	✓		
Zero Carbon Products	Oleide achieves a significant reduction in the environmental impact of its products through the procurement and production of green raw materials, carbon footprint assessments throughout the product lifecycle, carbon offsetting to neutralize emissions, and thorough verification to ensure compliance with zero-carbon standards. These measures enhance the competitiveness of Oleide's products in the market and increase consumer trust in our products. Furthermore, the promotion and sale of zero-carbon products are of paramount importance. Actively marketing and promoting these products, expanding their influence, and leading consumers towards green consumption behaviors meet the growing demand for environmentally friendly products in the market. Neglecting the importance of practicing zero-carbon products could lead to exacerbated environmental impacts, decreased market competitiveness, and even criticism from consumers and the public.	✓	✓	✓
Energy Management	Effective energy management enables monitoring and analysis of a company's energy usage, providing insights into energy consumption trends and patterns, leading to the implementation of energy-saving measures. Additionally, focusing on energy cost management is a critical step in transitioning to green energy. Choosing the right energy procurement methods helps stabilize energy supply and positively influences the company's image. Ignoring the importance of energy management can result in energy wastage, increased costs, and adverse environmental impacts. Failure to effectively control energy costs and fulfill reduction commitments can lead to reduced competitiveness and criticism from regulators and the public. Therefore, Oleide places a high emphasis on energy management, plans energy cost management, and develops reduction strategies to achieve sustainable development and make a positive contribution to the environment.		✓	

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Significant Issues	Explanation of Significance Reasons	Impact on the Value Chain		
		[Upstream] Raw Material Procurement	[Operations] Corporate Production and Manufacturing	[Downstream] Customers and Product Services
Occupational Safety and Employee Care	Oleide is committed to creating an equitable and friendly work environment, strengthening workplace safety, health, and human rights protection, and providing high-quality employee care and support to achieve sustainable development. This approach attracts talent, motivates employees, and ensures fair treatment for every employee, regardless of race, gender, sexual orientation, or other characteristics. Everyone should be able to work in a respectful and inclusive environment, thereby enhancing company cohesion and team efficiency. This issue is not only a manifestation of corporate social responsibility but also a key factor in building trust in the company's image.		✓	
Environmental Education	Environmental education has always been a crucial mission for Oleide. Through active environmental education activities, we aim to raise public awareness and participation in environmental issues and promote the establishment of an environmentally friendly culture and values within the company. This drives the company towards sustainable development and demonstrates corporate social responsibility, building a positive social image. It also helps us access more resources, opportunities, and knowledge sharing, fostering innovation and development within the company.	✓	✓	✓
Environmental Advocacy	Participating in international advocacy and sustainability forum lectures is a vital way for Oleide to demonstrate global leadership and influence. This enables us to collaborate with professionals from different countries and fields, gain forward-thinking sustainability concepts and technologies, and collectively explore solutions to global environmental issues. Through these initiatives, Oleide can voice its stance on the international stage, drive progress in global green transformation, and enhance the company's international impact.	✓		✓
Risk Management	By establishing a systematic risk and opportunity assessment and management process, we can identify potential risks early, handle opportunities appropriately, mitigate the adverse effects of risks on business operations, and transparently disclose risks and opportunities. Effective control and execution of risk management measures enable us to promptly respond to risk events, reducing losses and impact. Neglecting the importance of risk management could expose the company to unpredictable risks that may affect business operations and even lead to business disruptions. Therefore, building a robust risk management system and forming a professional risk management team enhance the company's ability to respond to risks and overall competitiveness.	✓	✓	
Integrity in Business	Clear business policies and commitments, including those related to environmental protection, product quality, employee welfare, etc., when implemented in the company's daily operations, help gain trust and support from customers, investors, and society, enhancing corporate competitiveness. Additionally, honest disclosure, timely and transparent presentation of the company's operating status, financial condition, and risk situation to the public, ensuring the accuracy and objectivity of information, are essential means to maintain corporate reputation.	✓	✓	✓

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2.3.5 Major Issue Management Policy

Major Issues	Correspondence to GRI Guidelines	2022 Management Strategy and Actions	Key Performance Indicators	2022 Target Achievement Status	Response Section
Technology Innovation and Product Safety	301、416、417	To provide our customers with higher quality, more reliable, and safer products, we invest substantial resources in research and development. We collaborate closely with our supply chain partners, continuously seek new technologies and solutions, ensure the safety and traceability of raw materials, and enhance the performance, efficiency, and sustainability of our products. We rigorously conduct product testing and assessments, continually monitor and improve the safety performance of our products, and ensure that our products meet all necessary safety requirements.	Developing a minimum of 6 new products annually (cumulative development cases reviewed in quarterly intelligence meetings).	A total of 26 new products were developed in the fiscal year.	3.2 Green Products 6.3 Ethics and Integrity 6.5 Customer and Product Safety
Governance and Performance	201	We strengthen the professional capabilities of our board of directors in the industry and operational management by providing publications and courses to acquire relevant knowledge. We also periodically send information related to economic, environmental, and social issues to assist directors in enhancing their competencies. Through a top-down governance structure and horizontal organizational integration facilitated by various working groups, we demonstrate our commitment to governance and performance.	Reviewing the financial summary statement every quarter.	We review the financial summary statement quarterly and report the company's financial status to the board of directors. We complete the environmental accounting and TCFD report in Q2.	4.1 Climate Risk and Governance 6.1 Sustainable Governance
Supplier Management	204、308、414	Regarding supply chain management, we have established management operating procedures to regularly assess whether our partner manufacturers meet procedure requirements. To increase local procurement proportions year by year, we continuously develop local green raw materials. Our goal is to raise the local procurement proportion of raw materials to 90% by 2025 and achieve an 85% proportion of green raw material suppliers by 2030.	Supplier delivery qualification rate of over 96%.	Q1：99.59% Q2：99.53% Q3：97.22% Q4：99.31%	3.3 Green Supply Chain
Zero Carbon Products	301	Our goal is to develop products that are entirely plant-based, gluten-free, non-GMO, and USDA Biobased certified, moving towards a higher sustainability ratio in our product offerings. Additionally, we are incorporating locally recycled materials in the development of eco-friendly bottle packaging to reduce natural resource extraction and waste generation.	Annual individual development target for eco-friendly carbon-reduced packaging: 1 case or more.	We have completed a single-material tube and implemented it in 10 different products.	3.2 Green Products
Energy Management	302、305	In accordance with the company's energy policy, we monitor the daily energy usage within our facilities, confirm the operational status of various equipment, and track progress for improvement. Any abnormal values are reported immediately, and countermeasures are proposed to achieve continuous improvement in energy performance.	The annual electricity savings rate should achieve 1% or more.	An annual energy savings rate of 1.89% was achieved for that year.	4.2 Energy Management 4.5 Greenhouse Gas Emissions
Occupational Safety and Employee Care	201、401、403	We prioritize employee health management, implement ISO 45001 management systems, execute various preventive measures to reduce the risk of infection among employees, and establish comprehensive welfare and care initiatives to meet all the needs of our employees in the workplace. Additionally, we have established channels for employee complaints and communication, developed detailed policies, and organized committees to address employee concerns and advocate for improvement strategies.	No incidents have occurred in the aspects of occupational safety, environment, and environmental protection.	Throughout the year, with monthly audits in place, the company effectively managed safety, health, and environmental standards, resulting in no occupational or environmental incidents.	5.3 Employee Welfare and Care 5.4 Occupational Safety and Health
Environmental Education	Custom Theme	To enhance public awareness and knowledge of environmental protection and thus promote the achievement of sustainable development, we have established partnerships with corporate organizations, non-governmental organizations, and educational institutions. We have adopted multiple management and action measures to jointly promote the dissemination and practice of environmental education. Oulaid (a placeholder for the actual name of the organization) has planned an environmental education program, utilizing its own established environmental education venues that demonstrate its commitment to environmental care and resource management. The program educates visitors about the environment with the hope that through hands-on participation and the transmission of the company's sustainable management philosophy, students will develop awareness and sensitivity towards the environment. This initiative aims to guide the formation of positive environmental ethical values and integrate environmental action experiences and skills into everyday life and future personal goals or business management guidelines.	Obtaining Environmental Education Facility Certification	Passed the Environmental Education Facilities Certification and received the Environmental Protection Agency Training Certification No. EC105003 for Environmental Education Facilities.	5.5 Environmental Education 5.6 Green Influence
Environmental Initiatives	Custom Theme	The company continuously participates in international and local environmental initiatives, joins relevant organizations and alliances, and collaborates in promoting environmental protection issues. It actively adopts environmentally friendly technologies and materials, and is committed to offering greener, sustainable products. This effort aims to encourage customers and suppliers to adopt eco-friendly practices, jointly reducing environmental impact and fostering the practice of environmental innovation.	Annually, the company actively engages in green advocacy and participates in sustainable initiative organizations to practice zero-carbon sustainability.	In that year, a total of 56 green speeches and interviews were attended. Additionally, there was an invitation to speak at the COP27 United Nations Climate Change Conference.	5.5 Environmental Education 5.6 Green Influence
Risk Management	201	Following international risk reporting standards and guidelines, the company has established a risk management policy. In response to changing international trends and the growing emphasis on domestic climate-related regulations, we began to strengthen climate-related risk management in 2022. This involved building the company's capacity and resilience to climate risks, hence the adoption of the TCFD (Task Force on Climate-related Financial Disclosures) framework. Environmental and climate change risks are now integrated into our benefit assessments, and potential risks and response measures are reviewed and tracked quarterly by the Green Sustainable Development Committee.	Implemented the TCFD (Task Force on Climate-related Financial Disclosures) guidelines, integrated with the internal risk management system.	Adjustments and reforms have been made to the internal risk management processes, with an enhanced focus on assessing climate-related risks and opportunities.	4.1 Climate Risk and Governance 6.4 Risk Management
Integrity in Business Operations	206、416、417	The company has established a stringent management system with internal audits and supervisory mechanisms, along with transparent reporting channels. Investigations and actions are taken against potential misconduct to ensure that all business operations comply with ethical, legal, and moral standards. The company also provides necessary legal training and education, reinforcing awareness and implementation of integrity in operations and regulatory compliance, thereby fostering an honest, transparent, and responsible corporate culture.	Maintained ten ISO management system certifications, and regularly arranged for external instructors to conduct courses related to regulations, to acquire up-to-date legal knowledge.	In that year, the company obtained ten ISO management system certifications, verified by SGS. Training courses on "Patent Application and Drafting for Formulations" were conducted for relevant units, and two training sessions on intellectual property case analysis were planned.	6.3 Ethics and Integrity

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2.4 Stakeholder Collaboration

Stakeholders	Significance to the O'right	Method and Frequency of Engagement	Issues of Concern	Effectiveness and Response of Engagement
Employees	O'right places a strong emphasis on the growth of its employees, recognizing that talent development is a crucial factor directly influencing corporate competitiveness and future sustainable development.	• Internal portal announcements [Real-time] • Email, phone, and communication software [Real-time] • Employee communication mailbox [Real-time] • Internal discussion meetings [Regular] • Labor-management meetings [Regular] • Employee satisfaction survey questionnaire [Annual] • Corporate sustainability report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Occupational safety and employee care	The company is committed to fostering a positive feedback culture, encouraging employees to actively participate and express their opinions. Regular employee satisfaction surveys are conducted to understand the needs and concerns of employees. Based on the survey results, corresponding improvement measures are formulated. This year, a total of 253 pieces of feedback were received, with the majority providing suggestions related to salary and rewards, as well as internal communication systems.
Consumers	O'right, driven by the goal of meeting consumer needs and offering healthy green products, establishes consumer trust and brand loyalty through continuous communication and feedback mechanisms.	• Official website, social media platforms [Real-time] • Email, phone, and communication software [Real-time] • ESG (Environmental, Social, Governance) mailbox [Real-time] • Brand annual report [Annual] • Corporate sustainability report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Occupational safety and employee care	The company has established diversified communication channels, including the website, social media platforms, and customer service systems, making it convenient for consumers to contact and communicate with us. We encourage consumers to provide product feedback, suggestions, and opinions, and we respond promptly to address their needs and concerns. This year, the E-commerce website received 312 satisfaction survey responses, and the Department Store Experience section received 289 responses, totaling 473 responses. The majority of feedback pertained to reactions and responses to promotional activities, with a few suggestions related to product packaging. Overall, there is a trend of improved satisfaction compared to the previous year, with over 70% of customers giving a perfect satisfaction score.
Channel Customers	O'right values the opinions and needs of channel customers, actively collaborating to ensure timely product supply, effective sales, and market promotion. This collaboration aims to achieve long-term mutually beneficial partnerships.	• Email, phone, and communication software [Real-time] • Corporate sustainability report [Annual] • Brand annual report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Talent training and development	To ensure close communication with channel customers, relevant units regularly hold meetings, workshops, and training sessions to share the latest product information, market trends, and sales strategies. This helps in understanding the needs and challenges of channel customers. Additionally, through on-site activities, the green brand vision, brand positioning, and the green values and philosophy created by the brand are conveyed. This year, a total of 1,298 responses were collected from salon customers in the 2022 satisfaction survey. There is a trend of overall satisfaction improvement compared to the previous year, with a few providing suggestions related to the upcoming new product series.
Distributors	O'right is committed to establishing long-term and stable partnerships with distributors. Together, we formulate sales strategies to ensure product visibility and performance in the market, striving for sustained growth and mutually beneficial outcomes.	• Email, phone, and communication software [Real-time] • Distributor conferences [Irregular] • Corporate sustainability report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Talent training and development	To enhance the recognition of O'right among distributors and create more collaboration opportunities, the company regularly promotes green concepts through international social media platforms and annual evaluation forms. It also advocates for green marketing activities and shares the glory of international awards and certifications. This year, four valid questionnaires were collected, and the feedback from international distributors mainly included suggestions for strengthening product education and training, improving business promotion skills, and providing diverse marketing materials.

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Stakeholders	Significance to the O'right	Method and Frequency of Engagement	Issues of Concern	Effectiveness and Response of Engagement
Supplier	O'right adheres to principles of fairness and transparency in collaboration with suppliers, striving together for quality raw material sources that meet ethical, environmental, and social responsibility standards.	• Email, phone, and communication software [Real-time] • Supplier conferences [Irregular] • Regular supplier assessments [Annual] • Corporate sustainability report [Annual] • Brand annual report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Occupational safety and employee care	To establish a long-term strategic partnership based on mutual trust and mutual benefit, and to deepen the supplier's recognition of the company's commitment to green and sustainable practices, O'right works towards promoting a green supply chain together. In addition to providing an annual Corporate Sustainability report, quarterly newsletters, and relevant knowledge about required materials, the company conducts regular meetings and supplier evaluations to ensure the smooth operation of the supply chain. This collaborative effort aims to enhance supplier identification with the company and foster a shared commitment to green and sustainable practices.
collaborating partner	O'right collaborates with partners to carry out high-quality and efficient business operations, driving the development of corporate operations and value creation.	• Email, phone, and communication software [Real-time] • Corporate sustainability report [Annual]	• Integrity in business operations • Practicing zero-carbon products • Occupational safety and employee care	To enhance the recognition of partners and improve mutual cooperation, O'right sends electronic greeting cards during significant holidays. These cards not only express congratulations but also incorporate information about O'right's green initiatives and important milestones in product development. This approach aims to strengthen the identification of partners with O'right and enhance mutual collaboration.
shareholders	O'right, through transparent corporate governance and operations, actively addresses shareholder concerns and opinions, aiming to provide sustainable returns to shareholders.	• Email and phone [Real-time] • Annual shareholder meeting [Annual] • Company annual report [Annual] • Corporate sustainability report [Annual]	• Governance and performance • Practicing zero-carbon products • Occupational safety and employee care	To enhance shareholder identification with the company and secure long-term support, the company regularly holds shareholder meetings and publishes public reports. This ensures that shareholders receive timely and comprehensive company information, including financial performance, business strategies, risk management, sustainable development, and corporate governance.
local community	O'right values the needs and interests of the local community, actively giving back and establishing a sustainable and inclusive relationship, striving to be a responsible corporate citizen.	• Official website, social media platforms [Real-time] • Communication software [Real-time] • Symposiums, visiting activities [Irregular] • Corporate sustainability report [Annual]	• Technological innovation and product safety • Practicing zero-carbon products • Environmental education	To enhance the recognition of O'right within the local community and neighborhood, the company not only listens to and understands the community's needs and concerns but also organizes symposiums, visiting activities, and neighborhood festivals to promote the company's green initiatives.

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3.1 Green Building GMP Cosmetics Factory

Overview of Green Building Headquarters in 2022	
Factory	Green Building Headquarters
Square meters (m2)	4,959 m2
Total Power Consumption	444,674 kWh
Annual Electricity Consumption per Square Meter	296.4 kWh
Tesla Charging Station Power Consumption	15,141.5 kWh
Annual Production Output	1,423,354 pcs
Environmental Control	Controlled Areas and Clean Rooms
Maximum Raw Material Water Purity	Ultra-pure water from 8 purified water sources
Management System Procedures	ISO9001, GMP, ISO22716, ISO50001, ISO45001, ISO14001, ISO14064-1, ISO17025, TIPS



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3.1.1 Pure – Green Energy Manufacturing Center

The Green Energy Manufacturing Center is constructed based on the original topography, with three-fourths of the first floor located underground to minimize external environmental impacts, reducing energy consumption to the minimum. An energy-efficient Makeup Air Unit (MAU) is installed, where air undergoes ultraviolet sterilization before being pressurized through ducts and delivered to clean areas. This ensures a circulation of clean air while prioritizing the health of employees.In addition, due to the perishable nature of cosmetics, products without preservatives can spoil in approximately seven days. Preservatives are indispensable for quality assurance. O'right, in its commitment to maintaining high-quality products and protecting consumer health, implements stringent controls in the production area to eliminate any potential contamination. Through effective anti-pollution design, the center achieves anti-corrosion effects with the least amount of preservatives.
The Green Energy Manufacturing Center incorporates eight major green design elements, detailed as follows:

(1) Eco-friendly Pallets

O'right Logistics Center and Green Energy Manufacturing Center utilize eco-friendly pallets made from recycled plastic bottle caps. On average, one pallet is crafted from 7,300 recycled bottle caps, enhancing the reusability of plastic bottle caps and reducing the chance of them drifting into the sea. This practice effectively minimizes the opportunity for seabird ingestion, contributing to the conservation of marine ecosystems.



(2) Two Major Zones

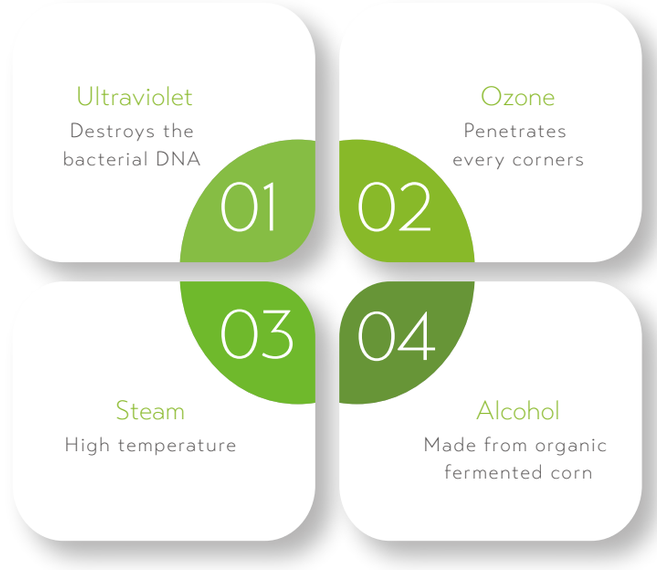
a. Controlled Area: Access to this area is regulated using a fingerprint recognition system, and air blow doors are installed to prevent external dust from entering, thereby minimizing pollution.
b. Clean Room: This high-tech production area adheres to extremely high cleanliness standards to ensure the stability of product quality. Simultaneously, it aims to minimize the usage of preservatives to the lowest possible level.

(3) Three Energy-Saving Designs

a. PCW Process Cooling Energy-Saving System
b. Outdoor Air Heat Exchange Energy-Saving Setup
c. Semi-Finished Product Rapid Cooling Energy-Saving Equipment: Equipped with a heat exchanger, it can rapidly cool semi-finished products from 80° C to 25° C. Besides energy-saving benefits, quick cooling also results in finer product particles, enhancing skin absorption.

(4) Four Sterilization Methods

Thoroughly clean production equipment and containers using four stringent and natural sterilization methods to ensure product purity. The sterilization methods include ultraviolet sterilization, ozone sterilization, steam sterilization, and alcohol sterilization (using alcohol derived from organic corn fermentation).



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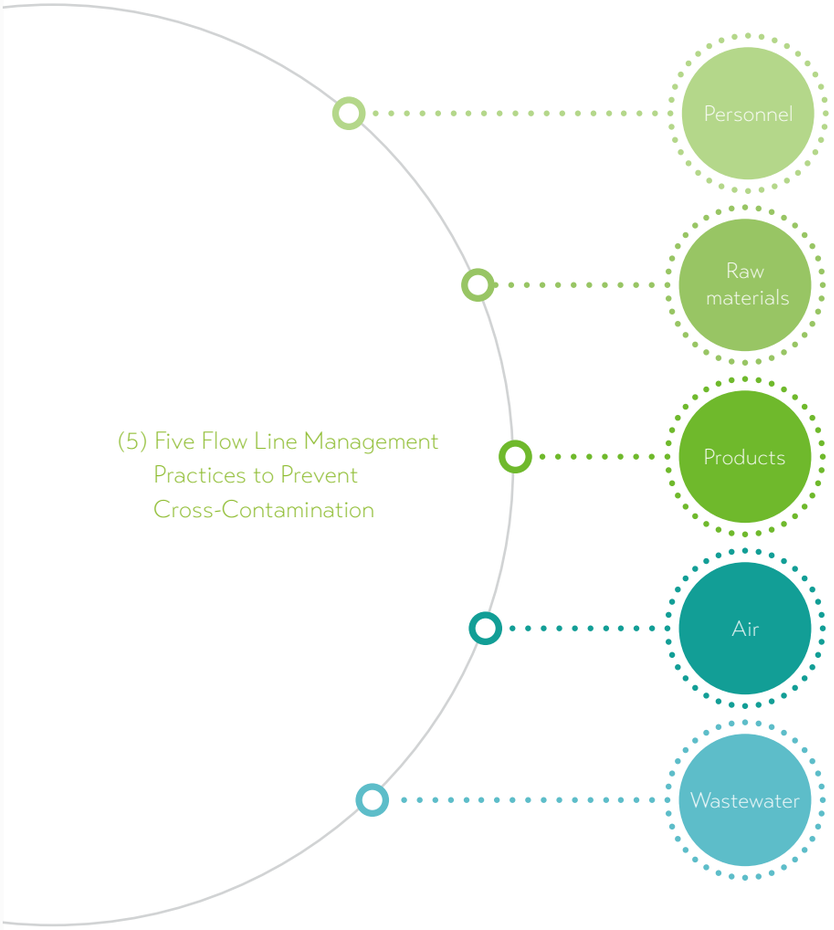

Entry into the clean room requires wearing dust-free clothing, and individuals must go through a dust removal chamber with interlocking devices before entering, ensuring thorough dust removal.

Material preparation personnel follow the product structure table to prepare raw materials, placing them in the middle passage of the buffer zone. Emulsification engineers are then notified to collect the materials. In the weighing room, the emulsification engineer confirms the weight and correctness of the materials before transporting them to the emulsification blending room for production.

emi-finished products are first transported to the semi-finished product waiting area, notifying quality assurance personnel for inspection. After quality assurance confirms that the quality meets standards, the products are transported to the filling room. Only after semi-finished products are filled into bottles and sealed can they be sent to the external packaging area for packaging.

Above the clean room, there are fan filter units using high-efficiency particulate air filters to filter the environment inside the clean room.

The control of equipment in the emulsification blending room adopts a human-machine interface. Engineers can operate the equipment with their fingers, enabling automated production. The inner lining of the tank is made of SUS 316 stainless steel. After producing each product, it requires cleaning and disinfection. The cleaning of the tank is done using pure water along with 121° C steam for high-temperature cleaning, simultaneously cleaning the pipelines.

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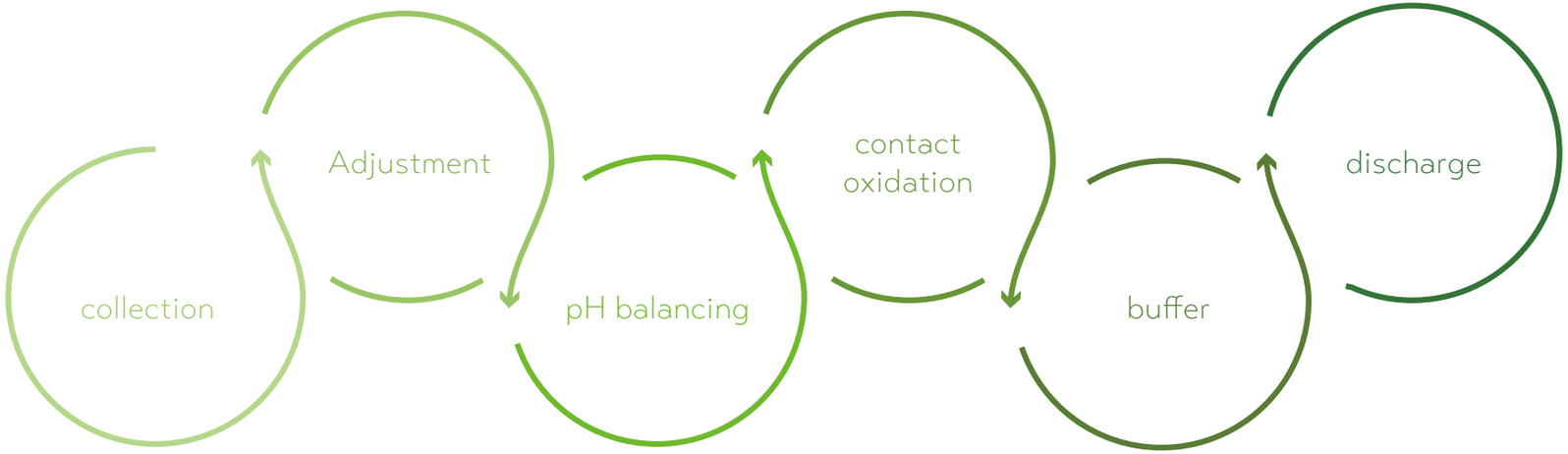
(6) Six Clean Buffer Treatments



(7) Six Wastewater Treatment Pools Post-Manufacturing

O'right adheres to wastewater treatment facilities regulations, not only complying with the basic discharge requirements but also setting higher self-imposed standards compared to regulations. Therefore, in addition to purchasing testing equipment, O'right conducts daily self-testing and monitoring of relevant values for business discharge water before and after treatment, ensuring compliance with the set standards.



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(8)Eight-step ultrapure water manufacturing process

O'right products are manufactured using ultra-pure water that has been filtered and disinfected through an eight-step process. The purer the water, the less preservative is needed in the production process, reducing environmental impact while also considering consumer health. The water pipelines are sterilized through ultraviolet, ozone, and steam systems. The water tanks are lined with SUS 316 stainless steel ultra-pure water storage tanks, equipped with ultraviolet lights inside. Long-term irradiation ensures stable water quality.

Step 1	01	Activated carbon filtration (remove chlorine)
Step 2	02	Water softening (transform hard water into soft water)
Step 3	03	5 micrometer pre-filtration (with 7 filter cartridges)
Step 4	04	RO membrane
Step 5	05	Water purifying
Step 6	06	UV lamps are installed inside the tank; when water is used, the motor runs automatically to sterilize the ultrapure water
Step 7	07	5 UV lamps are installed to increase disinfection efficiency and ensure the water is germ-free
Step 8	08	0.2 micrometer absolute filtration (even dead bacteria is filtered)

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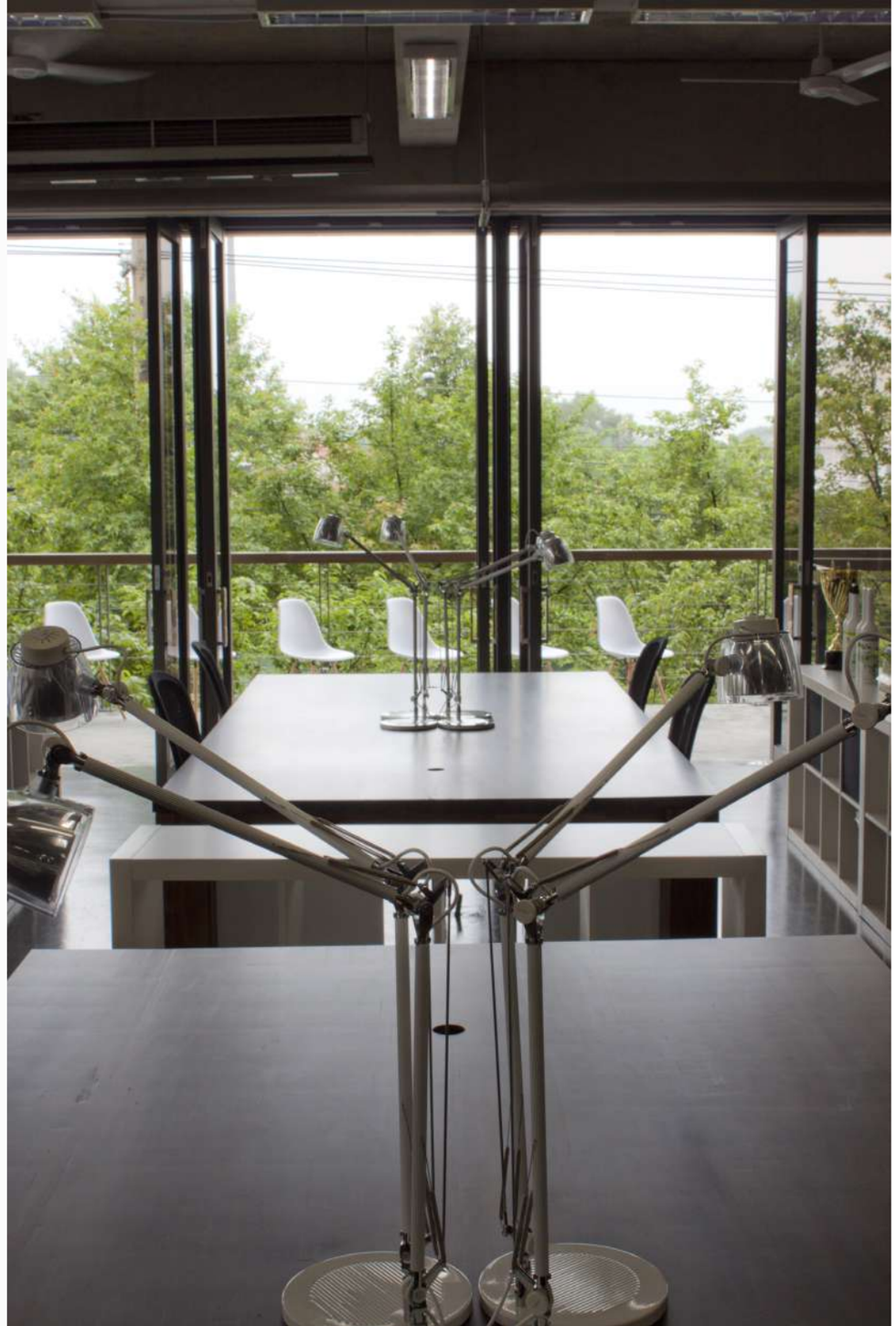

3.1.2 Eco-friendly: Low Carbon Office

In line with the spirit of a green enterprise, O'right's green building headquarters was designed from the outset with the importance of being 'environment-friendly' in mind. O'right upholds a respect for the environment in planning the design of its low-carbon office, also hoping to convey this environmental ethos to its employees and all visiting guests.

(1) Low Carbon Office

With pleasant, spacious environment and good lighting, along with an advanced indoor air quality monitoring system, the low-carbon office is an eco-friendly and healthy work environment for employees

a. Open space office: The office area is well-ventilated, so that even during the hot summer season, the apparent temperature is relatively low. As a result, air conditioning is rarely needed. In 2022, the air conditioner was only turned on for 159.15 hours total.
b. LED lighting: The building is installed with LED lights, which helps reduce up to 8,258 kWh of electricity a year.
c. Total Heat Exchanging System and Touchscreen Indoor Air Quality Monitor: When indoor CO2 levels exceed 800ppm, the system will be activated and fresh air from the outside will be pumped in, which not only saves electricity but also provides staff with a high quality work environment.
d. Desk electricity control switch: Each desk has a switch that switches the electricity of that desk on and off. The last person who leaves the office after work is responsible for switching the power off to reduce unnecessary power consumption.
e. Overhanging eaves: This design helps limit exposure to the sun, which lowers the need for air conditioning.
f. Acacia wood desks: Acacia trees, a species native to Taiwan, are one of the best natural carbon sinks due to its excellent ability to absorb carbon. In the early days, acacia was commonly used as a light pole, which results in lots of pieces of wood being leftover. O'right reuses these acacia wood blocks without using a single nail, creating aesthetically pleasing and environmentally friendly office desks using tenon joint techniques. This not only repurposes waste wood but also beautifies the office space, breaking away from the dull monotony of traditional cubicle partitions.
g. Green Mark certified printing paper:
- Use 80% recycled paper to help conserve forest resources
- Encourage staff to print with recycled paper for informal documents.
h. FSC certified printing paper and toilet paper:
- Paper that is legally harvested from well-managed forests to protect rainforests and primary forests
- Conserves forests and maintains ecological balance.
- High quality sustainable paper is eco-friendlier than recycled paper.
i. Eco towels: Replaces hand dryers and paper towels to reduce electricity and waste. Greatly reduces greenhouse gas and air, water and solid waste pollution.
j. Eco cloths: Each made from a 600ml recycled plastic bottle, reducing 25.2g of carbon emissions, 88.6ml water consumption and 0.52ml of oil.

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(2) Eco-friendly Meeting Rooms

Our Green Headquarters is equipped with 3 meeting rooms named Earth, Home and Seed to symbolize the earth as our home. The tables in the meeting rooms are covered with eco-tablecloths each made from 42 600ml recycled plastic bottles.Earth is equipped with a total heat exchanging system and smart indoor air quality monitoring system. When indoor CO2 levels exceed 800ppm, the total heat exchanging system will be activated and fresh air from the outside will be pumped in.

(3) Water- and Energy-efficient Foot Pedal Faucets:

Faucets play an important role in the water conservation of our green building. At the beginning of construction, we discovered that the whole building needs 40 faucets! If we use conventional manually-operated faucets (or taps), it will result in a huge amount of water consumed.Automatic faucets operate 24 hours a day, they are always consuming electricity. Each sensor consumes 5 watts per hour. If 40 automatic faucets were to be installed, 1,752 kWh of electricity would be produced per year (40 automatic faucets × 5 watts × 24 hours ×365 days). Since we only work 8 hours a day, there are only around 200 working days a year. This shows just how much power would be wasted from installing automatic faucets . Instead, we adopted an eco-friendlier approach: foot pedal faucets. No electricity is needed, which allows us to save 17 million watts on a yearly basis. That's a water conservation rate of 65.5%.

Sensor-operated	Foot-operated
Energy consumption per faucet 5Wh/hr	Energy consumption per faucet 0Wh/hr
Annual energy consumption per 40 faucets 1,752kWh/year	Annual energy consumption per 40 faucets 0kWh/year

Note: 1 kWh = 1 unit of electricity = 3,600 kilojoules



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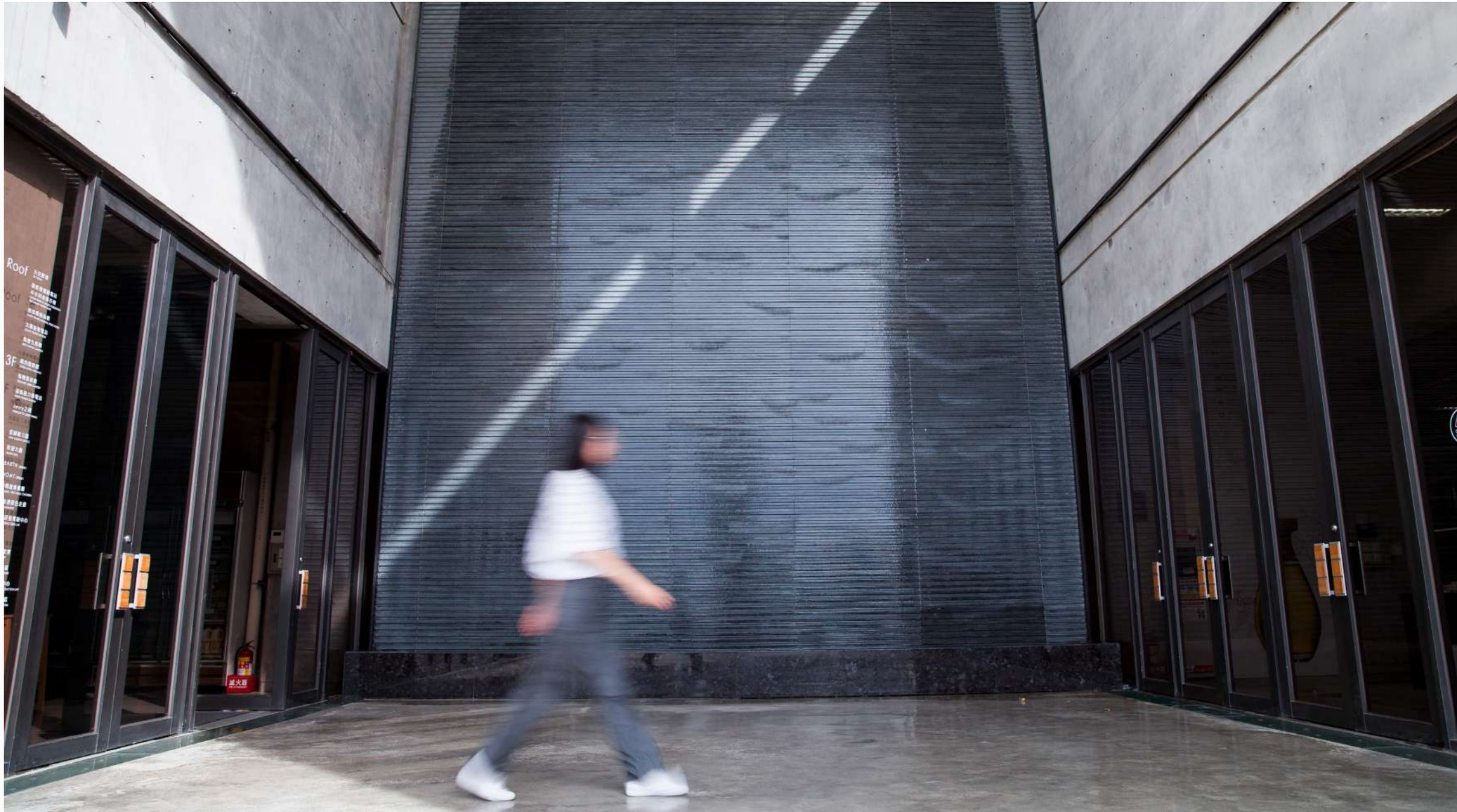
(4) Vision Hall

Vision Hall is built at the entrance at the top of the stairs of our Green Headquarters. This design adopts buoyancy-driven ventilation to keep the area cool and adequately ventilated. Rainwater collected on the rooftop flows down from the 3-storey-high waterfall landscaping design, not only making it a natural landscape but also effectively lowering the temperature of Vision Hall since hot air rises and cold air sinks. This also allows the cool breeze to enter the low-carbon office area.



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3.1.3 The energy efficiency achievements of our low-carbon office can be shown from the following 3 green building indicators:

	2020	2021	2022
Electricity Consumption of the Low-Carbon Office Air Conditioning	8,203.34 kWh	10,692.90 kWh	6,938.94 kWh
Remarks	1 kWh = One Kilowatt-hour = 3,600 Kilojoules. 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 activates chillers of different capacities according to the season, to achieve energy efficiency effectively and comprehensively. In 2022, the low-carbon office's electricity consumption was 6,938.94 kWh, which is a 35% reduction compared to 2021.

(2) Indoor Environment

a. Floor-to-ceiling windows: The office area is surrounded by floor-to-ceiling windows, half of which can be opened to welcome natural sunlight and cool breeze from outside.
b. Interior decoration: Green building materials are used for the ceiling, wall and floor; over 50% of the ceiling and walls have not been decorated.

(3) Sewage and Garbage Improvement

a. Business waste is incinerated by qualified contractors: Due to the operation of laboratories, infectious business waste is produced. However, O'right was the first hair and skin care company in Taiwan to pass the preservative efficacy test using the ISO 11930 method in 2016. The company is committed to reducing the addition of preservatives, minimizing the amount to the lowest standard necessary to safely maintain product quality, thus avoiding negative environmental impacts from the products. Currently, the method of disposal is incineration by legal contractors.
b. There is a dedicated area for centralized household waste collection and sealed garbage sorting bins: The sorting bins use different colors and clear labels, and there are also kitchen waste collection containers set up to centrally process and recycle food scraps, reducing waste and preventing sanitation issues due to mixed garbage. The trash and the centralized waste collection area are cleaned and removed by qualified contractors. Additionally, a rainwater and sewage separation system is designed to prevent cross-contamination and maintain environmental cleanliness and hygiene.

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3.1.4 Natural: Ecological Gardenv

According to the definition by the Architecture and Building Research Institute, Ministry of the Interior, green building refers to 'architectural design that is based on human health and comfort, pursues co-prosperity with the earth's environment, and the sustainable development of the human living environment.' O'right's green building mimics natural wilderness, dedicating efforts to preserve rich plant ecology and diversity. O'right Green Headquarters was built without walls or fences with the aim to lessen the impact on the environment and restore natural resources. We believe that it's not just about building a beautiful environment, but also about incorporating green concepts into human life to achieve a balance. We should learn to coexist in harmony with nature, and welcome nature in our lives. Our green philosophy is reflected in the four green building indicators of Taiwan's green building evaluation system EEWH: greenery, soil water retention, water resource, and CO2 reduction. Three of our indicators are superior to the standards set by EEWH.

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

a. Large area of trees: Our Green Headquarters is rich in biodiversity. Home to a total of 16 species including cherry, camphor, maple and cypress trees; 600 shrubs such as Jasmine orange, Taiwan rhododendron, golden dewdrop; 100 vines including Boston ivy and creeping fig.

b. 10,000 plants: Home to Arachis duranensis, a herb that is less susceptible to insect pests and weeds. They don't need to be regularly trimmed to maintain its lush green appearance. Arachis duranensis also reduces 30% of nitrogen loss and increase soil carbon sequestration.

c. Green Hallway: The vertical garden, which takes up a space of 47.5m2, is completely covered with greenery such as Devil's ivy, (Epipremnum aureum), Boston fern (Nephrolepis exaltata) and arrowhead vine (Syngonium podophyllum). This green wall is a natural air-filter that absorbs carbon from the atmosphere, creating a cleaner, more invigorating environment for the staff as well as visitors. The plants are watered with rainwater and pre-production wastewater for 2 minutes twice a day. Three digital interactive touch screens nestled among the green leaves infuse guests with the latest environmental news and information.





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d. Sky Farm: Located on the rooftop of the headquarters, the roof surface is covered with pebbles instead of the original concrete, and the irrigation of plants utilizes a rainwater collection system to maximize the benefits of natural irrigation. In addition to this, the major highlight is a bird habitat. Due to the construction project, the plants inhabiting the area had to be temporarily moved elsewhere. After construction completed, we consulted the Society of Wilderness before migrating the plant habitats back to their original home. The flourishing green habitat on the roof of the Green Headquarters is now the home to 11 species including the Australian laurel (Pittosporum tobira Ait), Silvery messerschmidia (Messerschmidia argentea) and Ceylon ardisia (Ardisia squamulosa Presl).

e. Organic Vanilla Garden: Located on the third floor, the Organic Vanilla Garden has a variety of plants, which can be used to provide staff and guests Mt. Lemmon marigold or rosemary infused water. O'right also encourages employees to adopt and plant, not only to relax their minds but also to enhance interactions among colleagues, fostering greater unity among all staff members.



(2) Soil Water Retention

It is important for a building to be constructed on soil that retains water to prevent water from entering public drainage systems. A building site with good water retention abilities can prevent flooding and preserve soils. The lot size of O'right Green Headquarters is 2,788m^2 and water retainable area (including green land, eco pond, rainwater pond and rooftop garden) is 1,103m^2, which is 40% of the total area. Moreover, the drainage system allows surface water to be temporarily retained and permeate into the ground instead of being directly diverted into drainage pipes. The permeable paving includes the integration of gutters, channels, and river systems, which is beneficial for both drainage and water conservation, resulting in a water retention efficiency that exceeds the standard value by 10.3 times.

(3) Water Resource

a. The toilets, sink and shower facilities all meet water efficiency standards.
b. Rainwater harvesting area on the rooftop on the third floor is 1,123m^2.
c. Three innovative water recycling systems are established to reduce water consumption:

-Rainwater harvesting: Rainwater is collected and stored for irrigation and the waterfall to reduce the building's temperature. Recycled rainwater can also be used for aquatic plants and fish in the ecological pond.

-Water reclamation: Reclaimed water from the water purification process is rich in natural minerals and can be reused for cleaning, toilet flushing, irrigation, the waterfall, and for decreasing indoor temperature.

-Wastewater treatment: After adjustment, containment, hydrolytic oxidation, and hydrogel precipitation, wastewater discharged from the production process is purified. Clean water is then discharged into eco-ponds that are occupied by aquatic plants and about 600 frogs.

(4) CO2 Reduction

This indicator aims to reduce CO_2 emissions from building materials during the production stage. It is mainly assessed under 2 categories: lightweight structure and rational structure. The green structure coefficient (CCO_2) of O'right Green Headquarters is 0.82. It is a project that surpasses the EEWH green building standards, and there will be continued efforts for refinement and improvement in the future.

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3.2 Green Products

O'right has never been just a hair and skin care company, but a brand that is dedicated to giving people, society and the environment the best care they deserve.

In order to make a breakthrough, we use green energy in the manufacturing of our products and environmentally-friendly packaging. All product development (P2 laboratory) and manufacturing (GMP) have passed SGS inspections and have obtained more than 10 ISO international certifications, meeting high standards of quality and safety. Moreover, O'right uses a high proportion of natural source materials and high-performance raw materials with low environmental pollution. It is the first company in Taiwan to be honored with the official USDA Biobased certification for 100% bio-based, natural sustainability, and is listed on the official Biobased website of the United States, enjoying the most credible official index certification globally.

We apply and adhere to a strict set of quality standards internally and externally, nationally and internationally, making a name for ourselves in the green hair and skin care sector.

GRI 301-2、416-1

Green management policies
(1) ISO 9001 Quality Management System
Natural, pure, environmentally friendly. Quality is our life, the brand is our soul.
(2) ISO22716/GMP Voluntary Guidelines for Good Manufacturing Practices for Cosmetics
Strengthen personnel responsibilities and education training; pay attention to the pollution and prevention of factory hardware facilities; production, quality assurance, and warehousing are the focus of control; enhance the manufacturing quality level of products.
(3) ISO50001 Energy Management System
Continue to reduce overall energy consumption; ensure our energy efficiency is continuously improving; continuously invest resources to achieve our goals and indicators; comply with laws and other energy-related requirements; consider energy performance improvement in facility, equipment design, and repairs; effectively purchase and use energy-efficient products and services.
(4) TIPS Intellectual Property Management System
Innovate in research and development, implement intellectual property rights protection, and prevent infringement. Establish avoidance mechanisms to avoid intellectual property disputes. Continuously strengthen the organization's concept and capability of intellectual rights and encourage full participation by all staff.
(5) ISO14001 Environmental Management System
Environmental protection, full participation at all times, energy saving and carbon reduction, green innovation, green sustainability.
(6) ISO45001 Occupational Safety and Health Management
Safety and health risks, compliance with regulations, injury and ill health prevention, continuous improvement, advocacy and communication.
(7) ISO17025 Laboratory Quality Management
Full participation, quality enhancement, continuous improvement, customer satisfaction.

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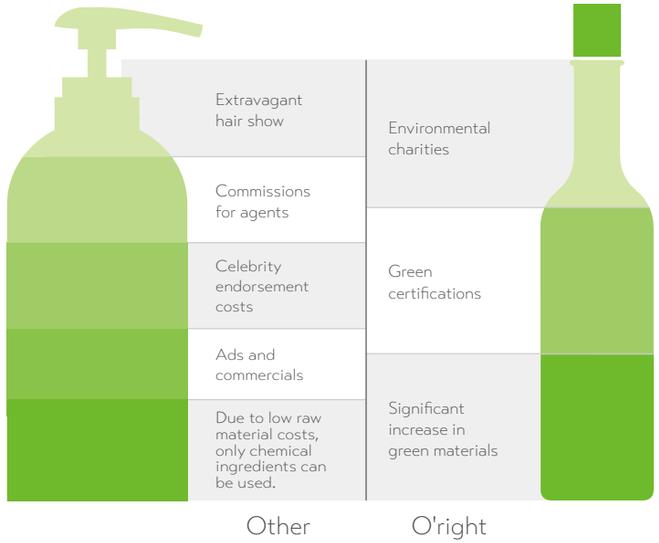
Our extensive range of green beauty products (133 total) includes shampoo, conditioner, hair oil, scalp revitalizers, styling and skin care. Our product line currently includes a total of 152 eco-friendly professional beauty items such as shampoo, conditioner, hair oil, hair tonic, styling products, and skin care. The formulations prioritize the use of sustainably sourced ingredients wherever possible, in place of traditional high-risk and petrochemical materials, and clearly label the percentage of sustainably sourced components within the products. In 2018,we took our green beauty products to the next level
by making them vegan, gluten-free and non-GMO,demonstrating our commitment to doing what's best for people and for the planet.

Non-GMO

Gluten-Free

Vegan





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3.2.1 Extraction of Locally-grown Ingredients

In order to upgrade our green formula and develop botanical ingredients, we invested in supercritical fluid extraction (SFE), ultrasonic extraction and essential oil distillation equipment to obtain active ingredients of agricultural products such as organic tea leaves, bamboo leaves, goji berry roots, coffee grounds and sorghum from local organic farms in Taiwan for extraction to foster the development of the Taiwanese organic farming industry as well as reduce import dependence and carbon emissions from shipping.

3.2.2 Green Material Research and Development

O'right's Organic Plant Extraction Research Center is responsible for the research and development of product ingredients, their safety, and functionality. It also focuses on the development and research of green materials. With the philosophy of 'natural, pure, environmentally friendly', the center is committed to increasing the proportion of sustainable components in product ingredients, achieving sustainability at the product level. All product developments undergo 15 tests including stability, heat resistance, and packaging material compatibility. Semi-finished products must comply with cosmetic GMP standards and undergo over six types of tests including physicochemical properties, microbial count, and pure water quality. Before products are launched, product information registration is required. For products sold in the EU or ASEAN, a cosmetic regulatory product safety assessment is mandatory, calculating the Margin of Safety (MoS) based on usage scenarios and toxicological data of each ingredient to ensure consumer safety throughout the product's life cycle.
In 2020, the honor of passing the official USDA Biobased certification for natural sustainability not only affirmed O'right's 'zero carbon goal' green practices but also provided the best endorsement for O'right's 'zero environmental impact' natural green products. O'right has long been applying for certifications from domestic and international third-party organizations to disclose information truthfully. By the end of 2022, 71 O'right products and 4 raw materials had received the official USDA Biobased certification from the U.S. Department of Agriculture, acknowledging O'right's long-term commitment to green products and its continuous efforts to reduce carbon emissions for the planet.



USDA CERTIFIED BIOBASED PRODUCT
PRODUCT 100%
FP

All ingredients in O'right products are officially certified by the USDA Biobased program

The U.S. government established the USDA Biobased national standard, which conducts product analysis using billion-dollar precision instruments such as Accelerator Mass Spectrometry (AMS). This certification adheres to the stringent international ASTM D6866 standard, verifying the biobased content in the products. The testing is conducted by the world's most rigorous and credible Beta Analytic laboratory (ISO 17025:2017 certified Beta Analytic is a leader in Carbon-14 biobased testing. The Carbon-14 dating method, proposed by American chemist Willard F. Libby, earned the Nobel Prize in Chemistry).

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3.2.3 8 Free

8 Free refers to the refusal to use eight common harmful substances. Due to O'right's continuous commitment to green research and development, all its bath and cleansing, skin care, and scalp care products were successfully upgraded to 8 Free as early as 2012. O'right offers a complete range of shampoo and body wash products that do not contain environmental hormones, parabens, formaldehyde, colorants, phthalates,sulfate surfactants, thickeners, diethanolamine (DEA) and ethylene oxidederivatives to To provide a healthy and safe option for all hairstylists and general consumers who use O'right products.

O'right will continue to adhere to our green philosophy of "Natural, Pure, and Eco-friendly" and develop animal-friendly products. We believe that a wonderful future involves not only building better lifestyles for people but rather co-existing in harmony with all creatures in nature. Therefore, we support animal welfare and adopt alternatives to animal testing during the development of product formulations.

ANIMAL
WELFARE MATTERS

"The greatness of a nation and its moral progress can be judged by the way its animals are treated"
— Ghandi



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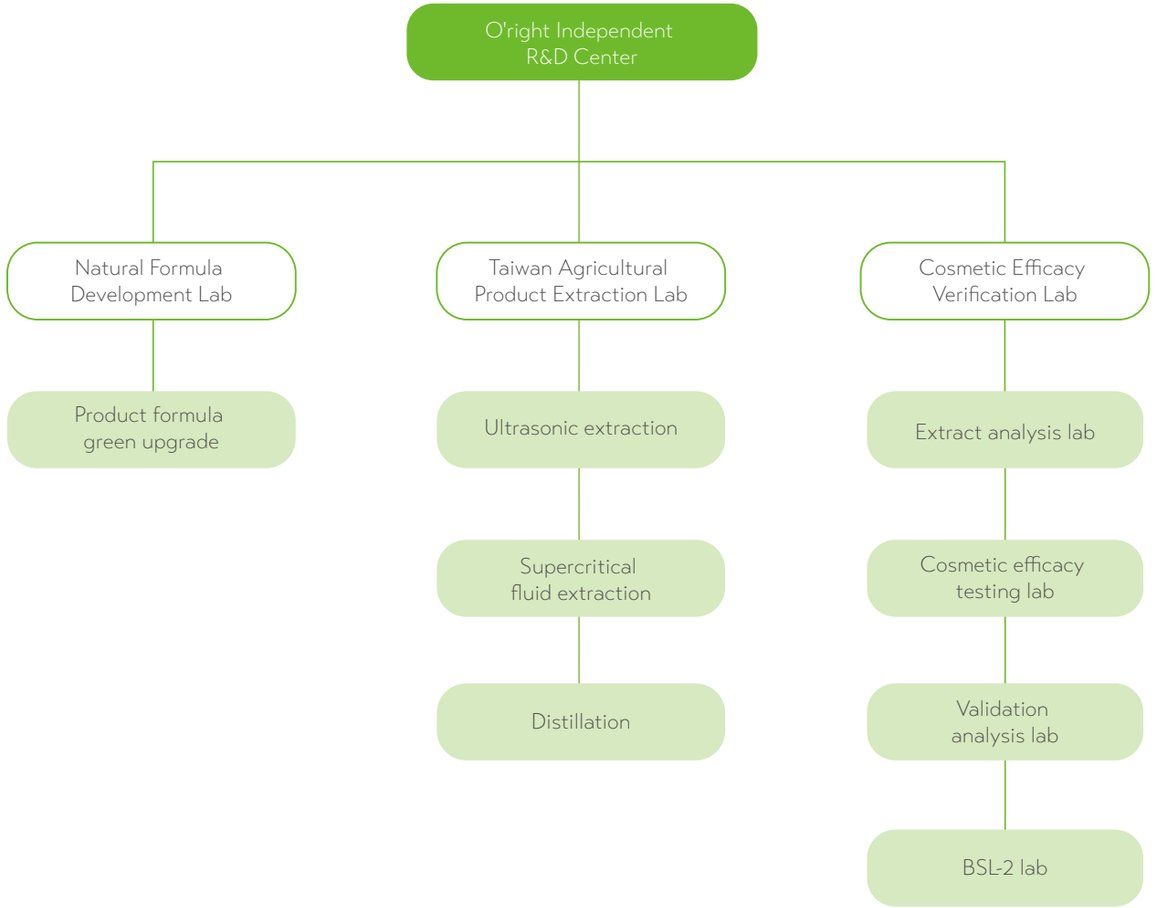
3.2.4 Independent Research Laboratory

We strive to invest in laboratory facilities to enhance product development. In 2015, O'right became the first beauty company in Taiwan to be equipped with 3 independent research laboratories: Natural Formula Development Lab, Taiwan Agricultural Product Extraction Lab and Cosmetic Efficacy Verification Lab.

These laboratories are especially designed to extract sustainable ingredients, develop green formulas and perform product efficacy testing to ensure that the beauty products we put on the shelves are 100% healthy and safe for people and for earth.



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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 searches for and experiments on various natural, organic and sustainable ingredients to develop and improve our green product formulas.

(2) Taiwan Agricultural Product Extraction Lab

Researching Taiwan's native plants and local specialty agricultural products or their by-products, using environmentally friendly and energy-saving ultrasonic plant extraction technology and supercritical plant extraction technology to extract active ingredients. The research findings are applied to the company's products, enhancing the economic value of Taiwanese agricultural products.

a. Ultrasonic extraction equipment

- Eco-friendly manufacturing process:
  Short extraction time and less use of solvents.
- Extraction of active ingredients:
  Obtains optimal amounts of active ingredients under low temperature to prevent heat damage and contamination.
- Optimal extraction efficiency:
  Ultrasound has strong penetration abilities to enhance extraction efficiency.
- Optimal ingredients:
  Extracts ingredients with small particles, high permeability and high solubility.

b. Supercritical extraction equipment

- High level of safety:
  Non-toxic with high biosafety.
- The Three Rs (3Rs):
  Adopts the 3Rs approach (reduce, reuse and recycle)
- Environmentally friendly:
  Uses carbon dioxide to prevent environmental damage.
- Extraction of active ingredients:
  Obtains optimal amounts of active ingredients under low temperature to prevent heat damage and contamination.



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(3) Cosmetic Efficacy Verification Lab

The cosmetics efficacy verification laboratory includes a cosmetics efficacy verification room, an efficacy analysis room, and a BSL-2 biosafety operation laboratory. Its primary functions are to analyze and confirm the active ingredients of plant extracts, test product safety and efficacy, and check the stability of green formulations and their preservative effectiveness. The laboratory is certified by TAF and became the first in the nation to pass the ISO 11930 project certification in November 2016; it also became the first laboratory in Taiwan's industry to pass three skin efficacy tests in January 2019.

a. Cosmetic efficacy testing lab

Evaluates the safety and efficacy of cosmetics through a skin aging analyzer and skin diagnostic tool to ensure optimal efficacy of products.

b. Validation analysis lab

Performs quantitative and qualitative analysis on extracts and active ingredients, product stability testing and BSL-2 laboratory equipment pre-treatment.

c. BSL-2 lab

The research tests the extent of microbial inhibition to determine the optimal preservation conditions for cosmetics, thereby enhancing their safety and stability. This test is generally known as a challenge test or preservative efficacy test. Compared to a general microbiology laboratory (BSL-1), the experiments in this laboratory must be conducted by professionals specifically trained in pathogen handling, and some operations must be carried out in a biological safety cabinet (Class I or II) or other isolation facilities.

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3.2.5 Research Objective and Results

(1) Preservation formulation

In 2013, we collaborated with the Biomedical Technology and Device Research Laboratories of the Industrial Technology Research Institute to conduct various research inventories, which led the Center to set our direction and goal. In 2014, we teamed up again on the Development of Preservative-Free Cosmetics project to develop paraben, DMDM hydantoin, MI, and MCI free cosmetic preservative systems and even new preservative-free formulations. Preservative challenge testing is performed on all formulations, which is an important indicator for foreign markets (e.g., member states of the EU). O'right products are now completely MI-free.

(2) Coffee husk

In May of 2016, our research findings on the extraction of coffee oil using supercritical extraction was published in Evidence-based Complementary and Alternative Medicine, once again receiving global recognition for our research efforts and achievements.
For our scalp revitalizer formulations, we obtained natural caffeine from coffee husks using ultrasonic extraction technology to stimulate hair growth and promote healthy hair and scalp. It is not only a safe and healthy product but also one that delivers the results consumers are looking for, leading to a repeat purchase rate of 90%. We strive to transform agricultural by-products into green beauty ingredients, increasing the economic value of farmers. The growing demand for caffeine related products in recent years has further added value to agricultural products and increased the income of farmers.

(3) Goji berry root

In October of 2014, a report by the Plant Extraction R&D Center on the effect of goji berry root extract in skin care or dermatology published in BMC Complementary and Alternative Medicine caught the attention of the international academic society, marking the first such achievement by a Taiwanese hair and skin care brand and also the result of O'right's commitment to green development.
With our findings on goji berry root, weoOur research team developed the Goji Berry Ultimate Rejuvenating Collection. Goji Berry Age-defying Concentrate has been clinically-proven by a human subject research to improve skin hydration and elasticity levels and reduce melanin content, and has also been awarded Our at the International Exhibition of Inventions of Geneva and Taiwan Excellence Award.award-winning Goji Berry Age-defying Concentrate is clinically-proven to improve skin hydration and elasticity levels and reduce melanin content. We strive for continuous improvement in our laboratories and its equipment. Involvement in industrial-academic collaborations is also an important way to enhance the abilities of research and development personnel. Our efforts and investments aim to ultimately produce the greenest and safest shampoo products for consumers.



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(4) Natural Hinoki Wood Powder

In selecting raw materials, O'right chooses better and greener ingredients. Natural, finely ground Hinoki wood powder is used to replace 'plastic microbeads'. Although plastic microbeads are effective for exfoliation, they turn into 'microplastics' after use and are discharged into the environment, causing negative impacts. Compared to plastic microbeads, natural Hinoki wood powder also has the functionality of absorbing grease and removing dead skin cells, further representing the sustainable value of O'right's products.

(5) O'right Toothpaste N° Zero

Dental problems can be frustrating and devastating for many, which is why the kind of toothpaste you choose is important to maintaining good oral hygiene. However, the abrasives typically found in toothpaste can be harsh and wear away the tooth enamel. Another common ingredient found in toothpaste are surfactants, chemical compounds that cause irritation. We discovered that toothpaste formula has not evolved in over a hundred years. This marked the beginning of our mission to redefine and change the way toothpaste is made.

Pledging to remove toxic chemicals from our formulas and provide holistic green lifestyle solutions, we introduced O'right Toothpaste N ° Zero after 3 years of development. Infused with 3 billion chlorella (green algae) cells and a blend of botanicals including licorice, yew plum pine, mint, wingleaf soapberry, glycerin, star anise, rosemary, clove and spearmint, O'right Toothpaste N° Zero provides a sustainable plant-infused experience and a natural solution for healthier teeth and gums.We are dedicated to maximizing the value of resources. Replacing traditional abrasives with sustainable wood cellulose, O'right Toothpaste N ° Zero takes you on a journey to discover the wonders of wood-infused care with food-grade ingredients and natural botanicals that are river-friendly and healthy for people.

O'right Toothpaste N° Zero contains 100% USDA certified biobased content. The label assures consumers that our product contains a USDA-verified amount of renewable biological ingredients. Our green toothpaste was also announced the New Sustainable Product winner by the Sustainable Beauty Awards and awarded the Good Design Gold Award.

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(6) Sorghum

In 2014, we began working with National Chung-Shan Institute of Science & Technology and Hungkuang University to discover the power of the by-product of Kaoliang liquor: sorghum (spent grains). In 2019, sorghum was granted a patent.

Using this ingredient, we developed the Beauty Ferment Hand Cream and Sorghum Radiance Banana Fiber Sheet Mask in 2020 and 2021, with the latter winning the New Sustainable Product Award at the Sustainable Beauty Awards 2021. Successfully created a product where not only the packaging bag is recyclable and the mask cloth is biodegradable, but even the main ingredients are extracted from agricultural by-products. Facing the increasing consumer demand for sheet masks, with over a billion used annually in Taiwan and astonishing export volumes, a single sheet mask can generate at least three types of non-degradable, non-recyclable waste: the fabric, the pearl film, and the composite aluminum bag. O'right, in collaboration with green partners, has initiated a new circular economy model, hoping to drive all industries to reduce environmental impact through this innovation. Moreover, Sorghum Radiance Banana Fiber Sheet Mask won the 2022 Taiwan Excellence Award and the 2021 Paris Sustainable Beauty Product Award in France.

(7) Date Palm

O'right was once invited by a Saudi Arabian distributor to give a lecture, and serendipitously, O'right began researching date palms in 2019 in collaboration with Hungkuang University. Although date palm kernels are a by-product of agriculture, the research team discovered that they are rich in total polyphenols, possessing significant 'anti-aging capabilities'. O'right's findings on date palm extracts were published in 2020 in the highly influential international journal <Antioxidant>, and the ingredient was registered with its International Nomenclature of Cosmetic Ingredients (INCI) Name. In 2022, we developed a Caffeine Melanin Hair Tonic, adding natural date palm extract, which penetrates deep into the scalp to effectively combat aging factors, nourishing the hair while restoring its youthful radiance. Additionally, the Caffeine Melanin Hair Tonic underwent human scalp health assessments, showing 30-70% effectiveness on average after use, with an overall satisfaction rate of over 90%. It also received international accolades, including the Silver Medal at the Geneva Invention Exhibition, the Gold Medal at the Tokyo International Invention Exhibition, and the Global Sustainable Beauty Product Award in Paris, France.



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Recyclable materials

Eco certified cartons

Product catalogs/ marketing materials

Natural materials



Eco labels

Air cushions

No PVC

3.2.6 Green Packaging Design

We consider the environmental impact of each life cycle during product design and development stages. We are committed to developing recyclable, reusable and biodegradable sustainable packaging materials and eliminating fossil fuel-sourced materials. By using biodegradable PLA bottles, FSC-certified paper and bamboo caps, we are reducing packaging waste and carbon emissions.

Reducing excess packaging simultaneously reduces waste and, consequently, carbon emissions. Therefore, when deciding on packaging methods in the design phase, our primary consideration is the 5R principle: Reduce, Reuse, Recycle, Repair, and Refuse (excessive packaging). Moreover, we also think from different aspects such as material, shape, and structure, committed to 'reducing product packaging' to achieve the goal of carbon reduction, and communicate this on our official website and social media pages. Besides hoping to gain customer recognition, we also aim to spread green thinking. We also focus on reducing carbon in other related accessories, actively replacing them with green materials or reducing plastic use, making the packaging as environmentally friendly as possible. The carbon reduction effects are described in this section.

In 2022, O'right initiated the 'de-plating' of all its products. 'Plating' refers to the metallic packaging often seen on cosmetics and skincare product bottles. The plating process generates wastewater containing toxic heavy metals, strong acids or alkalis, and even highly poisonous cyanides. If not properly treated, these wastes can easily be discharged into rivers and farmlands, further impacting the ecological environment. However, plating is used only to add a sense of luxury and has no actual benefit to the product's function. Therefore, O'right also calls for more brands to advocate for de-plated packaging, to make the world a better place, which is a green value proposition we have steadfastly maintained.

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3.2.7 Towards a Circular Economy

O'right transforms recycled plastics through a complex process of sorting, baling, crushing, gravity separation, compounding, and pelletizing. We also conduct rigorous testing to ensure that the bottles meet safety and hygiene standards and are free from any heavy metals before proceeding with mass production.

Our green path towards a greener tomorrow does not end here. In 2018, we partnered with Da Fon Environmental Technology and Living Fountain to develop the world's first renewable plastic pump, once again leading the way in sustainable beauty.

Renewable packaging is made of recycled plastic materials and is 100% recyclable. The production of renewable plastic particles is complex and it costs more than new plastic. However, we are willing to increase corporate costs if it means reducing environmental impact. Switching to renewable plastic packaging significantly reduces our carbon footprint, which is why we changed all of our shampoo and body wash bottles into 100% renewable ones in 2018 and made the commitment to use renewable plastic pumps as well in 2019. Our efforts to create more environmentally friendly packaging solutions have greatly reduced our use of plastic and our carbon footprint. In 2021, we developed a mono-material refill pack, which became the first flexible packaging in Taiwan to be granted Interseroh's Made for Recycling quality seal. Expect to see more recycled and reused packaging from O'right, made to lessen damage to earth's resources and to give new life to waste.



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Item	Weight	Proportion of renewable plastics used	Emission Reduction from Using Recycled Packaging
HDPE bottle	211,713 kg	100%	381,083 $kgCO_2e$
PP renewable pump	36,674 kg	83.70%	48,807 $kgCO_2e$
PET bottle& cap	19,157 kg	100%	19,540 $kgCO_2e$
Total	267,544 kg	N/A	449,430 $kgCO_2e$
Remarks	Carbon emission difference = (Carbon emissions of new plastic - Carbon footprint of renewable plastic) x Weight of bottle x Usage ratio		

● 2022 O'right Recycled Packaging Carbon Reduction Statistics

Type	Carbon emissions of new plastics ($kgCO_2e/kg$)	Carbon footprint of renewable plastic($kgCO_2e/kg$)	Carbon reduction percentage of recycled plastics
HDPE	2.25 $kgCO_2e/kg$	0.45 $kgCO_2e/kg$	80%
PP	2.01 $kgCO_2e/kg$	0.42 $kgCO_2e/kg$	79%
PET	2.35 $kgCO_2e/kg$	1.33 $kgCO_2e/kg$	43%
Remarks	New plastic and renewable plastic carbon footprint calculation method by the Environmental Protection Administration Data on carbon emissions from recycled plastics are rounded to two decimal places.		

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

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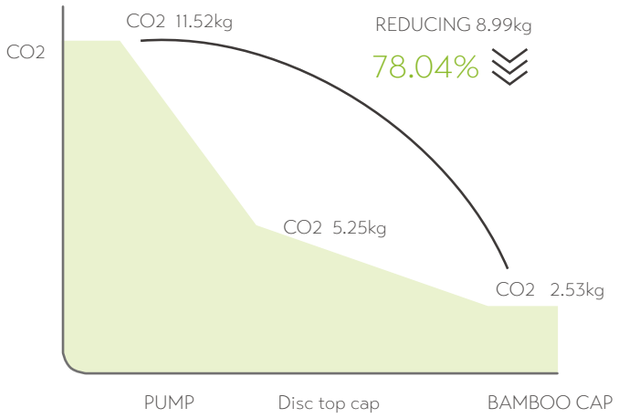
3.2.8 Moso Bamboo Sustainable Design

O'right bottle caps are made of Moso bamboo. Its simple yet elegant design is a sustainable alternative to non-recyclable plastic or electroplated caps. Aside from our 1000 mL products, all of our shampoo and body wash products feature our signature Moso bamboo caps.

With its natural color and shine, unique, fine veins and exquisite texture, our Moso bamboo cap is the perfect fusion of craftsmanship and green trends. O'right stands tall and firm like bamboo in our goal in creating a healthy environment and eco-friendly products for consumers. Moso bamboo cap conveys O'right's commitment to sustainability in hopes of continuing to make an impact on each and every consumer who owns one.
Our Moso bamboo caps help to reduce carbon emissions by 78%. As our revenue grows, we also reduce even more carbon emissions. From 2012 to 2022, bamboo caps helped to reduce 254,473 kg of carbon, which is equivalent to planting 23,134 20-year-old trees.

CARBON EMISSIONS



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Love the earth with eco-friendly caps

Pump





Spring



PP body



LDPE tube



Glass ball

Disc top cap



PP



Bamboo cap



Bamboo Artistic and sustainable design



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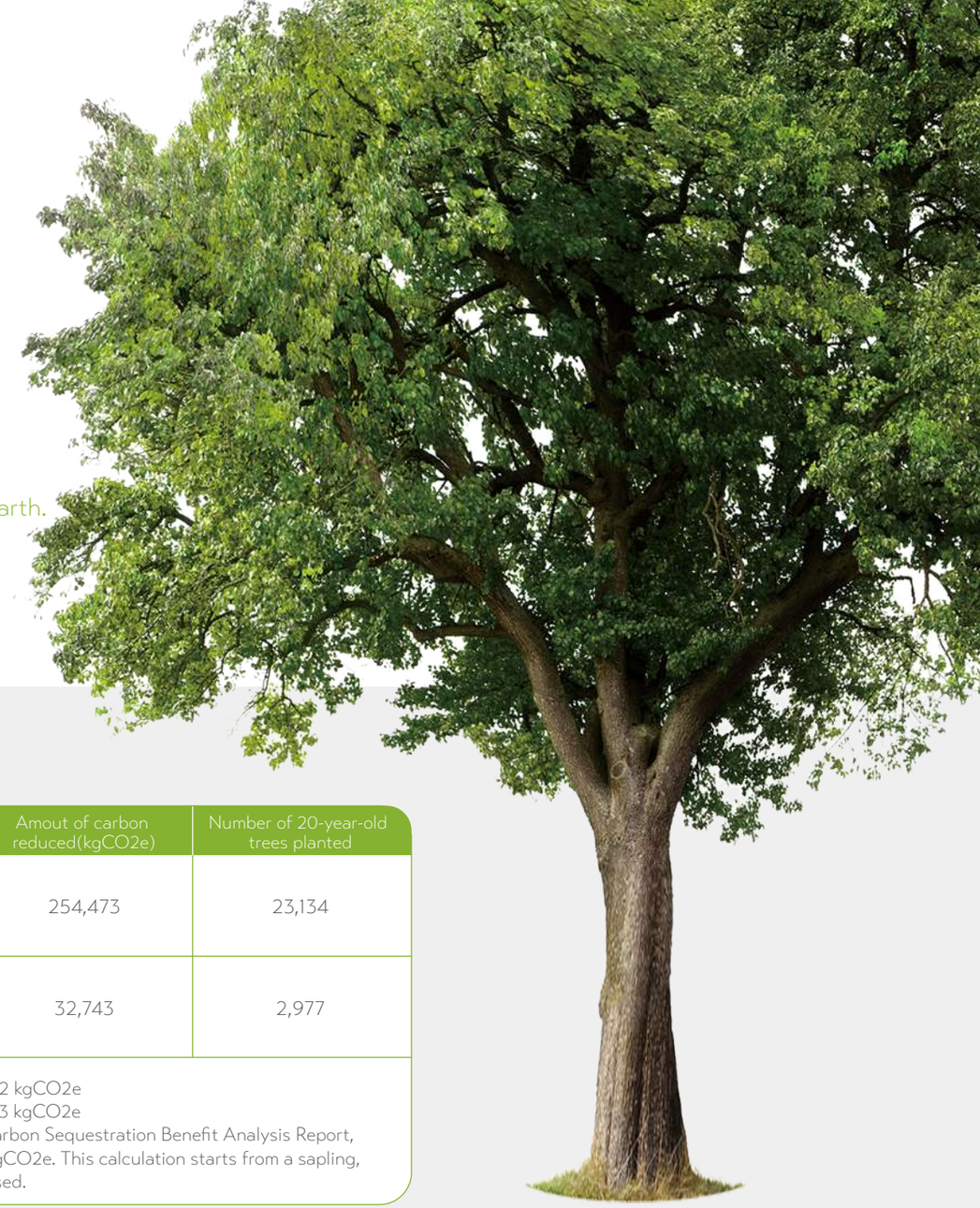
From 2012 to 2022, we sold 4,652,814 bottles

with bamboo caps, which helped to reduce the use of

4,652,814 PP caps and

254,473kg of carbon emissions.

This is equivalent to planting 23,134 20-year-old trees on earth.



Year	Procurement(pc)	Weight(kg)	Amout of carbon reduced(kgCO2e)	Number of 20-year-old trees planted
2012-2022	4,652,814	28,306	254,473	23,134
2022	416,563	3,642	32,743	2,977
Remarks	Carbon Emissions per Kilogram for Plastic Pumps：11.52 kgCO2e Carbon Emissions per Kilogram for Bamboo Caps：2.53 kgCO2e According to the International Forest Management Carbon Sequestration Benefit Analysis Report, one tree (20 years old) absorbs approximately 11-18 kgCO2e. This calculation starts from a sapling, hence the minimum carbon amount of 11 kgCO2e is used.			

● O'right's Annual Carbon Achievements through Bamboo Caps

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3.2.9 Inflatable Air Pillows

O'right does not use expanded polystyrene foam or any environmentally unfriendly materials when packing goods. Instead, we use eco-friendly inflatable air pillows, small air-filled bags made from LDPE (a code 4 plastic in Taiwan) that are placed inside shipping cartons or boxes to provide protection against shock and prevent goods from being damaged in shipping.
Since 2011, in order to reduce plastic use and carbon dioxide emissions to a minimum, we upgraded our inflatable air pillows. We believe that small steps can make a big impact on the environment. As such, in 2016, we adopted a lighter, thinner upgraded version of the air pillows, which contains less plastic and generates less emissions.

Carbon achievements of air cushions	
Item	Air Super Light air cushions
Weight/pc	0.0006 (kg/pcs)
Material	No.4-coded LDPE
2022 Purchase Quantity	100 Rolls Purchasing calculated in pcs: Each roll is 1,000 meters, each pcs is 0.1 meters wide, approximately 10,000 pcs per roll, totaling 100 rolls x 10,000 = 1,000,000 pcs
Annual Carbon Emissions	1,890 kgCO2e
Carbon Reduction Compared to 'Using AIR Cushion Bubble Bags'	5,512.5 kgCO2e = （0.00235-0.0006） *1,000,000*3.15
Remarks	According to the Product Carbon Footprint Information Network and SimaPro 9.5.0.0 Ecoinvent 3 system data: LDPE emission factor is 3.15 kgCO2e AIR Cushion Bubble Bag: 0.00235 kg



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3.2.10 Fren Bag

The Fren bag made from photolytic material is designed to reduce the use of paper bags. We helped reduce the use of 164,280 plastic bags in 2022 alone, and 1,575,324 since Fren Bag was introduced to the world.

We strive to reduce our product packaging to minimize carbon emissions in any and every way possible. We communicate with our consumers through our website and social media platforms to motivate sustainability and spread our message to the world.

Year	Plastic bags reduced
2013-2022	2,044,124
2022	164,280

3.2.11 Green Resource Circulation

Climate change is not just an environmental issue, but a burning global problem that demands urgent action. Nations worldwide are working collectively to limit global temperature rise to below 1.5 ° C. Consumer choices are also a major cause of carbon dioxide emissions, which is why O'right has taken it upon ourselves to shift consumers towards sustainable behavior.
With a steadfast resolve to achieve carbon reduction and sustainability, we integrate a reverse logistics system to reduce waste and enable resource recycling. By setting an example, we invite the public to join us in using the greenest energy to protect the Earth.

(1) A Reverse Logistics System

During the carbon inventory process, we discovered that supply chain resources can create an industrial cycle, achieving dual benefits of resource reuse and cost reduction. This not only helps reduce waste and enable resource recycling, but also fulfills corporate social responsibility and enhances competitiveness.The introduction of our 100% renewable bottle in 2016 pushed us closer towards a circular economy. Consumers can recycle our bottles, which can be washed and manufactured into new bottles for O'right to use. With people and nature's best interests at heart, we continue to innovate to ensure our packaging is as sustainable as possible.

O'right integrates and plans three types of circular models:

a. Recycling cycle for empty bottle outer cartons
b. Recycling cycle for finished product outer cartons
c. Recycling cycle for empty product bottle

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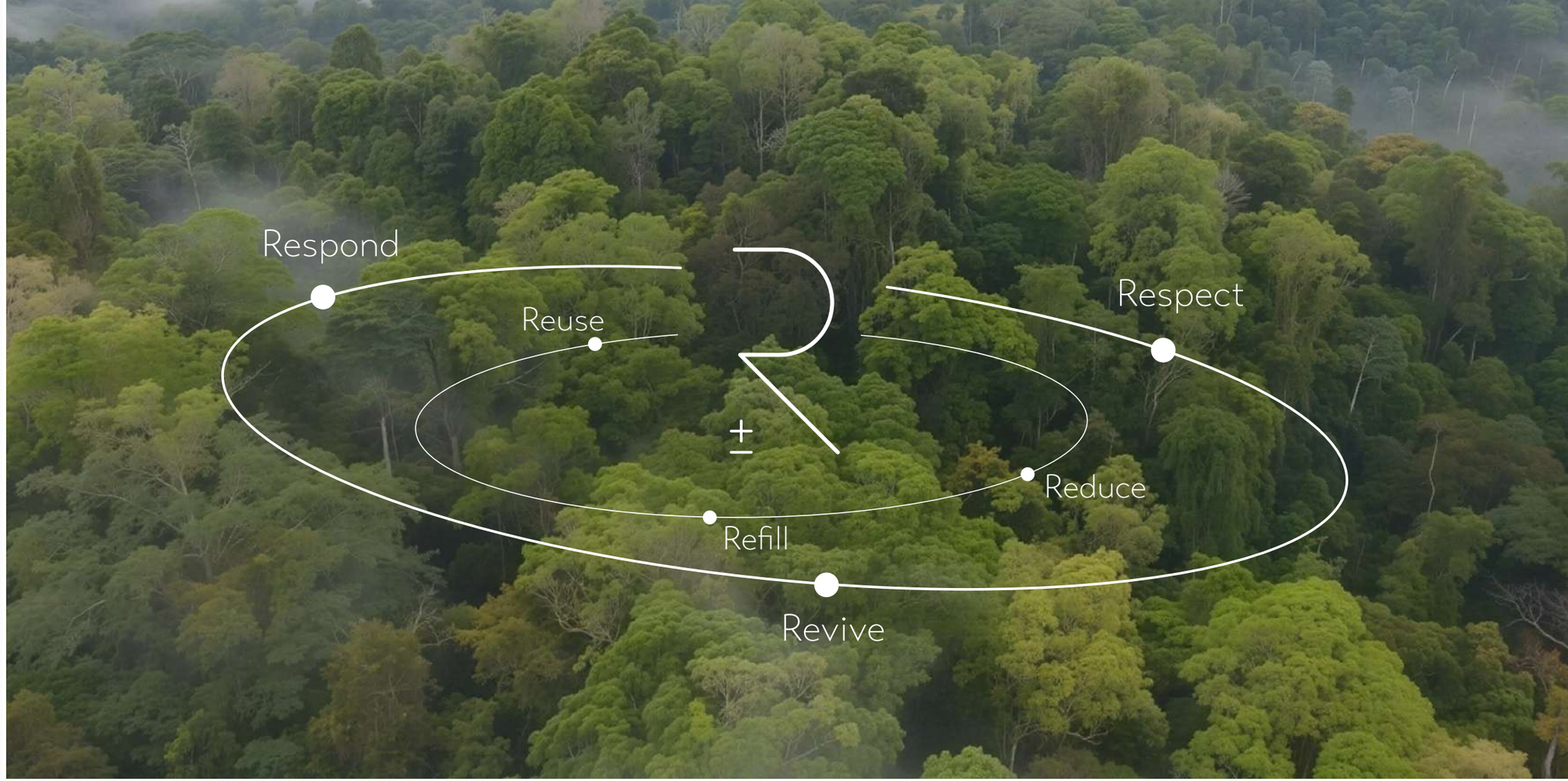

(1) ±R Plan

In 2021, The COVID-19 pandemic led to a massive increase in the use of disposable masks and plastics, severely harming our ecology and wildlife with greenhouse gases and waste. O'right started with 'examining social and environmental issues' as its inspiration, constantly challenging itself with the strictest considerations to reduce the impact on the Earth. In the ±R Project, two seemingly impossible tasks were accomplished: not only 'breaking the predicament that bulk stores cannot operate legally' but also successfully developing a 'single-material recyclable refill pack' that all manufacturers initially thought impossible to produce. At the same time, it also calls for public attention to zero-carbon issues.

Inspired by post-pandemic new life, O'right's '±R Project' was initiated from the perspective of humans and the natural environment. It revolves around three Rs as its core: Respond, Revive, and Respect. The manufacturing foundation is based on Reuse, Refill, and Reduce, creating a green sustainable cycle from production to consumption, offering a new zero-carbon consumption choice that meets the needs of the times and respects all beings.

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a. Once again revolutionizing the beauty industry with recyclable, single-material refill packs

Considering that traditional 'refill packs' and 'facial mask packaging bags' available on the market require different material combinations to satisfy conditions like 'moisture resistance, acid and alkali resistance, oil resistance', these materials become unrecyclable waste after use, further harming the environment. Therefore, O'right, in collaboration with the green supply chain giant Daquan Color Art, has embarked on an eco-friendly path for refill packs. Combining both parties' expertise and experience, the ±R project gave birth to the 'Renewable Single-Material Refill Pack R-Pack', successfully mass-producing a single LDPE material refill pack that can enter the recycling system.

Another sustainable highlight of the ±R Project is the 'Reusable Refill Bottle R-Bottle' made from 100% PCR (Post Consumer Recycled) materials. Under normal use, the R-Bottle's life cycle can reach 5-10 years, with over a hundred refills. O'right's commitment to harmonious coexistence with nature, catering to the needs of the post-pandemic era, is the essence of the ±R Project's objective: 'to increase respect for all natural beings and reduce the burden on our bodies and the environment'.



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b. Anthropomorphic robotic arms, mini GMP factory filling - Overcoming safety concerns of bulk stores

O'right employs the automation expertise of TOES Opto-Mechatronics to utilize food-grade filling for hair care products. The process is dust-free, contamination-free, fully automated, with 100 ° C steam for high-temperature sterilization and deep cleaning, taking into account both regulations and safety. O'right hopes that customers visiting the store can immerse themselves in the experience of 'zero-carbon consumption as a lifestyle' and bring the consciousness of respecting all beings into their own lives.

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3.3 Green Supply Chain

GRI 204-1、308-1、414-1

O'right undertakes a highly integrated approach to greening its entire supply chain, striving to minimize the environmental impact of its green products in every detail from production to recycling. This comprehensive implementation of corporate environmental responsibility is a concerted effort to protect the Earth's environment.

The greening transformation actions include:

- Replace petrochemical plastics with 'green organic raw materials.
- Replace new plastic packaging with 'recycled packaging.
- Use 'green energy' for 'green manufacturing processes.'
- Implement 'carbon reduction in transportation', assisting clients with green transformation.
- Provide 'green consulting' services.
- Construct a 'green resource recycling system' for transformation.

Deeply recognizing the accelerating pace of global warming, the steps towards corporate greening cannot be delayed. After completing our own greening plans, we further researched how to spread and convey this green influence. Not only have we defined more stringent green procurement standards for ourselves, but we have also started inviting our suppliers to join the ranks of the green industry. Together, we aim to become a green supply chain that coexists harmoniously with the Earth. We even invite suppliers to sign a 'Supplier Corporate Social Responsibility Code of Conduct Commitment', jointly promising



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3.3.1 Green Procurement

In 2015, we set stricter standards for green ingredients. For example, over 80% of product ingredients must be natural and organic certified or naturally-sourced1. We continue to innovate and improve our product formulations and packaging in order to achieve our visions for a greener tomorrow. In terms of the proportion of green raw materials purchased, compared to 56.46% in 2021, it has increased to 60.43% in 2022, achieving a growth rate of 7%!

In terms of materials, O'right continuously collaborates with suppliers to successfully develop various MIT (Made in Taiwan) eco-friendly bottles, maintaining green materials at over 45% of total material procurement and achieving year-on-year growth. In 2016, due to the development of '100% renewable (post-consumer recycled) plastic bottles ' and 'renewable plastic pumps', and since 2019, bath and shower products have been completely switched to 100% renewable plastic bottles, increasing the amount of 'recycled materials' in green procurement to 36.99%. In 2022, the proportion of green material procurement continued to rise, from 89.06% in 2021 to 93.20%, marking nearly a 5% growth rate.

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O'right, through green procurement, prioritizes products with environmentally friendly characteristics, and considers the entire product supply chain, including raw material procurement, production processes, and transportation methods, to ensure the sustainability and environmental benefits of the supply chain. At the same time, O'right also focuses on the social impact of products, such as human rights, labor rights, fair trade, etc., choosing suppliers that meet social responsibility standards. Moreover, O'right has established effective monitoring and evaluation mechanisms for the supply chain to track the environmental benefits of products and the compliance of suppliers.

From the '100% Biodegradable Tree in the Bottle' to the '100% Renewable Plastic Bottle', and the 'World's First Renewable Plastic Pump', O'right, along with its suppliers, has undergone the entire green bottle's international green certification process. This involves scrutinizing every stage of the supply chain from raw material sourcing, bottle manufacturing, to end-use, committed to purchasing products and services with lower environmental impact and higher sustainability. This not only helps to reduce the carbon footprint of products but also promotes the sustainable development of the supply chain, meeting consumers' demand for sustainable products and contributing to the achievement of 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	
2020	75,638,936	43,641,412	**57.70%**	47,991,557	7,368,058	18,257,630	15,044,707	**84.74%**
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%**
Note	note: • Green Ingredients refer to product ingredients. From 2011-2013, green Ingredients were defined as ingredients that contain more than 70% of components derived from plant sources; since 2014, green Ingredients have been required to contain over 80% of components derived fromorganic or plant sources. • Raw materials refer to bottles, containers and packaging materials classified into the following 3 types: biodegradable (PLA bottles/accessories, bamboo accessories, seed paper); recyclable (FSC certified paper box, bottles/accessories); regenerated (shipping cartons, 100%renewable plastic bottles). • Natural Components of Green Raw Materials: Natural materials must be combined with petrochemical components or organic/inorganic chemicals to alter their physical properties and achieve the desired effect. For example, natural oils are used in handmade soap, but sodium hydroxide must be added to saponify them. Therefore, our definition of natural raw materials refers to those where the proportion of organic or plant-based ingredients in a given material is greater than 80%.							

● Procurement of green ingredients and raw materials

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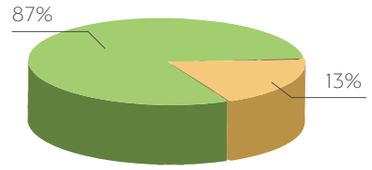
3.3.2 Green Suppliers

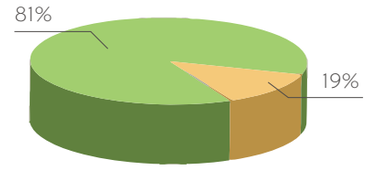
Supplier cooperation plays an important role in the creation of green products. Only with O'right's commitment and suppliers' efforts can the world's greenest hair care product be born.To green the supply chain together with suppliers, O'right has established a Supplier Management Procedure. For first-time collaborating manufacturers, a 'Supplier Evaluation Form' is presented. Suppliers that demonstrate environmental protection, compliance with labor regulations, and other CSR actions are prioritized for consideration. The suppliers are assessed by the development unit, quality assurance unit, and procurement unit to determine if they meet the company's requirements as qualified suppliers. An annual review is conducted, which includes assessments of quality, delivery time, price, and service to effectively monitor and maintain the quality of supplied goods. If a supplier is deemed non-compliant with the company's requirements, they are categorized as a disqualified supplier and procurement is ceased.

Supplier Evaluation Methods

Qualification Evaluation	Suppliers with third-party certifications may check this item, note the certification details, and provide relevant documentation for record-keeping.
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.



2022 Annual Assessment Results of Material Suppliers



2022 Annual Assessment Results for Raw Material Suppliers

- A Rated as an excellent supplier and will be prioritized for new product development purchases.
- B Rated as a supplier needing improvement, procurement will be suspended, and the supplier is required to propose specific improvement measures.
- C Rated as a disqualified supplier, procurement will be stopped immediately.

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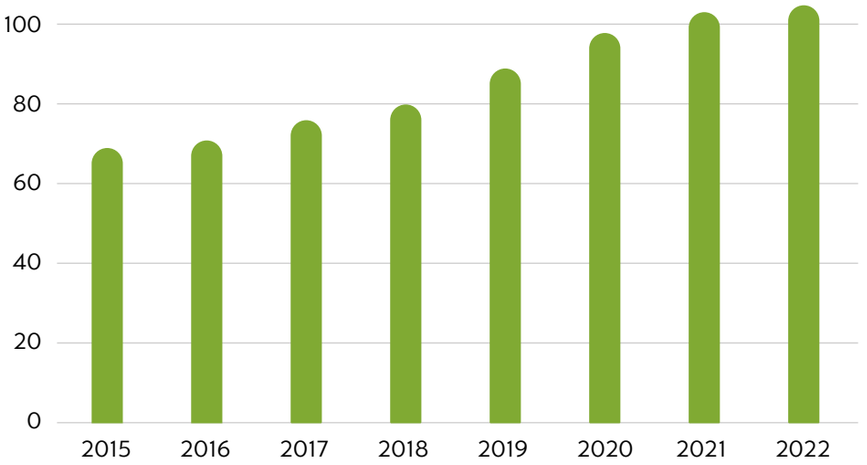
In 2014, O'right further developed the 'Supplier Declaration on Corporate Social Responsibility Code of Conduct', beginning to incorporate 'social and environmental' considerations as well as scopes related to 'labor, environmental protection, and other CSR-related' areas into the survey. Suppliers were invited to adhere to standards such as prohibition of child labor, reasonable working hours and treatment, non-discrimination, occupational safety, public health, wastewater and waste disposal, hazardous substance control, energy and resource conservation, fair business practices, commitment to integrity, and information disclosure. The content of the declaration also covers human rights, occupational safety, public safety, anti-corruption, energy-saving and carbon reduction. By signing the declaration with suppliers and green e-commerce alliance partners, we collectively implement corporate social responsibility, making a sustainable commitment to consumers and the public.



Statistics Table of Suppliers Signing the Corporate Social Responsibility Commitment

Since 2015, new suppliers have started signing the 'Supplier Declaration on Corporate Social Responsibility Code of Conduct' with O'right, inviting suppliers to join the ranks of the green and environmentally friendly industry, forming a green supply chain that is friendly to society and coexists harmoniously with the Earth. As of 2022, we have signed the declaration with 105 raw material manufacturers. The proportion of green suppliers has increased annually; currently, green raw material manufacturers account for 85.43% of O'right's total number of suppliers, with green raw material manufacturers at 81.40% and green material manufacturers even higher at 89.47%. In the future, we will continue to greenify with our suppliers and increase the proportion of green suppliers.



Green Supplier Count Statistics Table

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3.3.3 Local Raw Material Procurement

To support the development of Taiwan's local agricultural economy, enhance local industry competitiveness, and reduce transportation costs and greenhouse gas emissions, O'right establishes cooperative relationships with local suppliers, prioritizing local products and services. This emphasizes support for the regional economy, promoting social equity and responsibility.

We have devised plans committed to developing local green raw materials in Taiwan, establishing shorter supply chains. This not only saves energy and reduces transportation costs but also decreases greenhouse gas emissions from long-distance transport, thereby lessening environmental impact.

On one hand, we actively search for domestic materials that meet standards and acquire advanced plant extraction equipment. We extract active substances from agricultural products with undiscovered effective components, such as coffee grounds, coffee husks, pineapple peels, goji roots, and rice wine lees. On the other hand, we strive to obtain official USDA Biobased certification for natural sustainability, which not only improves our products but also aids in agricultural development and finds new uses for a large amount of agricultural waste. We continue our efforts, hoping that all the raw materials used in the future will be third-party certified, such as organic certified ingredients (EU COSMOS, ECOCERT, USDA Certified Biobased Product), FSC certified paper materials, etc., to ensure the quality of our products.

Year	Local Procurement Amount		Total Procurement Amount	Total Local Procurement Ratio
	Raw Materials	Materials		
2020	4,349,843	37,200,037	123,630,493	**33.60%**
2021	1,671,200	43,641,902	129,047,339	**35.11%**
2022	1,588,150	41,989,270	127,583,878	**34.16%**



● Number of Local Suppliers Purchased From

● Number of Local Suppliers Procured

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04 Environmental Sustainability

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4.1 Climate Risk and Governance

GRI 201-2

Each of the last 3 decades has been successively warmer at the earth's surface than any preceding decade since 1850, according to the IPCC. The period from 1983 to 2012 was likely the warmest 30-year period of the last 1400 years in the northern hemisphere, where such an assessment is possible.

To ensure sustainable business operations, O'right conducts assessments to identify and evaluate climate change risks, plans adaptation methods, and further takes climate actions to enable the company to adapt to the impacts of climate change and continue to thrive. Although O'right is not a major carbon emitter, and domestic climate regulations and standards have not yet included the beauty industry in the regulated sectors, climate change still has a significant impact on our operations. Climate change is no longer a distant threat but an undeniable fact affecting our future business development. Therefore, we strive to reduce waste in our operations, minimize energy consumption, and are committed to reducing our carbon footprint, continuously promoting sustainability practices throughout our value chain. Additionally, we raise awareness of climate action among customers and partners through our green products and marketing activities.

Governance

Board of Directors: The Chairman serves as the Chair, representing the highest governing body for climate issues.

the Green Council for Sustainable Development: Co-convened by the Chairman, General Manager, and Chief Sustainability Officer, its purpose is to maintain and strengthen the company's sustainable development, enhance the company's action and innovation in environmental and climate issues, and thereby manifest the company's green and sustainable values.

Sustainability Community: Led by the Center for Sustainable Development, it aims to strengthen corporate carbon reduction actions and environmental initiatives, incorporating environmental and climate responsibilities into regular critical internal discussions, and assisting in planning the company's short, medium, and long-term phased net-zero goals.

Strategy

Significant Climate Risks

- Government Regulations: Establishment of carbon pricing mechanisms
- Technology: Costs of transitioning to low-carbon technology/services
- Reputation: Industrial stigmatization
- Long-term Physical Risks: Changes in precipitation patterns

Significant Climate Opportunities

- Significant Climate Opportunities
- Products and Services: Development and/or expansion of low-emission products and services, shifting consumer preferences

Risk Management

Risk Management Policy

O'right has established a comprehensive risk management policy, emphasizing a proactive and systematic approach to risk prevention and early detection. It includes a framework for risk identification, assessment, and prioritization, as well as a set of procedures for risk mitigation and monitoring, facilitating the identification, assessment, and mitigation of risks across the entire organization, including those related to climate change.

Under this policy, O'right conducts stakeholder surveys to understand the concerns and issues of its key stakeholders, further identifying any potential new risks. These risks are then identified and assessed through a combination of internal and external evaluations. Once significant risk issues are determined, risk control measures are developed based on the issues and organizational needs, which may include enhanced monitoring, internal controls, changes in operational methods, and the implementation of new policies and procedures. Moreover, the company regularly monitors and reviews the implementation of its risk control measures and develops related monitoring indicators to ensure the effectiveness of these measures.

Goals and Indicators

O'right has implemented control measures for significant issues rated above 6, and additionally, has set mid-to-long-term goals and monitoring indicators for critical issues rated 9, followed by regular tracking and management.

	Indicator	2030 Goal	2050 Goal
Major Climate Risks			
Establishment of Carbon Pricing Mechanism	Carbon Emissions (Baseline year 2020)	Reduce carbon emissions by 42% in Scope 1 and Scope 2	Reduce carbon emissions by 90% in Scope 1, Scope 2, and Scope 3
Costs of Transition to Low-Carbon Technology/Services	Renewable Energy Usage Proportion	Achieve 100% renewable energy usage, increase energy efficiency by 30%	Achieve 100% renewable energy usage, increase energy efficiency by 50%
Significant Climate Opportunities			
Development and/or Expansion of Low-Emission Products and Services	Green Product Development	Develop one green/low-carbon product annually	Develop one green/low-carbon product annually
Shifting Consumer Preferences	USDA Biobased Certification	Increase the number of product certifications by two annually	Increase the number of product certifications by two annually

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4.2 Energy Management

O'right is committed to improving energy efficiency and reducing energy consumption, actively promoting the development and application of renewable energy to decrease reliance on traditional energy sources and reduce greenhouse gas emissions. The main energy use in O'right's primary production facilities includes fossil fuels (such as diesel and liquefied petroleum gas) and purchased electricity. Fossil fuels are mainly used for emergency generators, official vehicles, and boilers for production (using natural gas combustion). Since 2020, O'right has transitioned its official vehicles to electric cars, significantly reducing the original diesel consumption. Additionally, O'right generates its own electricity using wind and solar energy equipment for product manufacturing processes, to lower the high energy use during the product life cycle.

In 2018, O'right joined the RE100 renewable energy initiative, aligning with the world in the response to renewable energy use and committing to fully use renewable energy by 2025. In response to the RE100 policy and to achieve the goal of 100% renewable energy usage, in 2019, O'right installed green energy equipment with a capacity of 27.44KW. More than one-third of the headquarters' rooftop area is equipped with solar panels. In 2022, O'right further signed a green electricity procurement contract and achieved 100% renewable energy usage in December of that year, with the annual renewable energy usage ratio increasing to 49%.

Furthermore, the company raises energy-saving awareness through education and promotional activities, encouraging employees and stakeholders to participate in energy-saving actions. Clean energy generation panels are displayed publicly, serving an environmental educational purpose while also reflecting O'right's commitment and efforts toward sustainable energy use, ensuring the company's environmental responsibility and social impact in energy usage.



RE 100

Hair O'right is a Taiwanese haircare brand. The company is a global leader in sustainable haircare and has won several awards for its products. O'Right joins RE100 with a target to source 100% renewable electricity for its operations by 2025.

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4.2.1 Energy Use and Performance Management

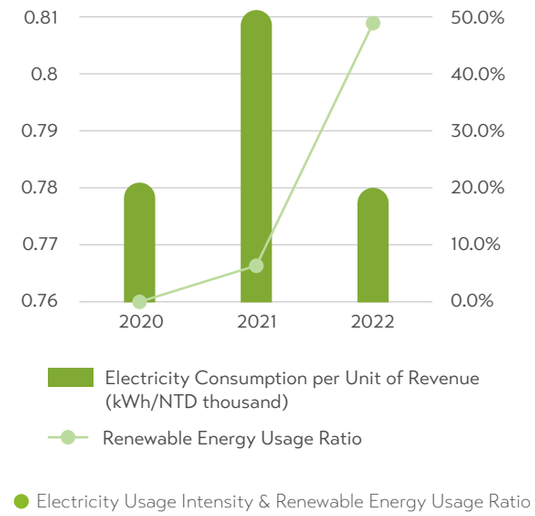
Effective energy management is crucial for a company's sustainable development. Through the effective implementation of energy management, it is possible to grasp the situation of energy use, identify potential opportunities for energy saving and emission reduction, and develop corresponding strategies and plans. These include the introduction of renewable energy, enhancement of energy efficiency, and optimization of energy use to reduce energy costs and lessen dependency on external energy supplies. Hence, since 2014, O'right has implemented the ISO 50001 Energy Management System and formulated corresponding energy management strategies. By assessing the current energy use, establishing energy goals and plans, and implementing relevant monitoring and improvement measures, O'right further identifies key points in energy consumption. The majority of O'right's energy use is electricity, with the remainder being a small portion of liquefied natural gas used for boiler heating and diesel for logistics and official vehicles.

Energy Management Performance

2022 Goal	Achievements in 2022	Reduction Actions
Total electricity consumption reduced by **1%** compared to the previous year	Achieved a **1.89%** electricity saving effect compared to the previous year	The focus of energy management is on the electricity control of chillers. We adapt to seasonal changes by operating an 80-ton chiller during the summer and a 60-ton chiller during other seasons to meet varying demands. This method of control effectively reduces energy consumption and improves energy efficiency. Additionally, we also focus on controlling major electrical equipment, including chiller systems, boilers, and pure water machine systems. Through effective monitoring and management, we can promptly identify and resolve energy wastage issues in these devices, thereby reducing energy consumption and enhancing energy efficiency.

Electricity Usage Statistics for the Past Three Years Unit：kWh

Year	Electricity Production (Self-generated and Used)		Electricity Purchased		Electricity Usage	
	Renewable Energy	Non-Renewable Energy	Renewable Energy	Non-Renewable Energy	Renewable Energy	Non-Renewable Energy
2020	0	0	0	418,360	0	418,360
2021	30,958	0	0	441,480	30,958	441,480
2022	25,905	0	190,304	228,465	216,209	228,465



Electricity Usage Intensity & Renewable Energy Usage Ratio

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GRI 303-1、303-2、303-3、303-4、303-5

4.3 Water Resource Management

As a beauty industry player, O'right considers bath and shower products as one of its main product lines. Since these products largely involve the use of water and the production process requires water resources, and both our supply chain and customers rely on a reliable supply of water resources. Therefore, O'right places great importance on water resource issues. Protecting water resources, conserving water, and effectively managing water resources are our important responsibilities and commitments, and are also essential for achieving sustainable development. We will continue to strive to improve the efficiency of water resource use and collaborate with stakeholders to jointly realize 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

2022 Goal	Achievements in 2022	Achievements in 2022
Pure Water Production Rate Target Set at 50%	Pure Water Production Rate has reached the standard of 55% Total tap water usage reduced by 18% compared to the previous year	By regularly replacing the RO membrane filter elements, we successfully improved the production rate of pure water used in the process. This improvement measure also helps to reduce the total consumption of tap water, which not only contributes to saving water resources but also reduces the corresponding energy costs.

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Green Building Water Resource Usage Status			
Year	2020	2021	2022
Tap Water Consumed (Thousand Tons)	6.677	6.262	5.118
Ultrapure water for production (Thousand Tons)	2.050	1.710.5	1.226
Water used for manufacturing (Thousand Tons)	2.84	2.45	2.16
Effluent flow (Thousand Tons)	1.404	1.937	1.567
Reclaimed water recycled (Thousand Tons)	2.676	2.670	2.068
Wastewater recycled (Thousand Tons)	1.116	1.926	1.567
Percentage of water reused	56.79%	73.40%	71.02%
Recycled water (%)	**79.49%**	**99.43%**	**100%**
Note	• Reuse reclaimed water for daily use, air-conditioning and irrigation in our factory • Water used for manufacturing per metric ton=Process water (pure water) /Annual production volume (pcs) • Wastewater=Effluent+Wastewater recycled • Industrial pure water=Pure water-Reclaimed water-Domestic water • Percentage of water reused = (Reclaimed water recycled + Wastewater recycled) / Tap Water Consumed • Recycled water = Wastewater recycled / (Effluent+Wastewater recycled), noting that in 2022 there was no discharge water released externally, so the Recycled water is 100% • Wastewater recycled refers to the recovery of wastewater post-production.		

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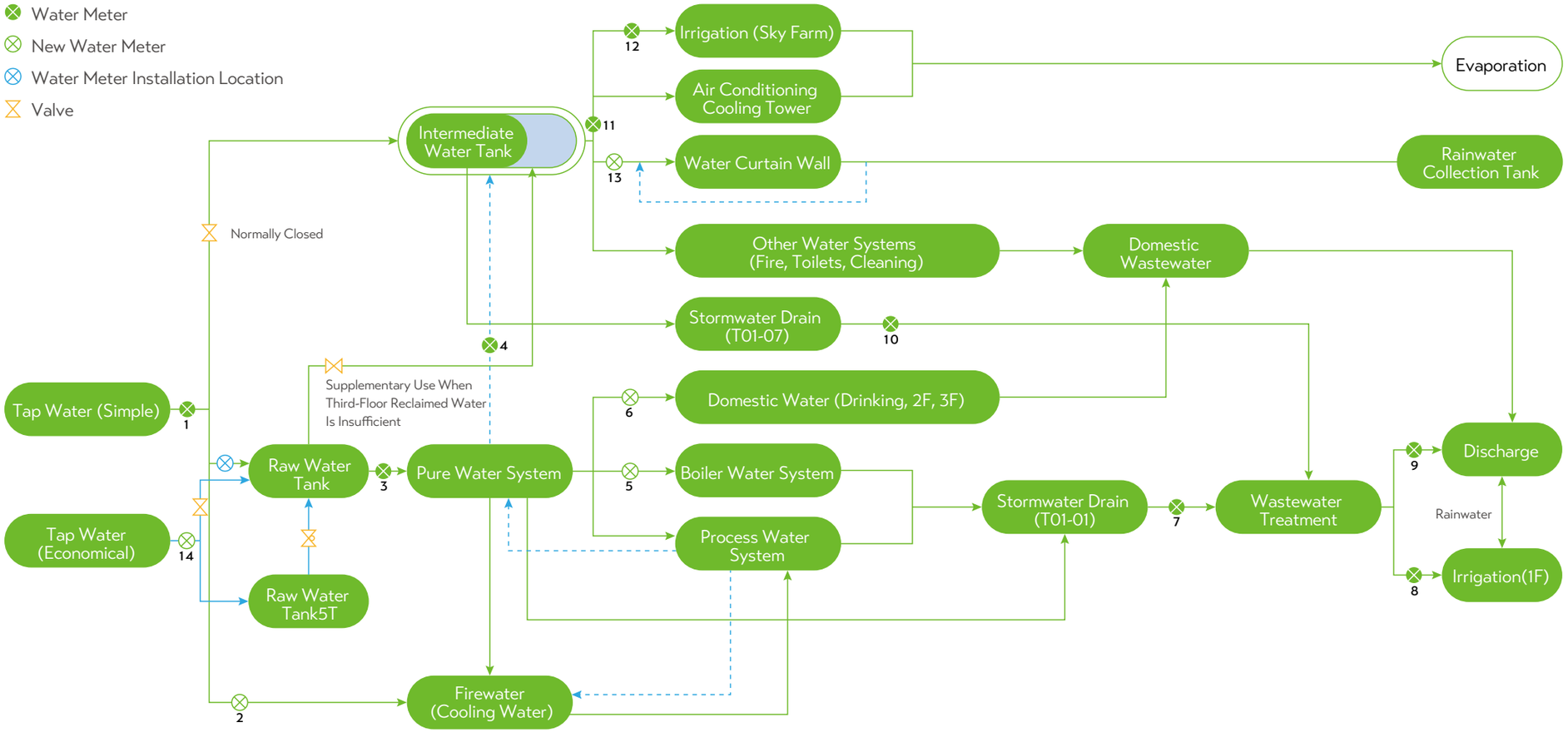

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4.3.1 Waste Management

O'right is committed to minimizing wastewater generation to the greatest extent, ensuring the safe treatment and discharge of wastewater, and promoting the protection and sustainable use of water resources. Since 2018, we have been implementing a zero wastewater discharge program, working towards the goal of zero wastewater discharge through equipment adjustments and waste reduction at the source. In 2022, we successfully achieved the 'zero wastewater discharge' target! According to our statistics, the total volume of process wastewater treated by our water treatment equipment was 1.567 thousand tons. During the treatment process, we effectively recycled all treated wastewater, and all process wastewater met the irrigation standards and was used for plant irrigation, achieving a 100% recycling rate.

All wastewater generated from product manufacturing and equipment cleaning is discharged into six water tanks in front of our headquarters for treatment. After going through processes including the collection tank, adjustment tank, pH adjustment tank, contact oxidation pond, buffer pond, and discharge pond, it is then discharged into rivers and other natural water bodies. According to the water pollution control regulations, the discharge standards for effluent water are a COD value of less than 100mg/L, and the pH value must be between 5 and 9, neither too acidic nor too alkaline. O'right strictly self-monitors, conducting daily self-sampling tests and record-keeping. Besides self-monitoring of the effluent, we also commission an environmental testing institution authorized by the Environmental Protection Administration to conduct irregular water sampling and testing every month. Currently, the average COD value of the discharged water from O'right's cosmetics factory is below 50 mg/L, half of the current regulatory requirement, and the average pH value is 7.35 (neutral), ensuring that the discharged water quality has no environmental impact.
In response to enhancing the performance of existing wastewater treatment facilities, the overall improvement measures are as follows:

(1) Strengthening the waterproofing capability of the treatment tanks, increasing from the original two layers to four layers of waterproof treatment.
(2) Enlarging the volume of the treatment tanks to extend the operating time for the biological bacteria, thereby achieving better effluent water quality.
(3) Increasing the oxygen dissolution in the treatment facilities to enhance the survival rate of the biological bacteria.
(4) Utilizing the improved quality effluent water for plant irrigation systems, achieving resource recycling and reuse.

Wastewater Management Policy

Wastewater Reduction	Through the adoption of advanced R&D technologies, we optimize production processes to reduce water usage and consequently minimize wastewater generation.
Wastewater Treatment and Recycling	Ensure that wastewater is effectively treated to meet relevant regulations and standards. We encourage and support the recycling and reuse of wastewater, transforming it into a valuable resource and reducing reliance on natural water resources.
Monitoring and Control	Establish a wastewater monitoring and control system. Regularly monitor and assess the quality and discharge of wastewater to ensure compliance with legal requirements and continuous improvement.
Wastewater Education and Awareness	Enhance the education and training of employees to raise awareness of wastewater management, encouraging their participation in actions related to wastewater reduction, treatment, and recycling.

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4.4 Waste Management

GRI 306-1、306-2、306-3、306-4

O'right is fully aware of the potential environmental and social impacts of waste. Therefore, we are committed to effectively managing waste by reducing waste generation and encouraging recycling and circular use, which can reduce pollution to soil, water sources, and air, and protect the health of natural ecosystems to achieve sustainable development goals. Moreover, waste may contain valuable materials and resources, such as recyclables and reusable materials; proper waste management helps reduce resource wastage.

In 2022, the total amount of general industrial waste transported and recyclable materials (including paper, iron, plastic, and aluminum) were 16.09 tons and 13.67 tons, respectively. To ensure the proper treatment of waste, the company has set up dedicated industrial waste collection areas internally. These areas are managed by qualified operators responsible for waste collection and the cleaning of concentrated waste. We also collaborate with qualified waste transportation companies to send waste to qualified treatment plants for incineration, ensuring the safe handling of waste and environmentally friendly management. In the future, we will continue to improve our waste management system, protecting the environment and saving resources through these efforts, and creating more 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 industrial waste comparison (metric tons)

Category	2020	2021	2022
Recycled goods (paper, iron, plastic and aluminum)	15.85	11.67	13.67
Industrial waste disposal	10.19	10.02	16.09
Infectious waste disposal	0.47	0.49	0.52

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4.5 Greenhouse Gas Emissions

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

O'right practices the spirit of green sustainability in four dimensions: "Obtaining Green Certification," "Innovating Green Products," "Green Services," and "Implementing Corporate Social Responsibility." Since 2010, starting with our Green Tea Shampoo's "PAS 2050 Carbon Footprint Inventory," we have calculated the lifecycle carbon emissions, set carbon reduction targets, integrated supply chains, and sought methods to reduce carbon emissions, constructing value chain management. To continuously implement these four dimensions of green sustainability, we conduct annual carbon footprint and carbon neutrality certifications.

Since 2020, we have changed our approach to carbon footprint inventory, shifting to a full organization greenhouse gas inventory, conducted in accordance with the ISO14064-1 greenhouse gas inventory standard. This inventory covers carbon emissions calculations from five major stages: raw material procurement, manufacturing, sales, consumer use, and disposal and recycling.

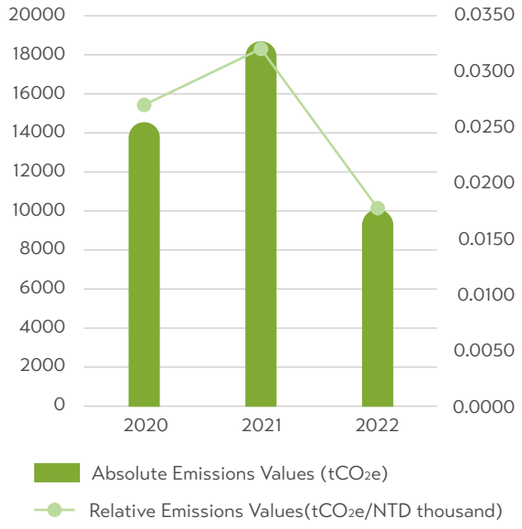
Regarding the scope of the inventory, we have added Category 3 and 4 (raw materials, materials, and auxiliary products), and Category 5 (emissions or removals generated during the product use phase) to our reporting boundaries. Therefore, we changed our baseline year from 2018 to 2020. Compared to the past, which only included the main production products (such as shampoos) of the headquarters factory area, we have expanded the reporting scope to cover all products sold in that year.

In 2021, we further expanded the scope of Category 3 to include employee commuting, business travel, waste transportation, and emissions or removals generated by downstream transportation in Category 3. Due to the adjustment of the reporting boundaries, we selected 2021 as the new baseline year.

Furthermore, we have developed carbon reduction plans targeting carbon emission hotspots, reducing overall carbon emissions, and promoting carbon footprint management in our green headquarters building according to our carbon management requirements. Through the process of carbon footprint reduction, re-quantification of remaining carbon footprints, and finding suitable carbon rights sources to offset greenhouse gas emissions, we continually maintain the carbon-neutral state of our green headquarters building.

Historical Overview Table of Organizational Greenhouse Gas Inventories

Operational Boundaries	Year	GHG emissions (metric tons of CO_2equivalent per year)
Green Headquarter	2018	13,794.833
	2019	10,481.962
	2020	14,537.446
	2021	18,671.611
	2022	10,061.872



● Electricity Usage Intensity & Proportion of Renewable Energy Usage

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4.5.1 2022 Greenhouse Gas Inventory Results

	CO_2	CH_4	N_2O	$HFCs$	$PFCs$	SF_6	NF_3	Total GHG CO_2 equivalent*	Biomass emissions
Emissions equivalent	10,016.3188911	19.0860929	0.0889198	26.3775986	0	0	0	10,061.872	0
Percentage of gas	99.55%	0.19%	0.00%	0.26%	0.00%	0.00%	0.00%	100.00%	0.00%

● Factory-wide Seven Major Greenhouse Gas Emissions Report

	Category 1				Category 2	Category 3			
	Stationary combustion	Processing activities	Mobile combustion	Fugitive emission	Imported energy	Upstream / do wnstream transportation and dis tribution	Employee commuting	Business travel	Waste transportation
Emission Volume	25.5167	5.5067	0	45.4445	113.0903	106.7596	87.7802	29.8264	0.0520

	Category 4		Category 5	
	Purchased goods and ser vices	Waste generated in op erations	Use of so ld products	End of li fe treatment of so ld products
Emission Volume	705.4115	3.5639	8,924.8340	14.0857

● Factory-wide Greenhouse Gas Category Emissions Report

NOTE 1：GHG INVENTORY SETS ORGANIZATIONAL BOUNDARY IN ACCORDANCE WITH OPERATIONAL CONTROL
NOTE 2：GHG emissions occur from a variety of sources and are calculated with the emission factors and calculation method of IPCC 2013.
NOTE 3：The GMP value is obtained from the sixth assessment report by IPCC in 2013 and converted to CO2e (metric tons/year).
The conversion coefficient is in accordance with the greenhouse gas emission coefficient management table (version 6.0.4) by the Environmental Protection Administration

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4.5.2 Carbon Management Performance and Reduction Actions

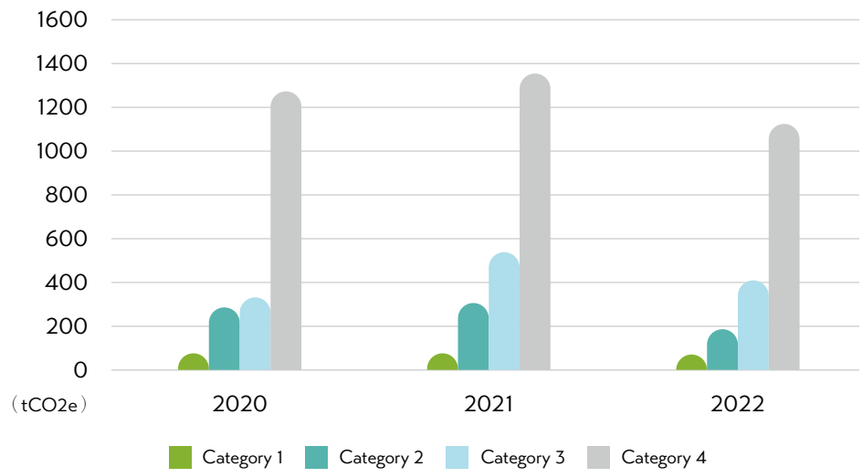
2022 Carbon Reduction Strategy

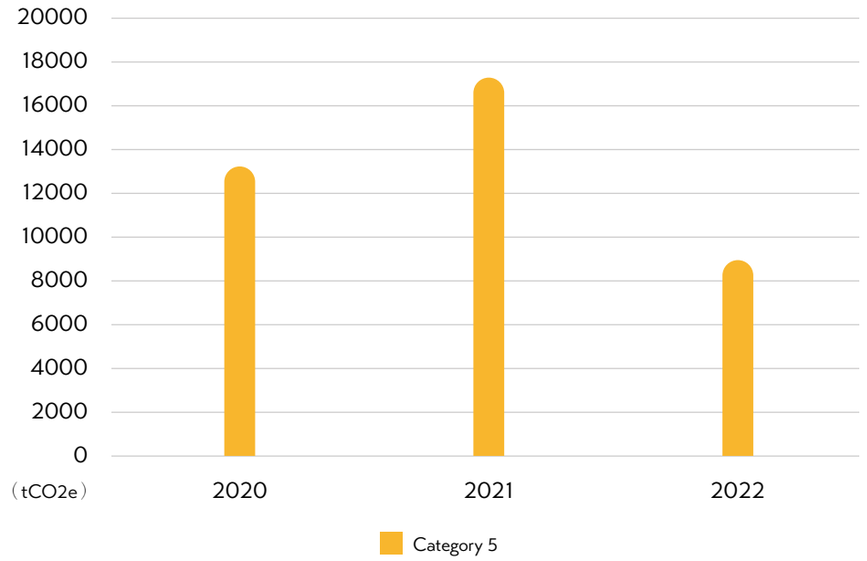
- In 2022, through a green electricity purchase contract, 190,304 kWh of green electricity was purchased, expected to reduce 94.20048 metric tons of CO_2e for the year.
- Advocating energy conservation and proposing improvement activities, reducing the consumption of non-renewable energy.
- Enhancing the energy usage efficiency of low-carbon green factories.
- Using chillers of different tonnage according to the season to reduce air conditioning electricity consumption.
- Marketing activities for low-carbon products, with an estimated carbon emission reduction of over 10% compared to the baseline year.
- Electrification of official vehicles, with a cumulative charging degree of 15,141 degrees in 2022, reducing 7.494 metric tons of CO_2e compared to the same mileage driven by fuel vehicles.
- O'right's bath and shower products have fully switched to 100% PCR recycled bottles, with each product reducing approximately 381.083 metric tons of CO_2e.

Note: The greenhouse gas emission reduction is calculated using the electricity emission factor of 0.495 kgCO_2e/kg as per the Energy Bureau of the Ministry of Economic Affairs for the year 111.

Future Plans

- In 2023, it is planned that the gas consumption per unit of steam will be ≦ 80KG, aiming to improve boiler combustion efficiency.
- Establishing a visualized electricity management system, setting a target annual energy-saving rate of 1%.
- Implementing a plan for 100% renewable energy usage throughout 2023.





Greenhouse Gas Emissions over the Past Three Years

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SCIENCE BASED TARGETS

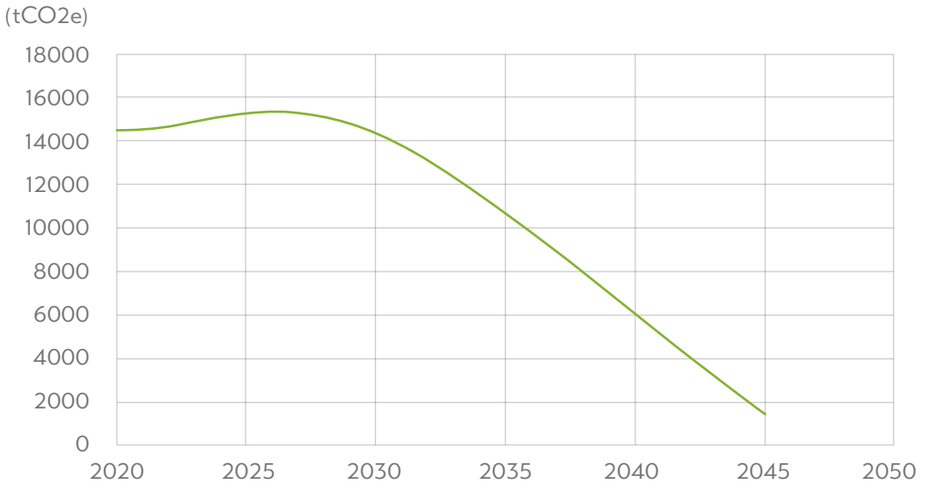
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD

APPROVED NET-ZERO TARGETS

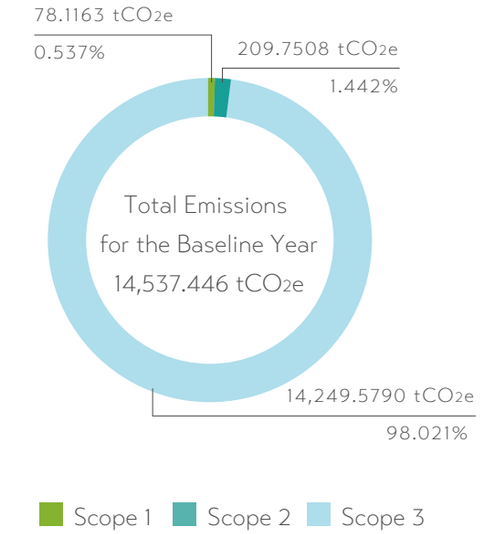
4.5.3 Sustainable Net Zero Development Blueprint

O'right is acutely aware of the significant impact of climate change on the environment and society and recognizes the crucial and important role that businesses play in reducing greenhouse gas emissions. To this end, O'right joined the Science Based Targets initiative (SBTi) in 2022, setting science-based emission reduction targets to ensure that our actions make a substantial contribution to global greenhouse gas emission reduction. We commit to reducing our greenhouse gas emissions within a specific timeframe. This includes our production processes, supply chain, and product usage stages. We will develop specific emission reduction plans for each area and track and monitor our progress. We will strive to take various feasible measures, such as improving energy efficiency, using renewable energy, and implementing carbon capture and storage technologies, to achieve our emission reduction goals.



Emission Pathway Diagram

Carbon Neutrality	Net Zero	
2030	2045	2050
Reduced 50% of Greenhouse Gas Emissions (Scope 1 + Scope 2)	Reduced 90% of Greenhouse Gas Emissions (Scope 1 + Scope 2 +Scope 3)	Reduced 99% of Greenhouse Gas Emissions (Scope 1 + Scope 2 +Scope 3)



Greenhouse Gas Emissions for the 2020 Baseline Year

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05 Employee Relations and Social Engagement

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GRI 2-7、2-8

GRI 401-1

5.1 Green Team

Adhering to the principles of legality, efficiency, and responsibility, O'right has established clear work rules for all employees, covering salaries, working hours, retirement, regulations related to female staff, performance assessments, rewards and penalties, benefits, safety and health, and sexual harassment prevention. These specific guidelines create a well-ordered work system.

5.1.1 Team Composition

In 2022, O'right's green team included 278 regular employees (including 3 female part-time night customer service staff) and 3 non-employee workers (including 2 security guards and 1 intern), with 64% of the employees working at the green building headquarters in Longtan. Considering the predominance of females in the hairdressing industry, 73% of O'right's employees are women. The diversity of the O'right team emphasizes the representation of women in various functional areas. We will continue to strive to create an equal and inclusive work environment and provide opportunities and support for all employees to achieve their career development goals.

The number of males is 75

27%

The number of females is 207

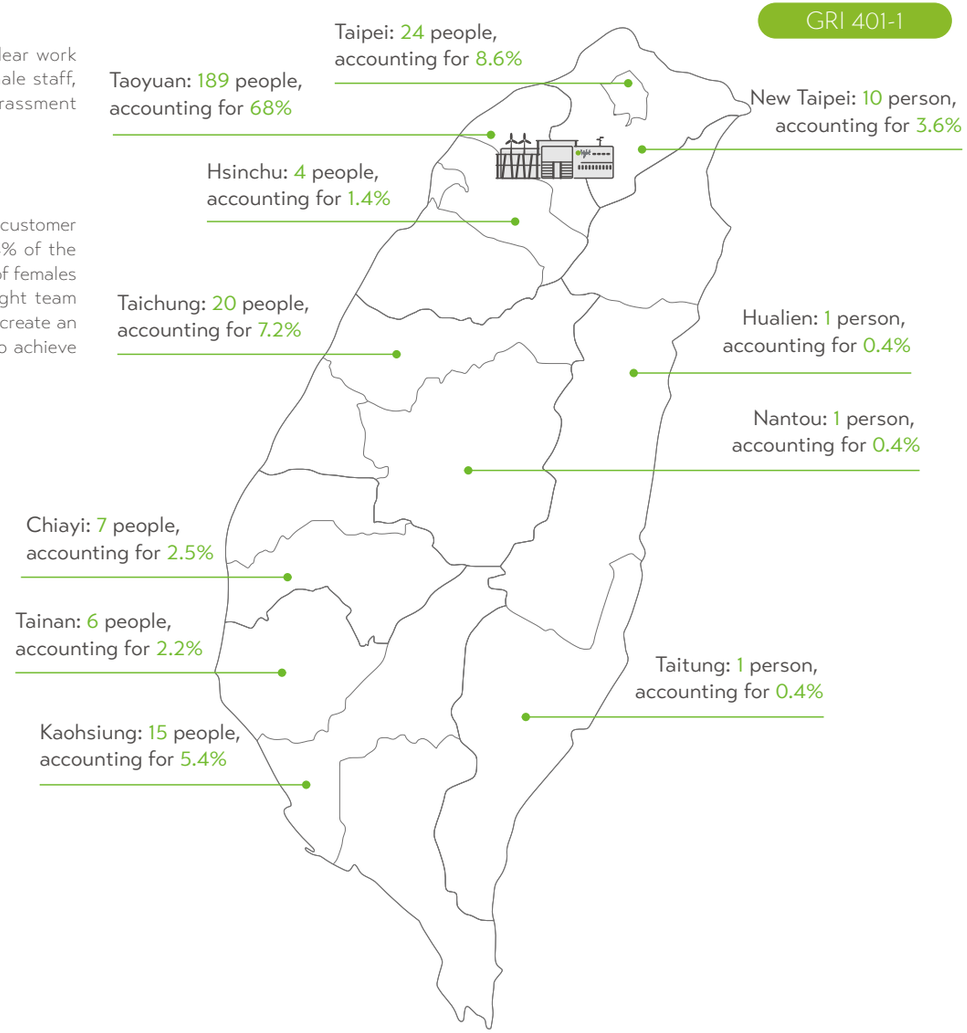
73%



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	17 people	47 people
	10 people	20 people	174 people



The total is 278 people, accounting for 100%.

Employee composition by region

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5.1.2 Employee Labor-Employment Relationship Overview

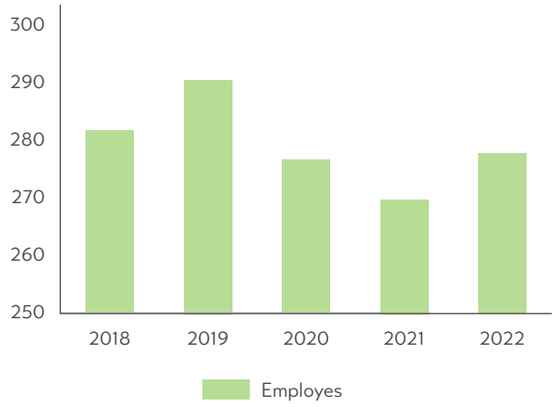
As a company that adheres to labor regulations and legal requirements, we ensure that all employment contracts, wage payments, working hours management, holidays, and benefits comply with legal standards, safeguarding employees' rights and benefits. We value the dignity and equality of every employee, regardless of their race, gender, age, religion, disability, or sexual orientation. At the same time, we encourage diversity and inclusiveness, committed to creating a respectful and trusting work environment. By establishing an open and inclusive culture, we enable employees from diverse backgrounds and perspectives to collaborate and grow together. In the future, we will continue to focus on the needs and welfare of our employees, constantly improving our labor-employment practices to ensure that employees' work experiences and development opportunities are fully recognized and supported.

5.1.3 Overview of New Hires and Departures

In 2022, a total of 84 new employees joined the O'right green team, of which 78.5% were female. In terms of local hiring, 65 new employees were from Taoyuan City, accounting for 77.4% of the new hires. New hires represented 30.2% of the total number of employees. Regarding employee turnover, we observed that the turnover rate for male employees within the first three months of their appointment was 0%, while the turnover rate for female employees was 24.3%. We continue to focus on and improve employee retention to ensure they have stable development opportunities in our company after their probation period, in line with our values of diversity and inclusiveness.

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	66	163	0	1	66	160	0	3
Central	3	18	0	0	3	18	0	0
Southern	5	23	0	1	5	23	0	0



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

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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	8	4	50%	1	13%	2	1	50%	0	0%	0	0	N/A	0	N/A
30-50 y/o	53	2	4%	11	21%	1	0	0%	0	0%	6	0	0%	0	0%
>50 y/o	4	0	0%	2	50%	0	0	N/A	0	N/A	0	0	N/A	0	N/A
Total	65	6	9%	14	22%	3	1	33%	0	0%	6	0	0%	0	0%
Female															
<30 y/o	46	27	59%	20	43%	4	1	25%	1	25%	4	2	50%	3	75%
30-50 y/o	103	7	7%	29	28%	13	1	8%	1	8%	19	1	5%	3	16%
>50 y/o	14	0	0%	3	21%	1	0	0%	0	0%	0	0	N/A	0	N/A
Total	163	34	21%	52	32%	18	2	11%	2	11%	23	3	13%	6	26%

Note：(1)New employees refer to new permanent (regular) employees, including contract employees, part-time employees and interns and excluding temporary workers;
departed employees refer to employees who have resigned,including contract employees, part-time employees, interns, employees on leave without pay and excluding temporary workers.
(2) Northern: Taipei, New Taipei, Keelung, Taoyuan, Hsinchu, Miaoli, Yilan, Hualien, Taitung ; Central: Taichung, Changhua, Nantou; Southern: Yunlin, Chiayi, Tainan, Kaohsiung, Pingtung
(3)The number of employees for the year is based on the count of active employees at the end of the year.

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GRI 404-1、404-2、404-3

5.2 alent Recruitment and Development

5.2.1 Employee Recruitment Policy and Channels

O'right prohibits any discrimination in recruitment, hiring, employment terms and conditions, promotions, transfer opportunities, demotions, reward and punishment, training, benefits or firing on the basis of race, social status, language, beliefs, religion, political affiliation, national origin, place of birth, gender, sexual orientation, age, marital status, appearance, mental or physical disability or past labor union membership. Any workplace changes that may affect employee rights or significant operational changes will only be enforced after considering employee rights and relative regulations.

5.2.2 Code of Conduct for Integrity at Work

All new employees of O'right are required to sign an employment contract to protect the rights ofthe employer and employee. The contract is formulated in accordance with the Labor StandardsAct. Guided by the Principle of Integrity, new employees are requested to provide aguarantor to hold liable should employees engage in bribery and corrupt practices. As stipulated in the new employee orientation training program, all gifts given by customers must be returned to O'right. Additionally, customer service specialists shall complete a payment receipt report and hand the payment over to the company the following day to prevent embezzlement.

Job Search Websites	• We post various job openings on 104 Job Bank, the most widely used job search platform, and disclose various company information through this platform, including business philosophy, main products/services, company environment photos, benefit systems, development history, etc. Additionally, we proactively provide more company information, including corporate sustainability reports, brand annual reports, and environmental education documentaries - "Melting Greenland."
Government Agencies and Employment Centers	• In response to the rise of the digital economy and AI, we have introduced government resources - "Digital Youth Ambassador Promotion Program" to strategize for future talent needs and develop innovative business models and technologies, aligning skill development with the evolving job market and digital trends. • Besides collaborating with government units to display various job vacancies on TaiwanJobs and employment centers, we actively comply with various government employment incentive policies to recruit different job types and specific job-seeking groups.
Universities and Colleges	• To cultivate future talents in the industry, our company maintains a bilateral relationship with academia. Besides providing environmental education visits free of charge, we offer internship opportunities in different departments and job types every year to strategically plan for future human resources.
Community Platforms	• We offer company introductions and job vacancy links on regional or local community platforms to recruit specific job-seeking groups with geographic relevance.
Employee Referrals	• The company also provides incentive policies to attract internal employees to recommend talented candidates.

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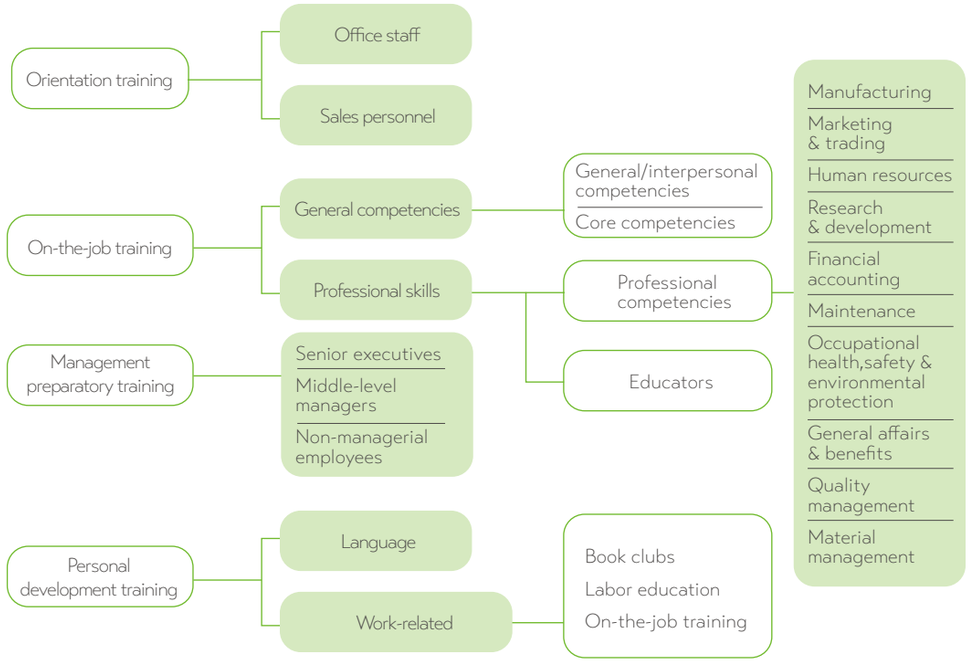
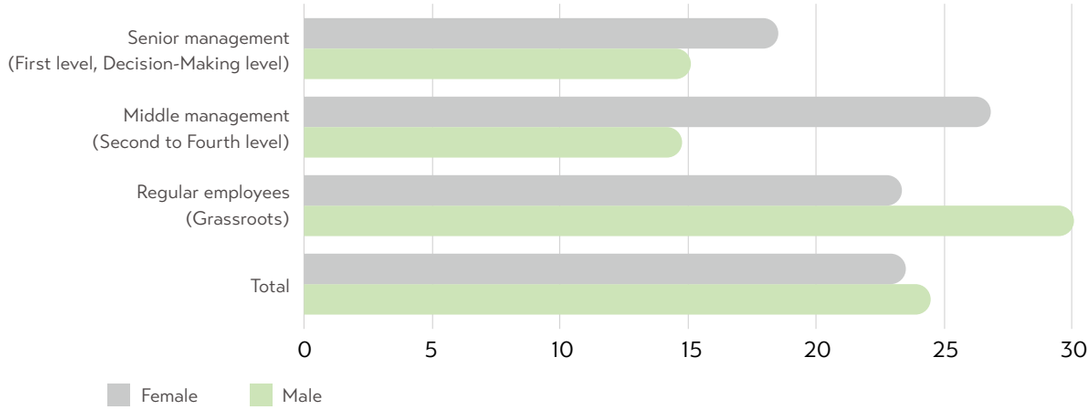
5.2.3 Talent Training and Development

Talent Training and Development O'right places great emphasis on employee career planning and personal growth. To continuously cultivate talent and enhance the professional competencies of staff across various units, O'right implements a professional competency inventory. This approach quantitatively measures the professional skills and gaps that colleagues need to possess, thereby identifying the required content for internal and external educational training programs.





Average Training Hours per Employee Statistics

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5.2.4 Performance Assessment Mechanism

To ensure that employees' hard work is fairly evaluated, O'right implements regular assessments in accordance with the "Work Rules." Supervisors conduct performance reviews from a fair and objective standpoint, evaluating their staff based on overall performance, including professional abilities, knowledge and skills, quality and efficiency, behavior and attitude, and moral conduct. These reviews involve two-way communication, reviewing past year performance and discussing future goals and improvement plans. The assessment period was from January 1, 2022, to December 31, 2022. The subjects were employees who joined before June 30, 2022, totaling 237 people. Excluding those eligible for assessment but on parental leave, the total number of participants was 236, making the assessment participation rate for 2022 100%.

5.2.5 Promotion and Retention System

O'right values talent retention and cultivation, and has established the Sowing the Seeds program and Promotion and Transfer Management Measures:

Newcomers	• For new employees, the "Sowing the Seeds program" is planned. During the three-month probationary period, newcomers go through stages of exploring, understanding, and familiarizing themselves with the company culture, vision development, personal equipment application, company resource acquisition, environmental layout, departmental tasks, peer interaction atmosphere, and green living standards. To effectively nurture and guide new employees (green seedlings) and reduce their tension and unfamiliarity, senior colleagues within the unit play the role of gardeners, fostering a spirit of team help and assisting in integrating into the work environment and culture, thereby increasing retention rates and enhancing team efficiency.
Senior Colleagues	• Through an open and transparent system, exceptional talents are nurtured for secondary professional competencies or promoted to supervisory positions with managerial responsibilities. Unconstrained by traditional stereotypes (such as gender, age, seniority), we provide outstanding colleagues with excellent performance and professional knowledge and skills clear pathways for development or promotion, without any ceiling. • We prioritize selecting outstanding colleagues who have rotated across units or possess multiple professional competencies for key staff or core 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 riendly Work Environment and Care

5.3.1 Attendance Management Methods

(1) Attendance System
O'right strictly abides by all laws and regulations regarding labor and human rights set in place by the Taiwan government and treats the entire staff with respect, equally and fairly. We promote employment equality and set out reasonable employment conditions.

In terms of attendance management at the headquarters, each working day is divided into 3 sets of time periods (A shift, B shift and C shift) during which 3 groups of employees perform their duties. The standard hours of work for employees are 8 hours a day. If employees are to work in excess of the statutory working hours when necessary, it shall not exceed 4 hours a day in a working week and 8 hours on a non-working day (i.e., the weekends or holidays).

Additionally, considering that the customer service staff of the Salon Business Division primarily serve salon shop customers, since August 2015, the previously leased physical office has been converted into a mobile office. This allows customer service staff to have more flexible time to serve customers while still being able to conduct internal meetings through the mobile office. This change not only saves unused office space but also reduces the consumption of electricity in idle offices. The mobile office plan not only improves the efficiency and service quality of sales personnel but also reduces commuting distance and time, thereby lowering transportation carbon emissions. This approach achieves a win-win situation for the environment, employees, customers, and the company itself.

Headquarters Employee Attendance

Shift	Atte ndance	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	08:00-17:00 with a one hour lunch break	Cleaning staff

Total working days	Number of employee	Total working hours	Number of days absent	Absence rate
69,222 days	278	553,776 hours	1,069 days	2%
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

● Absence from work

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(2) Leave Polic

To encourage employees to contribute more to environmental protection, O'right introduced a volunteer service leave policy in 2014. This policy encourages employees to participate in various green and environmental public welfare activities and incorporates these activities into their working hours, contributing to the planet. O'right's volunteer service leave policy applies to employees participating in green and environmental public welfare activities organized by O'right or other legally registered organizations. After participating in these activities and upon confirmation and approval, employees can apply for paid volunteer service leave.

In 2022, a total of 32 O'right employees applied for volunteer service leave, contributing a total of 167.5 hours. This not only highlights the employees' concern and active participation in environmental sustainability issues but also reflects O'right's respect and care for its employees. Additionally, to thank employees for their assistance and efforts in this year's 'Lights Off 60' event, the company specially provided volunteer leave for employees involved in the event execution.

Through this policy, O'right encourages employees to actively participate in green and environmental activities outside of work, further extending O'right's influence in the field of environmental sustainability. The participation of employees not only demonstrates their concern and sense of responsibility for environmental protection but also conveys O'right's green values to the outside world. O'right will continue to adhere to green and environmental values and, through similar welfare policies and activities, further motivate and encourage employees to participate in environmental protection endeavors, committed to creating a greener and more sustainable future and achieving environmental protection goals together with its employees.







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5.3.2 Salary and Rewards System

We place great importance on internal fairness principles. Our aim is to ensure that employees with the same job responsibilities and performance receive equitable compensation, avoiding unreasonable salary disparities. The basic salary of our employees does not vary based on gender, race, religion, political stance, marital status, etc. Instead, it is determined based on the employee's educational background, professional knowledge and skills, professional qualifications, and individual performance. Annually, between March and April, we conduct a comprehensive review of all employees' salaries from the previous year and adjust our salary policy accordingly. Through a transparent and fair compensation system, we ensure that our employees feel equitably treated, maintaining high motivation and job satisfaction in the workplace.

5.3.3 Retirement System

O'right values employee welfare and retirement security, hence we rigorously follow relevant laws and regulations. In accordance with Article 56 of the Labor Standards Act, the employer must continuously contribute a monthly sum to the labor retirement reserve fund, ranging from 2% to 15% of the employee's total monthly salary. Currently, all O'right employees have opted for the new labor pension system to ensure they receive appropriate financial security upon retirement. Currently, 3 employees are still in the transition period, being subject to both the new and old systems. By implementing the labor pension system, O'right not only expresses gratitude to its employees for their long-term hard work but also takes responsibility for employee welfare. This reflects the company's care and respect for its employees, ensuring they receive appropriate retirement security at different stages of their careers and safeguarding their long-term interests.

Shared Business Results	An annual allocation of employee bonuses based on a set ratio.
Colleague Salary System	【Sales Colleagues】 A certain percentage of individual and group bonuses is designed, with additional rewards (such as luxury goods, travel, etc.) for outstanding performers, encouraging colleagues to create a win-win situation for both themselves and the organization. 【General Colleagues】 For each position, salaries are determined based on market wage trends, educational and professional background, and years of service.

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

Gender	Statutory Basic Wage	Average salary at O'right	Average salary/ minimum wage
Male	25,250	45,649	1.80
Female	25,250	36,518	1.44
Average	25,250	41,084	1.62

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5.3.4 Gender-Friendly Policies

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 that all employees can develop and grow in an equitable, respectful, and inclusive work environment, we are committed to upholding employee rights, including fair compensation, work-life balance, and a friendly and inclusive work environment. This approach not only helps to enhance employee satisfaction and loyalty but also fosters innovation and better performance. We continue to uphold our values of gender-friendliness, striving towards the goal of gender equality.

(1) Equal Pay
O'right is committed to eliminating the gender pay gap and conducts regular salary reviews to ensure that employees in the same job positions receive fair compensation.

O'right Employee Salary Ratio by Gender

Job Level	Fixed Salary (Male: Female)	Average Salary (Male: Female)
Senior Management (First Level, Decision-Making Layer)	1.16 : 1	1.66 : 1
Middle Management (Second to Fourth Level)	1.14 : 1	1.13 : 1
General Colleagues (Grass-roots Level)	1.05 : 1	0.98 : 1

(2) Elimination of Discrimination
We advocate for a respectful and inclusive work environment and prohibit any form of gender discrimination, sexual harassment, and bullying. We encourage employees to support and respect each other and have established measures such as 'Workplace Sexual Harassment Prevention Measures and Disciplinary Actions' and 'Prevention and Management of Unlawful Infringement in Duty Performance' to provide a comprehensive mechanism for reporting and addressing any behavior that violates these principles.

(3) Lactation Rooms
On average, female employees breastfeed for more than six months postpartum. To respect the needs and rights of every mother and ensure that breastfeeding mothers can have the necessary privacy and comfort during work, O'right provides a quiet, comfortable, and sanitary lactation space for nursing mothers to use, ensuring that mothers can conveniently breastfeed or pump as needed.

(4) Parental Leave for Childcare
In order to support employees in balancing their family and professional lives, O'right provides parental leave for childcare. Employees who are caring for children under the age of six or who have not yet started elementary school are entitled to take 3 hours of childcare leave per week, totaling no more than 6 hours per month. This policy allows employees to better balance their work and family responsibilities, reducing work stress and fostering a more motivated and focused return to their job roles. O'right also respects the individual family circumstances and needs of each employee, ensuring that they are not subjected to unfair treatment due to their childcare obligations.

Note: This leave is available to employees who have been in service for more than six months.

Parental Leave Applications in the Last Three Years

Item	2020			2021			2022		
			total			total			total
Employees who were entitled to unpaid parental leave	11	28	39	4	13	17	8	25	33
Employees who took unpaid parental leave	0	3	3	4	7	9	0	12	12
Percentage of employees on unpaid parental leave	0%	11%	8%	0%	54%	41%	0%	48%	36%
Percentage of employees on unpaid parental leave	0	3	3	0	3	3	0	6	6
Employees who returned to work after leave	0	3	3	0	0	3	0	4	4
Percentage of employees who returned to work after leave	N/A	100%	100%	N/A	100%	100%	N/A	67%	67%
Number of Employees Scheduled to Return from Parental Leave and Actually Returned in the Previous Year	0	2	2	0	3	3	0	4	4
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	100%	100%	N/A	67%	67%	N/A	50%	50%

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5.3.5 Green Work Environment

(1) Organic Vegetable Cafeteria

O'right's green philosophy emphasizes more on the value than the cost. In order to incorporate environmental concepts in everyday life, an organic vegetable cafeteria is especially designed for employees to enjoy during lunch. The Organic Vegetable Cafeteria at O'right is supplied with fresh organic produce from nearby farms. All vegetables, such as cucumbers and lettuce, are sourced from organic farmers in Taiwan, prioritizing purchases from neighboring fields to reduce food miles, only turning to outer areas when there's a shortage. O'right offers all main dishes and soups free of charge to its employees, encouraging them to bring their own lunches to reduce plastic and waste. Additionally, employees take turns in vegetable preparation, plating, and washing communal dishes every workday. This practice is meant to instill a sense of food appreciation and environmental responsibility among the staff. Since the outbreak of the pandemic, O'right has not reduced employee benefits. Instead, to look after their dietary health and minimize the risk of infection from eating out, the company insists on providing a four-dish-one-soup meal along with a main dish as part of their pandemic response. They also promote cleanliness and disinfection practices. All staff involved in food service undergo cleaning and disinfection to ensure a safer dining environment.

(2) Fair Trade Coffee Beans

The coffee machine in the vegetarian restaurant uses UTZ-certified fair trade coffee beans. UTZ is a non-profit coffee certification organization that supports the cultivation and production of coffee using environmentally friendly farming methods from a socially and environmentally responsible perspective. UTZ also opposes exploitation by middlemen, advocating that providing fair compensation to coffee farmers is an effective way to encourage sustainable farming practices, thus creating greater benefits for coffee farmers. Additionally, the used coffee grounds are made available to colleagues. These coffee grounds have been utilized to produce green manure, used for planting herbs, potatoes, etc., achieving the circular benefit of waste reuse.





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5.3.6 Employee Grievance and Communication Channels

O'right values every issue and suggestion raised by employees and has a complete SOP for handling employee feedback. To provide the most immediate, direct, and smooth all-round service, the company adopts an approach of reporting and handling issues anytime. Internally, equal communication channels are established for immediate communication and consultation with supervisors, relevant committee members, or service windows of relevant units, followed by tracking and confirmation with the relevant processing units. Additionally, O'right offers a smooth grievance channel for employees whose legal rights are infringed, who face sexual harassment, or when inappropriate handling occurs and cannot be reasonably resolved, committed to protecting employees' fundamental rights.

Official Complaint Channels	Labor-Management Meetings	To coordinate labor-management relations and ensure smooth communication with workers, labor-management meetings are held regularly every three months. These meetings focus on issues such as protecting workers' rights, promoting cooperation between labor and management, and improving work efficiency, addressing employee concerns with high priority and efficiency.
Internal Communication Channels	Sexual Harassment Prevention Committee	A "Workplace Sexual Harassment Prevention, Correction, and Handling Measures" policy has been established to provide employees, dispatched workers, and job applicants with an environment free from sexual harassment, adopting appropriate preventive, corrective, and handling measures.
	Occupational Safety and Health Committee	To prevent employees from unlawful infringements by employers, supervisors, colleagues, service recipients, or other third parties in the workplace, the "Preventive Management Measures for Unlawful Infringement Suffered During the Execution of Duties" have been formulated.
	General Manager's Mailbox:	This provides an equal communication channel within the company, allowing employees to promptly reflect problems and provide feedback on suggestions.

5.3.7 Employee Satisfaction Survey

O'right conducts an annual employee satisfaction survey. Through the survey, a two-way communication platform is established, systematically collecting employees' opinions and feedback, diagnosing potential company issues and their causes, assessing the impact of organizational changes and strategies on employees, and continuously improving important issues or company management. In 2022, 253 employees completed the survey questionnaire, with a response rate of 91%. The survey covered organizational identification, internal operations, work environment satisfaction, employee training, and benefits system, etc., to understand colleagues' expectations and needs in different aspects of the company and further establish a positive corporate culture, encouraging employees to actively participate and engage in their work, enhancing overall team efficiency.

(1) Survey Results:

Over 80% of employees identified with the organization's core values, brand vision, and strategy; at the organizational operation level, over 90% of employees were satisfied with cross-departmental collaborative work and teamwork.

(2) Improvement Measures:

a. Strengthen vertical communication within departments, provide timely feedback, and guide colleagues to discover potential and increase confidence.

b. Continuously improve the comfort of the work environment, providing a friendlier workspace for colleagues.

c. Increase the diversity of educational training resources and channels, encouraging employees to engage in self-learning to enhance individual performance and potential, fostering competitiveness.

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Career Care	Mental and Physical Health Care	Family Care
A comprehensive employee promotion plan	Occasional brand events,Incentive trips for top-performing employees	Maternity allowances
Year-end bonus (depending on company and individual performance)	The employees who have met the standard for overseas travel.	Marriage and funeral allowances
Profit-based bonus and sales bonus	Birthday benefits	Emergency allowances
Training (new employee orientation, professional training, management training, talent development)	Employee Health Check-ups (including check-up items that exceed regulatory standards)	Mother's Day gift & Father's Day gift
Annual year-open partyEmployee purchase discount	Group insurance (accident insurance and occupational accident insurance)	Dragon Boat Festival benefits & Moon Festival benefits
Business Travel Insurance (Travel Accident Insurance)	Free organic meals, fair trade coffee and soup provided in the Organic Vegetable Cafeteria	Family day

Overview of employee benefits

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GRI 403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9

5.4 Occupational Health and Safety

The Safety and Health Manual was stipulated in accordance with Article 34 of the Occupational Safety and Health Act to prevent occupational accidents and promote health and safety in the workplace. New employees are required to take a pre-employment health check before starting work. We also schedule various health education seminars regularly.

5.4.1 Management System

(1) Occupational Health and Safety Management System
Since 2014, we have been certified to the OHSAS 18001 international management system and have actively promoted an occupational health and safety management plan every year to continuously improve and track our management mechanisms. In 2019, we completed the transition to the ISO 45001:2018 system. According to the provisions of Articles 2(5), 36(1), and 37(2) of the Occupational Safety and Health Act, the scope of labor places managed by O'right's occupational safety includes the Longtan Green Headquarters and raw material, equipment maintenance suppliers who need to enter the factory for work, ensuring the safety and health of all partners working in O'right Green Buildings. For other labor places outside the Green Headquarters, they follow the relevant regulations of those specific workplaces. For example, the occupational safety regulations for our employees at department store counters follow those of the respective department stores. (Based on a total of 278 employees at the end of 2022, 179 employees are under the jurisdiction of O'right's occupational health and safety management system at the headquarters, while the remaining 99 are governed by the occupational safety regulations of their respective workplaces.)

(2) Occupational Health and Safety Management Organization
To implement occupational safety and health measures for employees and related personnel, a legal occupational safety and health office has been established, following the occupational safety and health management regulations. The Occupational Safety and Health Committee, chaired by the Deputy General Manager, consists of 10 members, including 4 employee representatives. Quarterly Occupational Safety and Health Committee meetings are held to discuss management policies and continuous improvement methods. The personnel responsible for the occupational safety and health office promote occupational safety awareness among employees through daily communication groups. Additionally, in collaboration with the health management consulting firm - H2U Corporation, four major projects focusing on labor health protection are professionally managed, actively addressing employees' health and preventive measures against overwork.

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 Precautionary Measures
Since its establishment, O'right has been categorized as a low occupational hazard workplace. Despite this, we continually strive to reduce the likelihood of hazards. In addition to regular hazard awareness training for factory staff, we implement annual hazard risk identification and tiered management. After assessment in 2022, no significant high-risk items were identified, with all risks evaluated as below Grade C and not requiring management. Nevertheless, the Occupational Health and Safety Committee still manages potential 'fall' and 'electrical shock' hazards that are relatively common in daily life, and these are emphasized in the safety and health education training for new employees in 2022. If these two potential hazards are a concern, a safety briefing is mandatory before the operation to reduce risk through control measures. Furthermore, the five major hazard factors that could cause illness (chemical, physical, ergonomic, biological, psychosocial), their frequency, and types are included in the operational control items. We continuously review and update the "Work Permit Procedure," taking into account the advice of professional factory safety personnel and doctors, to adopt the best implementation plans, thereby creating a healthy and happy workplace environment.

(4) Health Management
O'right cares about the health of its employees and conducts health checks at different frequencies according to their ages, as required by law. Employees who need to enter the BSL-2 Biosafety Laboratory for work are offered annual health check benefits. In 2022, health checks were conducted for employees under 40 years old. According to the Talent Development Center, a total of 95 employees (excluding two pregnant employees) were due for examination. Apart from the headquarters, there are four external checkup points in the northern, central, southern, and eastern regions to facilitate employees' access to health checks. The final implementation resulted in 100% participation, with all 95 eligible employees undergoing health checks.

All health check reports are handled and managed in accordance with personal data protection laws. O'right employs professional health consultants from H2U Corporation, who conduct risk assessments based on these reports, which are inaccessible to others. As mandated, a nurse visits the factory four times a month, and a doctor once every quarter. Health check results are managed in four categories, with individualized analysis and health guidance, ensuring follow-up. High-risk employees or those with potential health issues receive one-on-one consultations with a doctor and continuous care. Additionally, the health management company provides a dedicated app for employees to access their personal health check data, receive educational information, and keep a complete record of their health indicators, thereby promoting a holistic healthy workplace environment.

2022 Healthcare grading	Number of people	Number of people who received health consultance
Grade 1	16	0
Grade 2	35	0
Grade 3	40	6
Grade 4	4	4

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(5) Occupational Accident and Incident Investigation

To enhance the efficiency of accident investigations, O'right has established the "Accident Handling and Investigation Procedures." Following the SOP process, these procedures involve verifying the facts and circumstances of an accident, identifying causes, and then implementing corrective actions. This approach aims to reduce the likelihood of future incidents.

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

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5.4.2 Management Performance

(1) Education, Training, and Safety Promotion
To enhance employees' awareness and understanding of occupational safety and health, ensuring their safety and health in the workplace, O'right annually assigns occupational safety and health representatives or personnel requiring specialized training to participate in refresher courses. The company implements annual educational training and related drills, such as conducting fire drills and leakage exercises. Through these educational and promotional measures, a work environment with a high level of occupational safety and health awareness is established, ensuring that every employee can work under healthy and safe conditions.

Occupational Safety Training in the past 3 years

Year	Item	Participants
2020	Fire safety dril	Entire staff
	Chemical spill drill	Chemical spill response team
2021	Fire safety dril	Entire staff
	Chemical spill drill	Chemical spill response team
2022	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 Check-ups and Health Promotion

To care for the health of every employee, O'right offers health check-ups that exceed legal requirements and regularly plans health promotion courses and activities. These provide relevant occupational health information and knowledge, including the importance of health and safety in the workplace, common occupational diseases and work injuries, prevention measures, and methods of health promotion. This information helps employees understand potential health risks and learn how to protect their physical and mental health. The goal is to establish a healthy, safe, and supportive work environment that promotes the physical and mental well-being and overall happiness of employees.

Occupational health and safety courses in the past 3 years

Year	Course
2020	• Reducing the negative e ects of employees' emotions on job performance • Physical relaxation in the workplace：Boost workplace happiness, promote good sleeping behavior, improve creativity • Physical therapy & occupational therapy
2021	• How to deal with negative emotions at work • Muscle relaxation • Pain and stress relief • O ce stretching
2022	• Ergonomic Musculoskeletal Hazard Prevention - Health Lecture • Health Management - Ergonomic Stress Relief Stretching Class



● 2021 年健康講座課程實境

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(3) Management Outcomes for Internal, External, and Non-employee Workers

In terms of occupational injuries and disabilities among internal and external workers, since 2018, the data have been calculated using a new formula, excluding commuting accidents and temporary disabilities within a day. Since 2018, there have been no occupational accidents among O'right employees. For management areas related to non-employee workers, such as contractor management, there were also no occupational safety incidents leading to disabilities in 2022. The Occupational Safety and Health Office will continue its tradition of excellent risk management to ensure a safe and secure working environment for all colleagues.

Occupational injuries and lost workdays in the past 3 years

item	2020	2021	2022
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	521,856	544,016	553,776
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		

5.4.3 2022 Pandemic Response Special Report

Despite the continuous spread of COVID-19 since its outbreak at the end of 2019, the real surge in Taiwan occurred in the first half of 2022, with daily confirmed cases reaching tens of thousands at its peak. This not only jeopardized individual health but also posed a significant challenge to companies' operational continuity. During this tense period, our Occupational Safety and Health unit monitored daily pandemic updates from the central government, implementing corresponding preventative measures such as remote working, on-site traffic flow management, and a labor health management reporting system.

When controlling infection rates became challenging, the company advocated for reducing severe infection risks by encouraging staff to get vaccinated, providing vaccine leave, and constantly updating free vaccination information to urge staff participation. As of April 2022, our vaccination coverage was as follows: 172 employees (65.65%) had received three doses, 72 employees (27.48%) had two doses, 11 employees (4.2%) had one dose, and 9 employees (3.44%) remained unvaccinated due to religious beliefs or pregnancy. This coverage was significantly higher than the national average of about 50%, providing our staff with a higher degree of protection. Additionally, the company freely distributed 200 rapid test kits for employees experiencing symptoms or identified as close contacts, with 100 kits used by the end of 2022. The company also continued to provide cleaning solutions and alcohol for staff use, fulfilling its corporate social responsibility.

By the end of 2022, as the pandemic subsided and despite a 50% infection rate among our employees, no severe cases requiring hospitalization were reported, thanks to the high vaccination rate. After the mandated 7-day home isolation, most employees returned to work healthy. We implemented thorough disinfection measures for confirmed cases and adhered strictly to national pandemic policies, including mask-wearing, vaccination, health management, and establishing an emergency response center, preventing departmental shutdowns or work stoppages due to infections. Recognizing the importance of public health, we have retained all pandemic experiences and data to continually refine our pandemic response mechanisms for future uncertainties.

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GRI 413-1、413-2

5.5 Environmental Education

When running a business, we should be able to contribute to society and the environment. For everything that we do, we ask ourselves: what is its social and environmental value, and does it benefit our corporate governance and development? These are the goals we want to achieve!

In September 2006, we set ourselves the challenge to become a green brand dedicated to the health and well-being of people, society and the environment. Inspired by nature, we strive to maximize the use of natural resources and expand our green impact to create a greener world. We engage consumers in sustainable actions such as reducing the use of plastics, reusing wastes and making the shift to green consumption and living. By influencing others, we are also motivating them to go green as if it is the most natural thing to do. Make green a part of not just ours but their daily lives as well; that is our ultimate goal.

We base our development on the concepts of "Ecological Value," "Social Value," "Green Services," and "Green Products," formulating three major green marketing strategies: Products, User, and Events. This approach aims to cultivate consumers' awareness of green consumption.

Products：We innovate green products with eco-friendly designs and develop environmentally sustainable materials to spark consumer awareness about green choices.

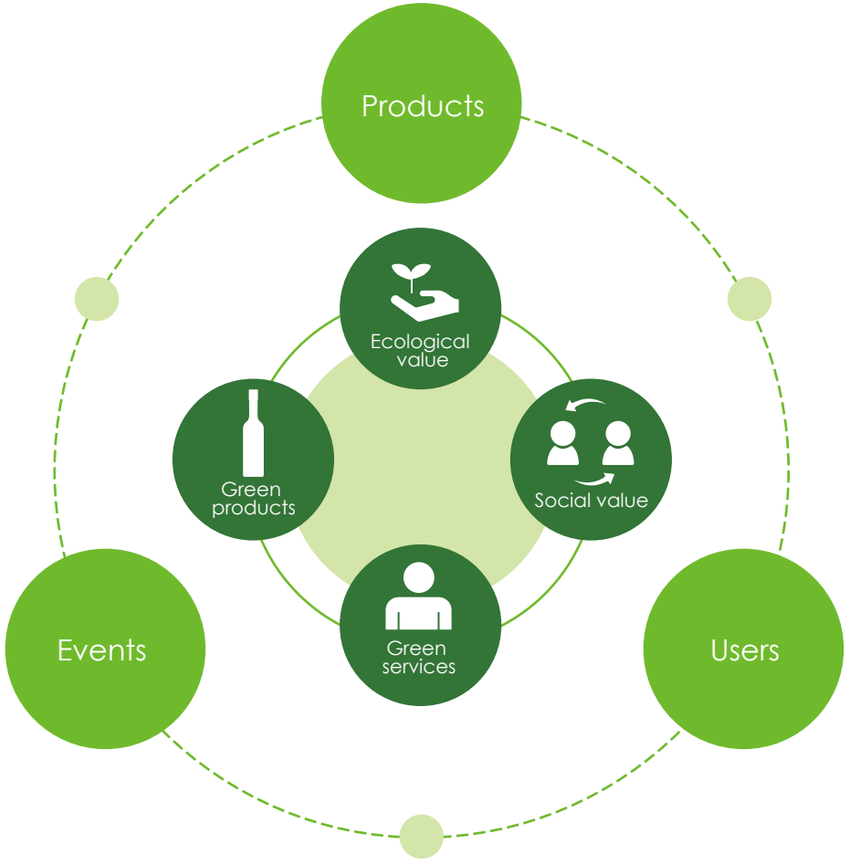
Users：We design products that save water and electricity, offering consumers a more eco-friendly option. Additionally, all our products undergo greenhouse gas inventory covering five major stages: raw material procurement, manufacturing, sales, consumer usage, and waste recycling. They are also certified carbon-neutral, reducing the environmental impact of each consumer action.

Events：O'right organizes or co-hosts large-scale environmental events.

a. Earth Hour: We invite government entities, businesses, celebrities, campuses, organizations, and the public to join in turning off lights and reducing carbon emissions.

b. Beach Cleaning: We invite salon industry partners, supply chain partners, employees, and their families to take part in beach clean-ups, protecting the oceans and maintaining their cleanliness. From 2020 to 2022, due to Covid-19, we shifted to social media campaigns to encourage public reduction of plastic at the source, continuously advocating for nature.

c. Tree Planting: In collaboration with the NTU Experimental Forest, we adopt a reforestation program where we plant saplings and adopt primary forest areas, contributing to forest conservation and slowing down global warming. By 2021, O'right's tree-planting initiatives have resulted in 2,660 trees planted and nearly 3.6 hectares of land adopted, fostering a sense of coexistence with nature and protecting a sustainable earth.



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Type	2020	2021	2022	2012~2022
Enterprises	535	803	1,627	13,789
Salons	66	0	0	6,220
Governmental	239	15	192	2,036
units	9	12	82	97
Associations	519	253	417	11,099
Academic	29	0	7	127
institutes	36	62	156	1,122
Media	1,433	1,145	2,481	34,490

● Visitors of O'right Green Headquarters

Communities: * From June 2012 to December 2022
* The visitor statistics are based on the visitor lists provided by O'right's administrative management center. Temporary visitors are not included in the official count.
* Person-times correction and adjustment: As of December 31, 2021, the total number of visitors recorded in the weekly reports should be 32,009. This figure differs from the previously reported total of 27,517 visitors from 2012 to 2021, with a discrepancy of 4,492 visitors.

5.5.1 O'right's Green Headquarters Visit

The establishment of the Environmental Education Center is a long-cherished dream of O'right. In the face of escalating climate change challenges, carbon reduction is an undeniable responsibility for all companies. O'right aspires to use the design of its Green Headquarters to transmit a deeply-rooted sustainability ethos in Taiwan, inspiring visitors to join the movement to protect the Earth. The objective is to serve as an interactive bridge between the public and environmental concerns, providing visitors with an enriching environmental education experience.

Since its inauguration in June 2012, O'right's Environmental Education Center has drawn considerable attention, attracting visits from major enterprises, organizations, academic institutions, and environmentalists globally. In addition to responding to visit requests, O'right actively invites local community members, salon operators, and employees' families to the Green Headquarters for environmental education sessions. The aim is to engage all stakeholders in greening initiatives, deepening their understanding of O'right's sustainable practices, and heightening general environmental and climate awareness.

To ensure a high-quality educational experience, a range of visit programs, including brand presentations and guided tours of the headquarters, are organized. Relevant supervisors are trained as professional environmental educators. The visit content is regularly reviewed and adjusted to maintain its relevance and educational value.

In 2022, O'right's Environmental Education Center was officially recognized as a national-level environmental education facility by Taiwan's Environmental Protection Administration. That year, the center hosted 120 visiting sessions, with a total of 2,481 visitors. Since the establishment of the Green Headquarters, O'right has welcomed a cumulative total of 34,490 visitors by the end of 2022.



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5.5.2 O'right Environmental Education Facility: Objectives and Action Strategies

By achieving certification as an environmental education facility, O'right provides a quality venue for environmental education activities for college students and corporate or governmental organizations. We also invite visits from relevant college departments and courses (such as business management, CSR, corporate ethics courses, and design schools) to observe and learn from our green building design and applications. Since the inauguration of our Green Headquarters, we have hosted over a hundred such educational sessions, offering high-quality courses for learning and observation, and sharing corporate knowledge and experience. Additionally, we integrate strategic alliance resources to continuously focus on post-course actions related to environmental charity or United Nations Sustainable Development Goals. This assistance helps students develop adaptability and competitiveness and aids businesses and organizations in adapting to operational risks or transformation opportunities caused by climate change. Currently, our course content primarily revolves around two themes: zero-carbon actions in environmental and manufacturing aspects, and the practical implementation of green factory goals. Going forward, we will continue to collect feedback on course operations, assess new environmental education course requirements, and visit other exemplary facilities as references for future improvements to provide more comprehensive and high-quality environmental education courses.

Action Strategies

	Short-term (1-2years)	Medium-term (3-4years)	Long-term (5years)
Goal 1: To fully develop environmental education courses	• Continuously operate a course development team, regularly reviewing the operation of courses. • Implement 10 sessions of environmental education programs (for corporate groups and universities), and assess their effectiveness.	• Revise 2 sets of current environmental education program plans. • Develop and pilot 1 new course program in line with the thematic framework of course development.	• Execute 10 sessions of the new course program, collect feedback data. • Finalize the revised course plans for use in the next phase of environmental education facility accreditation.
Goal 2: To cultivate internal staff	• The course development team serves as seed instructors, conducting regular internal training with relevant environmental education units. • Plan to recruit environmental education volunteers, develop training systems, and establish verification and inspection mechanisms.	• Recruit and train 15 environmental education volunteers. • Train environmental education volunteers to obtain qualification certifications. • Establish an environmental education workshop, integrating internal and external resources to achieve empowerment goals.	• Act as teaching assistants for environmental education in partner schools to adjust internal teaching materials. • Through the active participation of environmental education volunteers, convey the concepts and actions of environmental education.

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To continuously expand its green influence, since October 2018, O'right has been inviting institutions and organizations participating in environmental education at the Green Headquarters to jointly commit to the SDGs, the United Nations Sustainable Development Goals. In 2019, O'right undertook a comprehensive upgrade of the Green Headquarters, version 2.0. This plan integrated recycled materials, local culture, and sustainable design into the natural environment of the building, creating spaces like the Re office, Environmental Education Center, Brand Experience Hall, and a glasshouse skywalk.

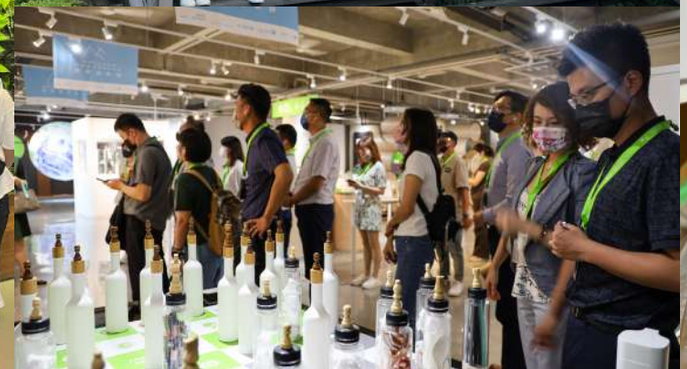
Combining these with the factory area and a low-carbon office, the headquarters utilize green clean energy (wind and solar power) for self-generation, exclusively used in product manufacturing. Additionally, various energy-saving, water-saving, and cooling facilities are implemented to reduce the use of high-carbon energy sources, redefining the concept of sustainability. O'right offers these initiatives free of charge, committed to promoting environmental education, aiming to broaden public awareness of O'right's philosophy and global sustainable development trends.

















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5.6 Green Impacts

GRI 413-1、413-2

An unpredictable pandemic showed us just how tiny humans are in front of Mother Nature. It has heightened environmental awareness, making people pay more attention to environmental issues that could hurt the place we call home. Sustainability is not just reflected in our products and services, but also embedded in everything we do. We do everything in our power to build a greener world. We hope that our years of green impacts can empower collective action to accelerate a more sustainable future.



Plant a Tree

In 2022, due to the expiration of the tree planting contract signed with the NTU Experimental Forest, future efforts will focus on strengthening environmental education, driven by SDG Goal 13 'Climate Action'. From 2011 to 2021, in four areas of Nantou - Qingshuigou, Heshe, and Xitou, a total of 2,660 trees were adopted, cumulatively reducing 189,244 kgCO2e in carbon emissions.



Earth Hour

In 2022, Earth Hour saved 114,000 kWh of power and achieved 57,228, kg of carbon reduction on the night, equal to planting 5,202 trees.
From 2011 to 2022, a total of 1,099,000kWh of power has been saved and 559,391 kg of carbon has been reduced on the night of Earth Hour, equal to50,853 trees planted.



Coastal Cleanup

Due to the impact of the COVID-19 pandemic, actual beach clean-up activities have been halted since 2020, with the statistics remaining at the 2019 level. O'right organized beach clean-up events from 2015 to 2019, collecting a total of 1,940 kg of trash.

Source:
- Statistics provided by Taiwan Power Company
- Based on the electricity emission factor of Taiwan from 2011 to 2021 (0.509 kg). (Source: Bureau of Energy, Ministry of Economic A.airs)
- A 20-year-old tree absorbs 11-18 kg of CO2. The calculation is based on the lowest carbon absorption of 11 kg as tree seedlings were planted instead of grown trees. (Source: Bureau of Energy, Ministry of Economic A.airs)

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5.6.1 Earth Hour

Earth Hour is a global initiative founded in Sydney, Australia by WWF in 2007 that is celebrated on the last Saturday of March every year from 8:30 to 9:30 local time, uniting people across the globe to raise awareness of the fight against climate change and to protect the earth. Since then, it has grown to become the world's largest grassroots movement for the environment.Taiwan is one of the 190 countries globally that have responded to the call for environmental action. To date, the response has extended to over 18,000 landmarks worldwide. In 2012, O'right decided to use all its resources and strength to spearhead and participate in such initiatives in Taiwan. Recognizing that the people of Taiwan are global citizens, O'right believes it's crucial not to be absent from such global environmental activities. The goal is to instill the concept of energy conservation and carbon reduction deeply in the hearts of the Taiwanese people.

The "2022 Earth Hour Lights Out" event was held at the Guangtian Palace Square in Hualien City, with enthusiastic participation and response from the public online via live streaming. O'right, the organizer for the Taiwan region, has been leading this initiative for 12 years. As one of the few non-NPO organizations globally, it is authorized by the WWF's Earth Hour team. This year, not only did central government, the six metropolitan cities, and county and city leaders across Taiwan unite to respond with the rest of the world, but the event also garnered online support from over a hundred celebrities, thousands of well-known companies, and green salon businesses. This massive "global voluntary public carbon reduction action" significantly spread its message, showcasing Taiwan's green influence to the world.

Eastern Taiwan's largest Mazu temple, "Hualien Port Tian Gong," participated in the Earth Hour event by turning off lights to protect the planet.
For the first time, Earth Hour collaborated with a major temple as the main venue. The event began with a performance by the locally renowned "Huilan Jing Folk Art Group," featuring an impressive lion dance and an electrifying performance by the Electronic Third Prince, setting an energetic tone. After lights out at 8:30 PM, the event showcased the cultural strength and beauty of Hualien's six indigenous tribes through traditional music and dance, expressing gratitude to nature. The global countdown at 8:30 PM connected famous landmarks across Taiwan, from the main venue at Hualien Port Tian Gong to the Presidential Office, Taipei 101 and its surrounding Xinyi business district, the Taichung Opera House, and the Grand Hotel in Taipei. The event aimed to encourage the Taiwanese public to adopt a low-carbon lifestyle and change habits that excessively consume the Earth's resources.



Earth Hour

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Uniting Efforts: Corporate Influence for Collective Response

According to the Bureau of Energy, Ministry of Economic Affairs, each person participating in the one-hour lights-off event can reduce at least 0.25 kg of carbon emissions. Calculating for Taiwan's entire population of 23 million participating in the event, it can save about 5.09 million kWh of electricity, equivalent to reducing 5.75 million kg of carbon emissions. This amount is comparable to the annual carbon absorption of 230,000 trees or the carbon dioxide absorption of 38 Da'an Forest Parks in a year. Such small collective actions can have a significant impact.

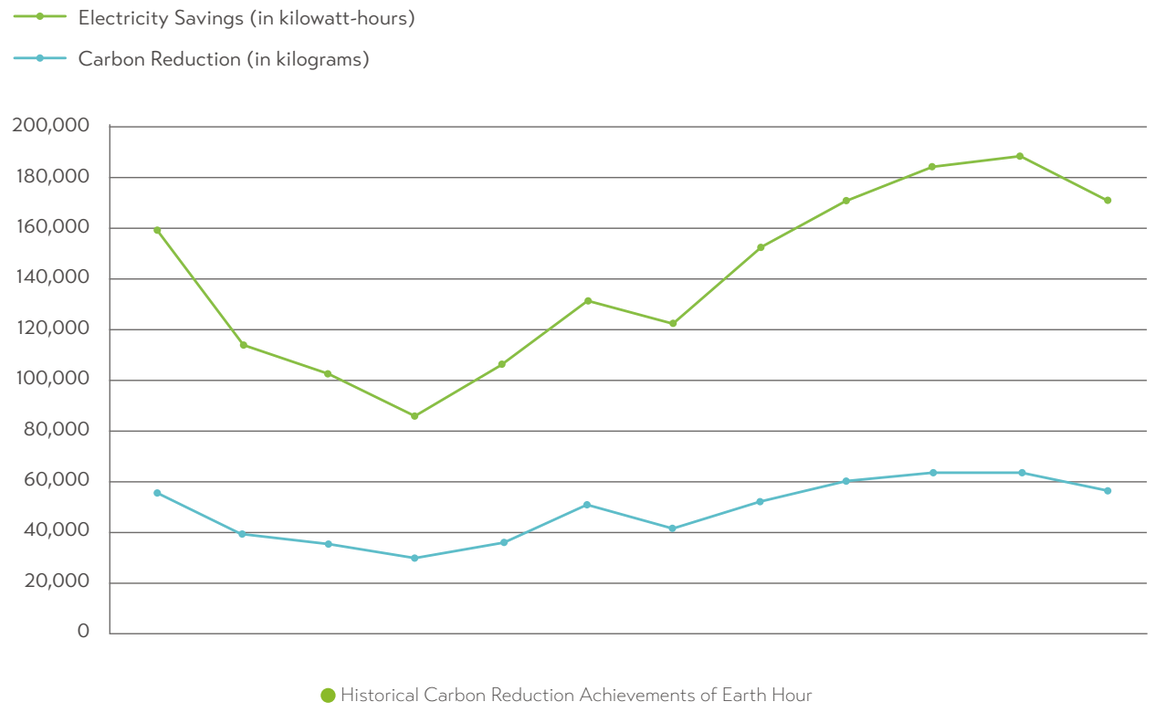
O'right actively invites various sectors to participate in the "Earth Hour" event, transcending industry boundaries in a unified effort. Over 460 businesses across Taiwan responded, with more than 5,462 chain outlets participating. Over a thousand businesses and chain stores joined in the response, achieving a total power saving of 114,000 kWh in Taiwan. In its 12th year, the event led Taiwan to break a new record with over one million kWh saved. Since joining the event in 2011, Taiwan has cumulatively saved approximately 1.099 million kWh of electricity, reducing over 559,391 kg of CO_2 equivalent emissions. O'right continues to urge the public to join this simple act of turning off lights, contributing to sustainability efforts.

Every Choice in Life Shapes Our Common Future

O'right Chairman Steven Ko stated, "Starting with just one hour of turning off the lights, we urge governments, businesses, and people worldwide to face the issues of climate change and global warming. Environmental protection is a choice. Only by respecting nature can we achieve sustainable environments. Advocating energy conservation and loving the Earth starts with each of us." While it may seem brief, the impact of this one-hour event is profound. By initiating the world's largest voluntary carbon reduction initiative, 'Earth Hour,' we hope to inspire further action, integrating carbon reduction into everyday life and cultivating a green lifestyle.

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





Historical Carbon Reduction Achievements of Earth Hour

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5.6.2 COP27 International Climate Change Conference

The 27th United Nations Climate Summit (WCS) kicked off in Egypt, where this year's COP27 emphasizes the need for comprehensive, cross-sectoral solutions to climate adaptation, such as eco-cities, green transportation, plastic alternatives, and green buildings. During the solution-focused days, government representatives, businesses, and innovation institutions gather to share experiences and best practices, establishing future alliances or partnerships. Steven Ko, the founder of O'right, the world's first carbon-neutral beauty company, was invited as a speaker at the World Climate Foundation (WCF) forum on the 14th. This event, considered one of COP's most critical side meetings, brings together global investment representatives and climate solution project planners.

"I Picked Up a TV Made in Taiwan in the Arctic Ocean" began O'right Chairman Steven Ko, holding a picture of a TV retrieved from the Arctic Sea, a powerful image. Whether discarded and carried by ocean currents or swept away by fierce winds, it reflects the notion that when it comes to the environment, "no one is an outsider." In the past, our thinking about corporate actions was based on a "linear economy." Now, the "circular economy" is the solution. We need to look at the Earth's footprint through the product lifecycle, elevating corporate thinking to ecological thinking. Courtney Holm, Vice President of Sustainable Development at Capgemini Invent UK, emphasized the value of a circular economy where "one man's trash is another man's treasure."
For 16 years, O'right has been building a green supply chain, including sourcing raw materials from non-petrochemical sources and obtaining certification from the USDA Biobased for its biologically-based and sustainable nature. The shower products' bottles are 100% made from PCR (Post-Consumer Recycled) materials, which can reduce carbon emissions by 60-80% for the planet. The company has even achieved complete carbon neutrality in product and organizational scopes one, two, and three for three consecutive years.

Czech circular economy expert Vojtech Vosecky pointed out that in the next thirty years, up to seven billion people will live in cities. How we respond and adapt is crucial, thus emphasizing the importance of circular economies and sustainability. Steven Ko, who led an expedition to Greenland, mentioned, "If all of Greenland's ice melts, the global sea level will rise by 7.4 meters, submerging many low-lying areas and accelerating the pace of climate refugees." He urged people to listen to nature's voice, moving from the industrial cycles of Reuse, Refill, Reduce to the ecological aspects of Respond, Revive, Respect. He hopes that humanity will recognize the urgency of the climate crisis and unite to take immediate action.



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5.6.3 Shower for Three Minutes

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

To Change Climate Change, We Must Start with Environmental Education

O'right has been making the world's first zero carbon shampoo since 2011. Taking our own bath products as an example, the carbon emission hotspot lies at the consumer usage end, accounting for as high as 91.23%. However, carbon reduction cannot rely solely on producers; it also requires the concerted effort of consumers to practice carbon reduction and make water-saving more than just a slogan. Therefore, during the United Nations COP27 global climate summit, O'right, as a representative of the beauty industry, launched the "3-minute shower campaign" on the "Water Resources" theme day, inviting the world to join in practical carbon reduction actions. If every additional person globally participates in the 3 mins Shower Action, the carbon emissions saved in a year would be equivalent to planting 35 twenty-year-old trees!

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5.6.4 Melting Greenland

"Melting Greenland" is a project recognized by the United Nations-affiliated World Climate Foundation (WCF) and RE100 Climate Group | CDP. Over a 23-day period, the project visited 11 towns and interviewed experts from various fields, including IPCC scientists, former Greenlandic prime ministers, and local residents, to discuss the social and economic impacts of climate change. The documentary, intended for public screenings as an educational tool, aims to raise public awareness of climate issues.
In 2021, the Arctic ice cap experienced its first major rainfall in recorded history, signaling an irreversible trend in extreme climate changes. According to NASA's latest research, the rate of ice melting in Greenland has increased sevenfold compared to the start of the study. The consequences of climate change ultimately affect humanity, which is why Greenland, a region with inhabitants, culture, and economic development, was chosen for this project. Through interviews with residents, the documentary seeks to help the public understand the changes in their lives and become more proactive in finding solutions to adapt to climate change.
Melting Greenland is a public service documentary with no rights fees for public screenings. The project includes the names of all its supporters in the film to signify that the documentary was made possible by their support and attention to climate issues, emphasizing that everyone can participate. Viewers are not just passive spectators; they become active disseminators of information. The documentary does not aim to provoke action through fear or panic but rather emphasizes how cooperation and a positive attitude can lead to innovative business and social models. The project extends beyond the documentary, including plans for exhibitions, books, and collaborations with educational institutions in the country. Step by step, the project is expanding its impact.
We know the solution. What are you waiting for?

O'right founder and chairman, Steven Ko, stated: "Today's Greenland is tomorrow's every country. It is bearing the brunt of climate warming impacts for all regions. We are the generation witnessing the most drastic climate changes in human history, and we might also be the last one to do so. This is important for everyone." The 11-minute highlight version of the documentary has already been played for public benefit in over 350 schools and more than 2,000 companies. It has also been invited for online presentations at international forums such as the United Nations General Assembly (UNGA77) in New York, the COP27 Global Climate Summit, and The Economist Sustainability Forum in Singapore. In 2023, O'right plans to grant the same public welfare license for the full documentary of "Melting Greenland" to organizations concerned about global climate issues and supporters of the project. The documentary will be used as an educational tool for public screenings to expose the reality of climate change, initiating change through environmental education and raising public awareness and concern for the increasingly severe climate issues.

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



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5.6.5 Responding to Support Taiwan's Promotion of Corporate Human Rights

O'right adheres to the principle of respecting human rights, ensuring that our business activities positively impact the human rights of employees, suppliers, consumers, and affected communities. Upholding the principle of non-discrimination, we do not tolerate any form of discrimination and ensure diversity and inclusivity in the workplace. We are committed to providing a safe and healthy work environment, ensuring that employees have fundamental labor rights such as reasonable working hours, fair wages, and benefits. Facing challenges like the global pandemic, climate change, the Russia-Ukraine war, the US-China trade war, and economic transitions, the sustainable development of businesses and the importance of human rights protection have become crucial competitive factors in the current international trend.

To meet the international norms of the United Nations Guiding Principles on Business and Human Rights (UNGPs) and to help promote the development of corporate human rights protection in Taiwan, O'right participated in the "2022 Taiwan-Europe Business and Human Rights Joint Seminar" co-hosted by the Ministry of Economic Affairs and the European Chamber of Commerce Taiwan (ECCT) in December 2022.

The seminar invited officials, academics, and professional experts from Taiwan and Europe to share the latest developments in international law on business and human rights, the progress of the EU's corporate sustainability due diligence legislation, its impacts on Taiwanese businesses, and strategies for response. They also discussed emerging issues in business and human rights, which helps Taiwanese companies grasp international market opportunities and advanced development trends, enhancing the responsiveness of supply chains. O'right, along with other Taiwanese industrial associations, businesses, NGOs, the financial sector, and the legal industry, more than 140 entities, jointly endorsed and participated in Taiwan's National Action Plan on Business and Human Rights.



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5.6.6 Good Liver Charity Sponsorship

In August 2022, O'right allocated a portion of its profits as a charitable donation to the Good Liver Health Living Center. This non-profit organization is committed to improving the health and welfare of community residents, mainly offering services like medical care, nutrition, health education, and community support, especially aiding the underprivileged groups in the community to attain a healthier lifestyle.

O'right aims to support the free health screening activities offered by the Good Liver Health Living Center through this philanthropic sponsorship. This initiative helps improve the medical and healthcare conditions of community residents, providing essential medical resources and treatment services. It's hoped that this contribution will enhance individuals' quality of life and raise the overall welfare of the community. This investment represents not only our concern for the community but also embodies our commitment to sustainable corporate development. In the future, we will continue to support social welfare initiatives, actively contributing to the health and welfare of the community. We firmly believe that a corporation's responsibility lies not only in economic achievements but also in giving back to society and benefiting the community.





歐萊德國際股份有限公司

感謝您對好心肝健康生活館的支持，

我們已將部份盈餘投入–

7 月 24 日「今年超了沒–全台免費腹部超音波檢查活動」

(新竹場-由台大生醫醫院竹北院區)。

本活動結合全臺十六家醫療院所舉辦，服務共計 3,205 位民眾，

感謝您對社會的關懷及付出，

期盼您未來也能繼續支持生活館營運，讓我們共同守護國人健康，

在此致上誠摯的謝意！

敬　祝

生意興隆　萬事如意！

財團法人 全民健康基金會 Taiwan Health Foundation　好心肝 健康生活館 Good Health • Good Living

董事長 許金川　總執行長 楊培銘

謹上

中華民國 111 年 8 月 10 日

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5.6.7 Active Participation in CSR Activities by All Members

(1) Green Salon

The concept of 'Green Salon' is one we have long advocated, aiming to emphasize the importance of caring for our own and our family's health, as well as our environment. Salon clients in Taiwan are partners in spreading this concept. Since 2011, for 11 consecutive years, we have invited salon designers to participate in CSR activities. In 2022, 1,600 salons across Taiwan supported the Melting Greenland project, 4,000 salons participated in the Earth Hour lights-off event, and by using O'right products, they successfully offset approximately 9.3 million kilograms of carbon dioxide equivalent (equivalent to planting 850,000 20-year-old trees). Through the salons' active carbon reduction practices, we have raised awareness among salon professionals about sustainability issues, implemented green living concepts in daily life, and extended this green influence to the customers served by the designers. We have successfully continued to spread a lush green essence within the highly influential hairdressing industry.

In 2018, we further promoted the use of mobile payments by customers as a response to paperless transactions, implementing energy-saving and carbon reduction measures. To facilitate convenient and secure payments for customers, we enhanced payment efficiency and reduced risks, as well as integrated customer ordering information to provide immediate access to order details. From the start of this initiative until the end of 2022, there were approximately 37,000 convenience store payment transactions, with ongoing efforts to increase customer usage, significantly reducing paper consumption and postal costs.



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(2) International Green Salons

Guided by our founding spirit, O'right has steadfastly pursued zero carbon sustainability for 20 years, successfully implementing a circular economy. We have launched the world's first 100% traceable, renewable plastic bottle and pump, earning multiple global awards and affirming O'right's leadership in global sustainability. Moreover, we continuously persuade international consumers that we can achieve beauty that blossoms from within, for both people and the earth, while tirelessly communicating O'right's "zero environmental impact" philosophy to our green seeds. Consequently, O'right actively invites international distributors every year to join us in our green initiatives, autonomously conducting numerous green services and activities. Together, we connect with partners worldwide to collectively engage in green actions.

International Partners	Green Actions
Belarus Green Salon	In Belarus, the 'Green Salon' initiative reflects 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 suffered 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 zero-carbon 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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5.6.8 Green Publishing

(1) Publishing the Brand Annual Report

Continuing the 'National Newspaper Reading Campaign' from 2020, in 2021 we kept integrating the past year's achievements and future outlook through text and images. By distributing the newspaper, we bridged the gap between the brand and its stakeholders (such as suppliers, clients, consumers, etc.), allowing them to understand the precious sustainable value co-created by all.

The publication of the brand annual report, considerate of different reading preferences, was released in both print and digital formats. This dual approach enabled readers to quickly comprehend the milestones in O'right's green business model while perusing the annual report.

Official Website: https://www.oright.inc/tw/news/views/363

O'right 2022 NEWSPAPER
'Melting Greenland' - O'right's 20th Anniversary Project: 23 Days of Polar Expedition, Bringing First-hand Observations of Climate Change

- Tackling Climate Change Begins with Environmental Education
- Small and Medium Enterprises Leveraging Influence to Achieve RE100 Goals Ahead of Time
- National Carbon Reduction Initiative: '3-Minute Shower' Campaign
- Choose O'right Shampoo, and We Achieve Carbon Neutrality for You
- Why Doesn't Her Hair Show Age? Unveiling the



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(2) From Salons to the United Nations

Along the way, striding towards the goal of sustainability, we became fully alive to the value of the earth. Mountains, waters and trees are much more important than human beings. As modern people, we should build a Noah's Ark, for we are not only the generation witnessing climate change, but also the last generation with the chance to save the planet.

From Salons to the United Nations follows founder Steven Ko on his impossible mission of transforming O'right into a global green brand. It describes how O'right emerged from running in Taiwanese green salon circles into an internationally-recognized and award-winning company leading the way in sustainability. It is the story of a Taiwanese company of relative obscurity driving the green supply chain shining on the global stage. Recommended by great leaders of our time, O'right's story will not only change the world, but also inspire countless many.

(3) It's O'right Newsletter

It's O'right features green cover stories on themes such as traveling, fashion, agriculture, food and beverages, home, lifestyles and education, and are categorized in the following: Green Lifestyle, Green Trend, Green Salons and Green News. Aiming to create a global impact, the articles are available in Chinese and English versions for digital download on our official website.

Official Website: https://www.oright.inc/blog/w/

(4) I am Mark: Collaborative Publishing of Illustrations and Posts

As an illustrator, I am Mark, has been translating the voices and knowledge of office workers into lively illustrations since the days of blogging. He has been widely adored by a large fan base and has supported the 'Lights Off for One Hour' charity event organized by O'right in Taiwan for many years. In 2021, O'right and I am Mark collaborated for the first time, with the goal of zero-carbon sustainability, to create the 'Dry Extract Love the Earth' dry shampoo limited edition set. Unlike typical collaborations, Mark was personally involved in every aspect of this project, from selecting fragrances, experiencing formulas, to packaging design. This revolutionary new liquid formula has also received the USDA Biobased certification for natural sustainability. It embodies our green commitment both inside and out, featuring a 100% PCR recycled plastic transparent bottle, enhanced with 100% recycled glass beads in collaboration with 'Spring Pool Glass'. This unique 'Dry Extract Love the Earth' dry shampoo set is not just a product for consumers but also conveys the environmental education spirit behind the brand. Through communication and exchange, Mark's expertise in graphic creation has been utilized to transform complex environmental issues like energy conservation, carbon reduction, and global warming into accessible and entertaining illustrations. These Mark's Green Private School illustrations aim to make more people aware of the impacts of climate change and unite different groups to enhance their environmental consciousness, making this collaboration especially meaningful.





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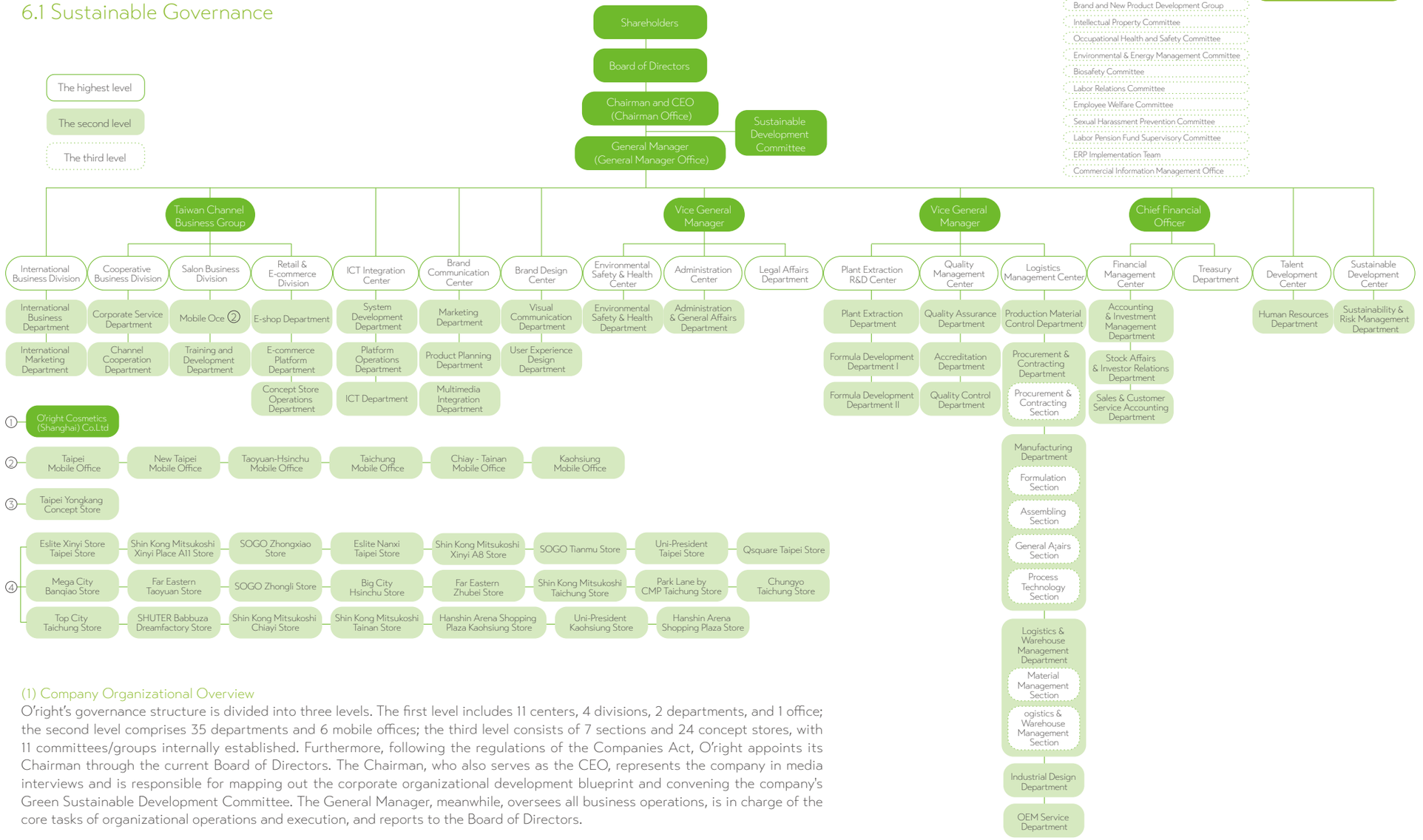
GRI 2-9、2-12、2-13、2-14、2-16、2-28

GRI 201-1、201-4

6.1 Sustainable Governance



(1) Company Organizational Overview

O'right's governance structure is divided into three levels. The first level includes 11 centers, 4 divisions, 2 departments, and 1 office; the second level comprises 35 departments and 6 mobile offices; the third level consists of 7 sections and 24 concept stores, with 11 committees/groups internally established. Furthermore, following the regulations of the Companies Act, O'right appoints its Chairman through the current Board of Directors. The Chairman, who also serves as the CEO, represents the company in media interviews and is responsible for mapping out the corporate organizational development blueprint and convening the company's Green Sustainable Development Committee. The General Manager, meanwhile, oversees all business operations, is in charge of the core tasks of organizational operations and execution, and reports 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	This team is made up of the Finance & Investment Management Center and ICT Integration Center, which aims to increase the productivity and efficiency of the ERP system and organize ERP meetings to discuss and formulate corresponding measures.
Situational Awareness Office	Organization related	2021/12/15	This office aims to establish media channels in Taiwan and worldwide to gain new information on sustainability and competitor trends. This office is required to regularly post news on O'right's independently operated media accounts, collect the dynamics of the industry, competitors' news and related companies and integrate the information for internal use. This information can be used to predict the future of the industry and international development trends.
Occupational Health and Safety Committee	Labor related	2014/11/25	In 2022, a committee consisting of four labor representatives (elected by the labor representatives in the labor-management meeting) and six company representatives was formed. The purpose of this committee is to prevent occupational accidents and ensure the safety and health of employees, in accordance with the Occupational Safety and Health Act.
Biosafety Committee	Organization related	2014/11/01	The committee is composed of management representatives, laboratory directors, biosafety officers, representatives from the Quality Management Center, and representatives from the Occupational Safety and Health Office. It convenes at least once a year. The purpose of this committee is to oversee laboratory biosafety matters and achieve self-management goals. The chairperson coordinates and manages related affairs to ensure the effective operation of biosafety management measures and planning, review of infectious biological materials, control and training of laboratory personnel, sterilization and disinfection procedures, emergency notification, and response processes. Regular biosafety drills are conducted, and key safety equipment like biosafety cabinets are inspected annually by qualified contractors.
Labor Relations Committee*	Labor related	2014/8/12	The purpose of this committee is to coordinate labor-management relations, promote cooperation, prevent various labor issues, and encourage voluntary consultation and cooperation between labor and management. It aims to improve communication within the enterprise, reduce conflicts, and build consensus. Labor representatives are directly elected by all workers, and meetings are held regularly as per legal requirements with equal representation from both labor and management. Decisions are made through proposals and discussions, and agreed upon by a majority. The decisions are stored in a cloud-shared area and announced to all employees via the company group, for their reference. In 2022, five labor-management meetings were held, and related decisions and records were disseminated to all employees through the company's internal announcement system.
Sexual Harassment Prevention Committee*	Labor related	2014/08/08	The purpose of the Sexual Harassment Prevention Committee is to prevent sexual harassment, promote gender equality in the workplace, and serve as a complaint channel to protect the rights of the victims. Committee representatives are directly elected by all employees. In 2022, five members were elected to the Sexual Harassment Prevention Committee, and there were no decision-making incidents during the year.
Environmental & Energy Management Committee	Organization related	2013/12/04	The committee mainly consists of members from the production, R&D, and quality assurance units, meeting once every quarter. Its primary focus is to discuss improvements in major energy-consuming equipment and to inspect equipment power. It aims to manage the company's energy usage to achieve overall electricity-saving efficiency and meet annual targets, striving for an annual electricity saving rate of over 1%.
Intellectual Property Committee	Organization related	2013/09/11	Comprising heads of departments related to intellectual property and relevant responsibility departments, this committee evaluates employee proposals and handles patent and trademark applications. Principally, it meets once every quarter. In 2022, there were 3 meetings, with the meetings for the second and third quarters being combined.
Green Council for Sustainable Development	Organization related	2013/05/10	Chaired by the Chairman, General Manager, and Chief Sustainability Officer, this committee is operated by the Sustainability Development Center. Each unit's first-level manager serves as an ex-officio member. Meeting quarterly, the committee's purpose is to maintain and strengthen the company's sustainable development and to regularly track the implementation of risk control measures to reduce the likelihood of risks. In 2022, two meetings were held, with Q2 and Q3 meetings not convened due to internal restructuring.
Brand and New Product Development Group	Organization related	2009/06/22	Comprising the product unit, brand design unit, industrial design unit, production management unit, and R&D unit, this committee meets every 5-6 weeks. It is responsible for setting the general direction of product development, devising brand marketing strategies, and tracking product development progress. In 2022, there were 8 subgroup discussion meetings.
Employee Welfare Committee*	Labor related	2009/01/01	Every two years, committee members, including 5 members and 1 chairperson, are elected by all employees. The purpose of this committee is to seek greater benefits for employees, improve work efficiency, implement welfare policies, and establish a mutually beneficial and supportive group. In 2022, two meetings were held to discuss employee welfare issues such as holiday gifts and Labor Day presents.
Labor Pension Fund Supervisory Committee*	Labor related	2001/09/28	The purpose of this committee is to establish a labor retirement benefit system to ensure the well-being of workers in their old age and to effectively utilize long-term social funds to support major economic development plans.

* 表示為政府規定必須成立之公司委員會單位

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6.1.1 Green Council for Sustainable Development

The Green Council for Sustainable Development was established in 2013, led by the highest executive with senior managers forming the council. The Green Council for Sustainable Development meets quarterly to maintain and strengthen the corporation's sustainable development and to build a cross-departmental communication and information sharing platform. Through the committee's flat organizational structure, it offers strategic directions for the company, aiding in the continuous optimization of internal governance issues. Moreover, embracing the concept of the Sustainability community, the council enhances the corporation's action and innovation in environmental and climate issues, thereby amplifying the company's green sustainable value. Additionally, the council's resolutions serve as guidelines for administrative units in formulating various rules and regulations.

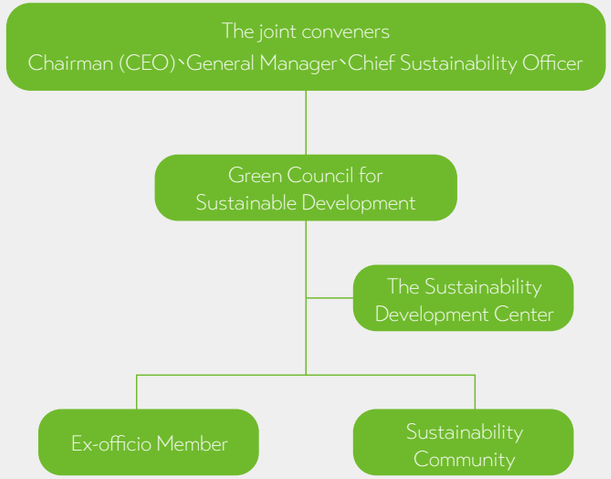
In response to organizational development and adjustments in 2022, the Green Council for Sustainable Development underwent the following structural changes:

(1) The committee's convener system was modified from a single convener to a joint convener system, led by the Chairman, General Manager, and Chief Sustainability Officer. The Sustainability Development Center is tasked as the operating unit, responsible for convening the committee and maintaining its operations and management.

(2) First-level managers of each unit automatically become committee members and participate in the quarterly Green Council for Sustainable Development meetings.

(3) Supervisors from various units and members of the Sustainability community are welcome to attend the 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 Sustainability Community

With 'Green, Sustainable, and Innovative' as the company's core values, environmental sustainability is a key policy direction. Aiming for comprehensive implementation and sustainability in all aspects of operations, the company hopes to promote corporate sustainability through cross-departmental collaboration. Therefore, under the framework of the Green Council for Sustainable Development, the Sustainability community was established in 2020. Through education and training, departments are encouraged to think beyond the conventional organizational structure and work on SDGs. They form cross-departmental and cross-level groups based on the nature of tasks, creating project teams outside of the usual organizational hierarchy to help advance the company's key strategies, leverage departmental expertise, gather diverse suggestions, and create an innovative sustainable future.

Originally, the Sustainability community aimed at 'Implementing SDGs' and 'Sustainable Corporate Management.' It is composed of three sustainability groups: 'Zero Carbon Environment,' 'Stakeholder Communication People,' and 'Social Welfare Society.' Each group sets its agenda in alignment with the United Nations Sustainable Development Goals (SDGs), encompassing 15 targets including SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 16, and 17, integrating global sustainability issues into corporate governance and future policy development.

In 2022, to accelerate O'right's carbon reduction efforts, the Green Council for Sustainable Development underwent a restructuring. It refocused on the United Nations Sustainable Development Goal 13, 'Climate Action' (SDG 13), to strengthen corporate carbon reduction actions and environmental initiatives. Environmental and climate responsibilities were included in regular critical internal discussions to assist in planning the company's short, medium, and long-term phased net-zero targets.



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6.1.3 Corporate and Organizational Involvement

O'right places significant emphasis on cross-industry collaboration to co-create a sustainable green future. Therefore, we actively participate in various groups and organizations, hoping to embed the values of corporate sustainability and earth's resources deeply within Taiwanese associations and to promote and truly implement actions for environmental protection. Additionally, to stay abreast of cosmetics regulations and measures issued by the Taiwan Food and Drug Administration (FDA), we joined beauty-related associations. By attending meetings on new regulations and measures announced by the FDA, we exchange professional knowledge, and as an association, compile and submit our members' opinions to the FDA, maintaining a channel of negotiation with the central regulatory authority. Simultaneously, through the associations, we proactively access the latest regulatory information and issues, aligning our code of conduct with local health bureaus and the central FDA's regulatory announcements.

Moreover, starting as a professional hair care brand, we have always considered it our duty to improve the environment of beauty salons and to develop green sustainability. In 2019, in collaboration with U-Fresh Sustainable Technology and SGS Taiwan, we initiated the "Taiwan Green Salon Sustainable Certification Association". This was to assist in enhancing sustainable development across various salon environments, in line with the United Nations Sustainable Development Goals, with the hope that the Green Salon Association will elevate the green atmosphere in communal spaces.

In 2022, with the growing awareness and demand for sustainability in Taiwan, there was a movement towards sustainable transformation among businesses. To continue spreading O'right's green experience and influence, and to further assist Taiwanese small and medium-sized enterprises (SMEs) in planning their transformation paths, the Taiwan Green Salon Sustainable Certification Association, originally focused on enhancing sustainability awareness in salon and hairstyling venues, underwent a reevaluation of its core mission. Consequently, it was officially renamed the Net Zero Carbon Association of Taiwan. Aiming to promote a healthy, safe, and trustworthy environment, the association advocates for net zero emissions, carbon neutrality, responsible consumption and production, health maintenance, environmental friendliness, the use of renewable energy, and social care. It assists various enterprises in advancing their sustainable development

nzca
Net Zero Carbon Association

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

Participation of Taiwanese associations and organizations
Net Zero Carbon Association (Chairperson)
Taiwan Green Salon Sustainable Certification Association (Executive Director)
Taiwan Excellence Brand Association (Supervisor)
Taiwan Cosmetics Industry Association (Director)
Taipei Import and Export Commercial Association
Taiwan Association for Superior Service Brands
National Association of Young Entrepreneurs, R.O.C. - Entrepreneurial Role Models Council



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6.1.4 Corporate Governance Performance

O'right's revenue has shown a continuous growth trend from 2017 to 2021, indicating the company's strong operational performance. However, affected by the COVID-19 pandemic, there was a slight decline in revenue in 2022, decreasing by 2.09%. Despite this, we implemented measures to mitigate the pandemic's impact on our financial performance, thus maintaining stable profitability for the year. The overall net profit was 67,775 thousand, with earnings per share (EPS) at 3.33, return on assets (ROA) at 11%, and return on equity (ROE) at 17%.

Despite the challenges posed by the pandemic, O'right remains committed to maintaining sustainable development and long-term value creation. The company will continue to respond to market changes and uncertainties, aiming to achieve growth objectives through innovative products, expanding market share, and providing excellent customer service. In addition, O'right places great emphasis on corporate social responsibility, dedicating efforts to environmental protection and social welfare initiatives. These efforts are expected to further enhance the company's image and influence.

Aspect	Item	2020	2021	2022
Financial Capability	Total Assets	543,910	598,658	642,389
	Shareholders' Equity	317,108	361,428	433,745
	Operating Revenue	535,729	582,416	570,254
	Net Profit for the Period	67,978	86,512	67,775
Profitability	Return on Assets (ROA)	13%	15%	11%
	Return on Equity (ROE)	22%	25%	17%
	Earnings Per Share (EPS)	3.34	4.25	3.33

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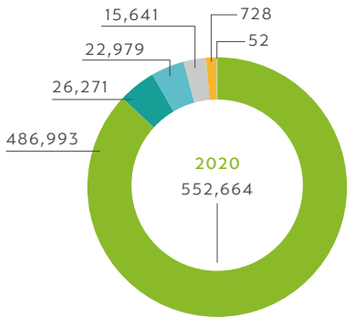
O'right Financial Overview (unit: thousand NTD)

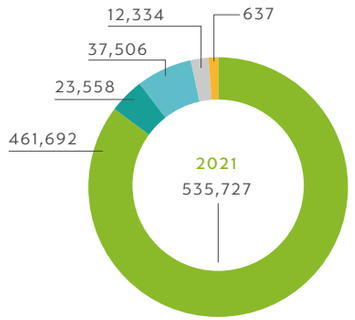
Year	Operating Revenue (Growth Rate)	Operating Costs (Growth Rate)	Operating Net Profit	Personnel Salaries	Employee Benefits	Government Expenditures	Investor Expenditures	Government Subsidy Income	Total Assets	Retained Earnings
2020	535,729 (-3.06%)	461,907 (-4.76%)	73,822	180,498	3,214	15,370	48,170	16,828	543,910	94,878
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

note

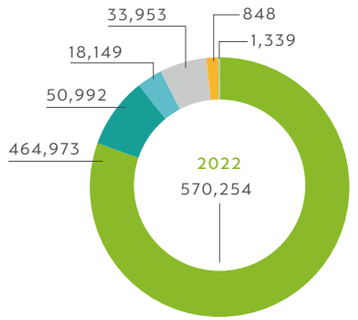
- Employee benefits include regular contributions (such as retirement funds, insurance premiums, official vehicles, and private medical care), as well as other employee subsidy expenses (like housing allowances, interest-free loans, public transportation subsidies, educational allowances, and severance 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 for88.1% ;
International market accounts for11.9%)



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



(Taiwan market accounts for88.1% ;
International market accounts for11.9%)

Taiwan China Europe Asia America Africa

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6.1.5 Environmental Accounting

Beyond considering 'material costs' and 'labor costs,' it is crucial to place greater emphasis on 'social costs' and 'ecological costs.' Therefore, in our company policy considerations, we include not only 'corporate interest,' 'employee interest,' 'customer interest,' and 'shareholder interest,' but also 'social interest' and 'ecological interest.' O'right's sustainability philosophy focuses on investments in environmental education, protection, improvement, and various social aspects. In 2022, the related green investment amounted to approximately 114 million, and the cumulative total investment over the years has reached nearly 690 million. This has gradually implemented O'right's business philosophy, with the greatest beneficiaries being our environment and everyone living on Earth.

Green Investment Summary (unit: thousand NTD)

	Capital Expenditure	Operating Expenditure	Total
Corporate Operating Costs	0	2,103	2,103
Upstream and Downstream Associated Costs	0	94,030	94,030
Management Activity Costs	0	11,231	11,231
Research and Development Costs	0	6,067	6,067
Social Activity Costs	0	158	158
Loss and Remediation Costs	0	0	0
Regulatory, Tax, Donation, and Other Expenses	0	401	401
Total	0	113,990	113,990

note

- Corporate Operating Costs: Expenditures on pollution prevention, global environmental protection, and resource recycling.
- Upstream and Downstream Associated Costs: Green procurement, resource recycling and reuse, expenditures derived from providing products and services for environmental protection, additional costs on packaging to reduce environmental impact.
- Management Activity Costs: Environmental education and training, expenditures for obtaining certifications and licenses, environmental monitoring and measure ment costs, handling and disposal costs related to environmental impact, insurance expenditures for environmental protection.
- Research and Development Costs: Expenditures for developing products for environmental protection, research costs derived during the product sales phase to reduce and control environmental impact, environmental impact assessment costs.
- Social Activity Costs: Expenditures on nature conservation, afforestation, beautifying the environment, sponsoring community residents' environmental welfare activities, supporting environmental groups, public announcements, and promoting environmental information and data.
- Loss and Remediation Costs: Expenditures related to solving environmental issues, compensation, penalties, and litigation, maintenance of urban landscape and living environment quality.
- Regulatory, Tax, Donation, and Other Expenses: Government levies on air, soil, water pollution, and other regulatory fees.

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Chairmann/ CEO	Steven Ko
Directors	B-EX Representative: ： Toshihiro Fukui
	Xin Zhi Yun Ting Investment Co., Ltd. Representative: Xue-jing, Qiu
	Qing He Tang Cultural and Creative Co., Ltd. Representative: Michael Chang
	Li-ying, Ko
Supervisory members	Coco Chang
	Jian-zhi, Lin

6.2 Board Structure and Operations

6.2.1 Board of Directors

The board of directors of O'right International Co., Ltd. primarily consists of 5 directors and 2 supervisors, with a gender ratio of 71% male and 29% female. The board operates regularly (at least once every quarter) as per the stipulations of the Company Law and the company's articles of incorporation. In 2022, the average attendance rate of directors (including supervisors) at board meetings was 100%.

6.2.2 Board Selection

The election of directors and supervisors, and the appointment of the chairman, are crucial aspects of O'right's corporate governance. This process not only demonstrates the company's respect for shareholder rights and the transparency of its governance but also promotes the company's long-term stability and shareholder value enhancement. O'right follows the relevant provisions of the Company Law, with the election and appointment of directors and supervisors conducted through shareholder voting, each serving a term of three years. According to Article 208 of the Company Law, the chairman is elected and represents the company externally.

6.2.3 Board Compensation System

To ensure that the board and supervisors receive reasonable compensation, encouraging their involvement and contribution to the company. By providing remuneration, the board and supervisors feel that their work and responsibility are valued and recognized by the company. However, this remuneration policy also considers the company's profitability and sustainable development principles, setting a limit of no more than 5% of profits for remuneration. This helps ensure that the company's profits are available for other important investments and development projects while guaranteeing the reasonableness and fairness of the compensation.

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6.2.4 Board of Directors Operations

The primary responsibility of the board is to supervise the company's compliance with the law, guide its business direction, and make decisions on significant matters. In 2022, the board held four meetings, listened to financial and business reports from the management team, and made decisions on major company issues, such as capital expenditures. Additionally, the management must present the company's business strategies to the board, which regularly reviews the execution of these strategies and suggests appropriate adjustments. Measures are taken to ensure transparency and fairness in case of conflicts of interest with certain board members regarding any agenda item. If a conflict of interest is detected, the involved parties are required to recuse themselves. Finally, the General Manager is responsible for implementing business policies decided by the board, managing the company's overall strategy, production, sales, and operational goals.

(1) Board Responsibilities
As the representative of the board, O'right's Chairman bears the responsibility of overseeing the board's supervisory duties, auditing corporate performance, and ensuring consideration of climate risks and opportunities in decision-making processes. This includes identifying and assessing the potential impact of climate change on the company's operations, supply chain, and financial performance. Beyond risk management, the Chairman also plays a crucial role in setting the company's climate-related goals, including establishing emission reduction targets, adopting renewable energy, and promoting sustainability and green initiatives throughout the value chain. Furthermore, the Chairman has the final approval authority for O'right's public sustainability reporting and related information and oversees regular disclosures of governance performance to stakeholders through the corporate sustainability report, ensuring transparent and genuine disclosure. The Chairman ensures that O'right remains a responsible corporate citizen and a leader in sustainable values, also engaging in domestic and international green speeches and communicating the company's sustainability goals and strategies with stakeholders.

(1) Management Layer Responsibilities
O'right's senior management is responsible for driving the company's annual strategies, assisting in identifying and assessing climate risks and opportunities the company faces, incorporating significant risks into the company's decision-making process, and setting annual KPI targets and monitoring indicators. The senior management also has an appropriate reporting mechanism to the Chairman through the Green Council for Sustainable Development, ensuring alignment with organizational goals and values.



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6.3 Ethics and Integrity

6.3.1 Company Code of Ethics

To ensure compliance with laws and regulations, we not only adhere to tax laws and the spirit of legislation by correctly declaring and paying taxes and preparing supporting documents for regular reports to the board of directors, but also closely monitor our governing regulations, such as the Cosmetics Health and Safety Management Regulations. In addition, we have implemented multiple ISO management systems, including ISO50001:2018,ISO14001:2015,ISO22716:2007,ISO45001:2018,TIPS: 2016, etc. These systems help identify other regulations related to our company, such as energy, environment, fire safety, occupational health and safety, and intellectual property rights, and ensure compliance through these ISO management systems.
In 2022, we continuously improved our management practices by implementing internal audits and controls of the ISO management system, enhancing professional depth through education and training, and maintaining information exchange with external peers. These three major management policies aim to achieve regulatory compliance without incurring any penalties for violations identified by administrative agencies.

6.3.2 Human Rights Policy

O'right acknowledges and supports the spirit and basic principles of human rights protection revealed in international human rights conventions such as the 'Universal Declaration of Human Rights,' the 'United Nations Global Compact,' and the 'International Labour Conventions.' We are committed to integrating the principles and spirit of human rights into our corporate values and culture as a commitment to human rights protection. Based on the spirit of human rights, we have established working rules, attendance management methods, sexual harassment prevention and disciplinary measures, and channels for filing grievances, along with other related management policies and procedures, to safeguard and respect the fundamental labor rights of employees.

6.3.3 Early Warning Principle and Internal Audit Procedures

To ensure the consistency and effective implementation and operation of management systems, O'right's Quality Management Center organizes an internal audit team. The purpose is to proactively review potential company issues, reduce quality costs, decrease customer complaints, and meet customer needs, thereby fulfilling the requirements of each management system. An internal audit process is conducted annually, covering all systems, and unscheduled audits are implemented in the event of significant quality anomalies, customer complaints, or operational abnormalities in management systems.

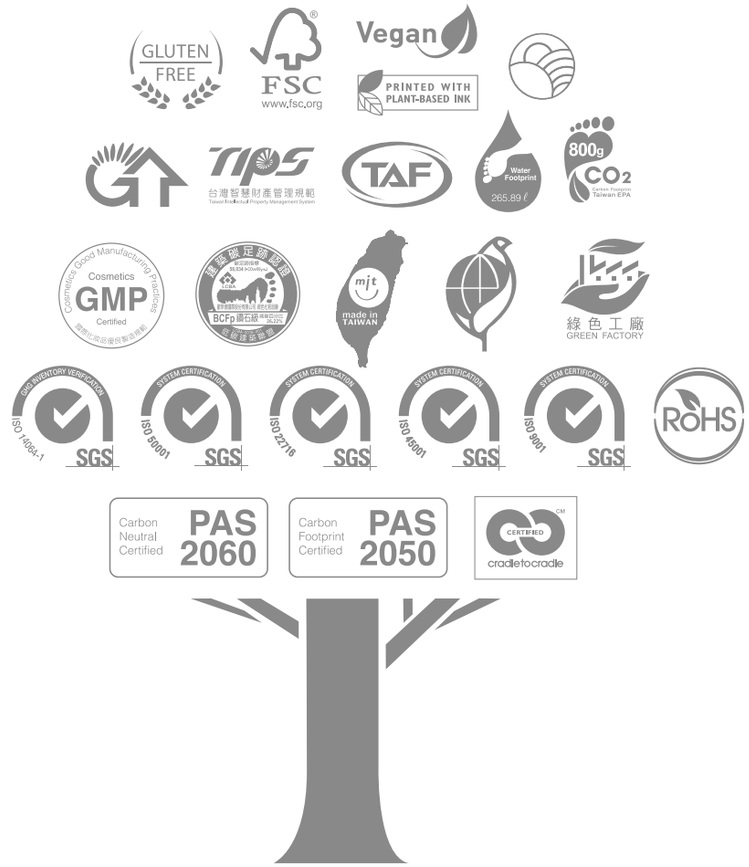
6.3.4 Legal Compliance

To comply with all relevant regulations and laws, O'right's legal department is committed to identifying and assessing potential legal risks and providing corresponding risk management strategies. The legal department works closely with internal departments to establish appropriate policies and procedures, provide legal opinions and guidance, and reduce the occurrence of legal risks, ensuring corporate operations are conducted within a compliant framework. In 2022, O'right did not experience any anti-competitive, illegal, fined, or sanctioned events. We continue to ensure that product manufacturing and operations comply with relevant environmental protection standards and adopt strict quality control measures to ensure products meet regulatory requirements, striving to provide high-quality, safe, and effective products. Additionally, in advertising and promotion, we adhere to principles of truth, objectivity, and credibility, without violating any relevant regulations.

6.3.5 Education and Training

O'right incorporates employee education and training as part of its legal compliance plan. New employees must undergo basic education and training courses on intellectual property upon joining. Annually, external instructors are invited to provide courses on the latest legal information to the legal department and related units (e.g., application and writing of formula patents). The company also trains its legal colleagues to serve as internal education and training instructors. In 2022, two 'Company Governance and Intellectual Property Law Compliance Training Courses' were organized, discussing compliance content and providing the latest industry information, enhancing employees' understanding of various fundamental regulations and compliance priorities.

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



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6.4 isk Management

To implement risk management effectively, when making decisions, the company or departments consider various uncertain risk factors based on management systems and climate change conditions. This involves strategizing with considerations for both internal and external issues such as international trends, external suppliers, government regulations, brand image, and market trends. After evaluating these risks, significant risk items are identified, corresponding control measures are proposed, and these are included in the annual strategy and objectives for the following year.

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, emphasizing a proactive and systematic approach to preventing and early detection of risks. This includes a framework for risk identification, assessment, and prioritization, as well as a set of procedures for risk mitigation and monitoring. This approach facilitates the identification, assessment, and mitigation of risks throughout the organization, including those related to climate change. Under this policy, O'right conducts stakeholder surveys to understand the concerns and issues of its key stakeholders, further identifying any potential new risks. These risks are then identified and assessed through a combination of internal and external evaluations. Once significant risk issues are determined, risk control measures are formulated based on the issues and organizational needs, which may include enhanced monitoring, internal controls, operational changes, and the implementation of new policies and procedures. Additionally, the company regularly monitors and reviews the implementation of its risk control measures and develops relevant monitoring indicators to ensure the effectiveness of these measures.

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6.4.3 Risk Identification, Assessment, and Management Procedures

To implement risk management, when making decisions at the company or departmental level, various uncertain risks are considered based on management systems and the current state of climate change. This involves strategizing in response to these risks, with the sources of risk needing to be assessed for international trends, external suppliers, government regulations, customer preferences, and market trends, among other internal and external issues. Control measures are then formulated for high-risk items and included in the strategy and objectives for the following year. This approach aims to improve the quality and quantity of strategic objectives when conducting various operational activities, understanding internal situations and external environmental circumstances, enhancing the breadth and depth of risk control, managing anticipated important principles, preventing potential risks, reducing or minimizing harm, and continuously improving.



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 information. • 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. • Establish a relationship maintenance mechanism for the secondary suppliers of contractors.
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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GRI 417-1、418-1

6.5 Customer and Product Services

6.5.1 Making Green Consumption Mainstream

O'right ensures that all products leaving the factory retain complete product labeling, tags, and information. Furthermore, each product is assigned an identity card - a traceability barcode - to guarantee quality and prevent consumers from purchasing illegal or counterfeit products from unknown sources. We also bind our distribution partners not to alter or damage any product labels, tags, or information, committed to protecting consumer rights.

Each product has 3 types of barcodes:
1. Traceability Barcode: Provides an identity card for the product to verify its origin and authenticity, ensuring customer and consumer safety and quality assurance, and can also be used for market channel management. For example, a 400mL green tea shampoo has the code 11101001AAAA723100001, a total of 21 digits, with the first 12 digits 11101001AAAA representing the product number; the next 4 digits, 7231, are the batch number; and the last 5 digits, 00001, are the production serial number.

2. QR Code: Provides detailed product usage information, which can be accessed by scanning with a smartphone and includes the product name, product information, cosmetic advertisement approval number, and company profile.

3. International Barcode: For international shipping management and POS systems, serving as inventory management for future retail sales.

Additionally, O'right voluntarily adds health and environmental information to its product labeling. For health labeling, all O'right retail products display information such as the proportion of sustainable ingredients and certified organic ingredients. For environmental labeling, all products have a clean energy manufacturing label, and paper boxes are marked with FSC certification.
This clear and detailed information not only allows consumers to better understand the quality of the products but also represents O'right's unique competitive advantage, demonstrating market differentiation. Moreover, with the emergence of non-O'right authorized sales channels in the market, leading to consumer disputes, these labels also help consumers distinguish between genuine and counterfeit products. We also take to social media platforms, including the official website, Facebook, IG, or blogs, to regularly strengthen consumer advocacy and education. We advise consumers to recognize O'right's official "genuine products" when purchasing. It is explained that any products without anti-counterfeit barcodes for consumers to check the source of goods, or with torn, cut, dissolved traceability, or damaged bottle anti-counterfeit labels, are illegal and their material quality and source cannot be guaranteed.

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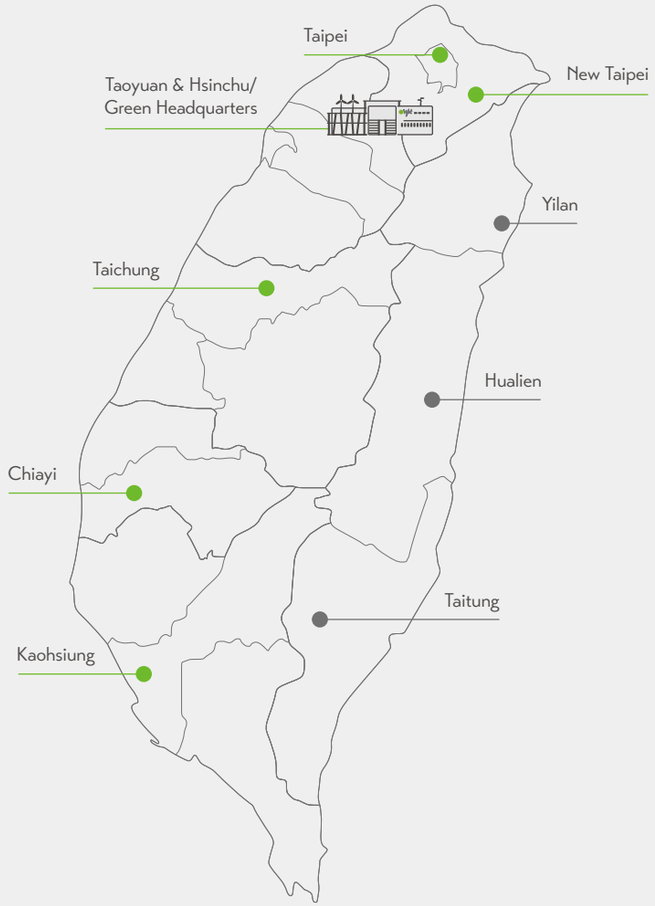

Note: The green dots represent the locations of the mobile offices; the grey dots in Yilan, Hualien, and Taitung indicate SOHO bases.

6.5.2 Diverse Market Channel Management

O'right's business entities include the B-end Taiwan Salon Business Division, Cooperative Business Division, International Business Development, and the C-end Retail & E-commerce Division.



(1) Taiwan Salon Business Division - Professional Hair Salon Operators

To serve the extensive clientele of Taiwanese salons, O'right's Taiwan Salon Business Division has divided Taiwan into six major regions: Taipei, New Taipei, Taoyuan-Hsinchu, Taichung, Chiayi-Tainan, and Kaohsiung. Each region has its own dedicated customer service staff, who are industry-leading in their ability to provide resources in response to customer needs in real-time. By personally visiting and sharing the green salon concept and practices in the salons, they promote and strengthen the brand image, effectively increasing brand recognition. While retaining existing customers, they also continue to develop new customers, increasing O'right's green influence.

Since 2018, in the traditional hairdressing industry, O'right has been promoting the use of mobile payments to support paperless transactions and energy saving and carbon reduction initiatives. This enhances the timeliness, convenience, and security of payments and includes loading customer order information, providing customers with instant access to details, and significantly reducing paper and postage costs. From the start of this initiative until the end of 2022, there have been approximately 37,000 convenience store payment transactions, with a total payment amount of about 310 million NT dollars.

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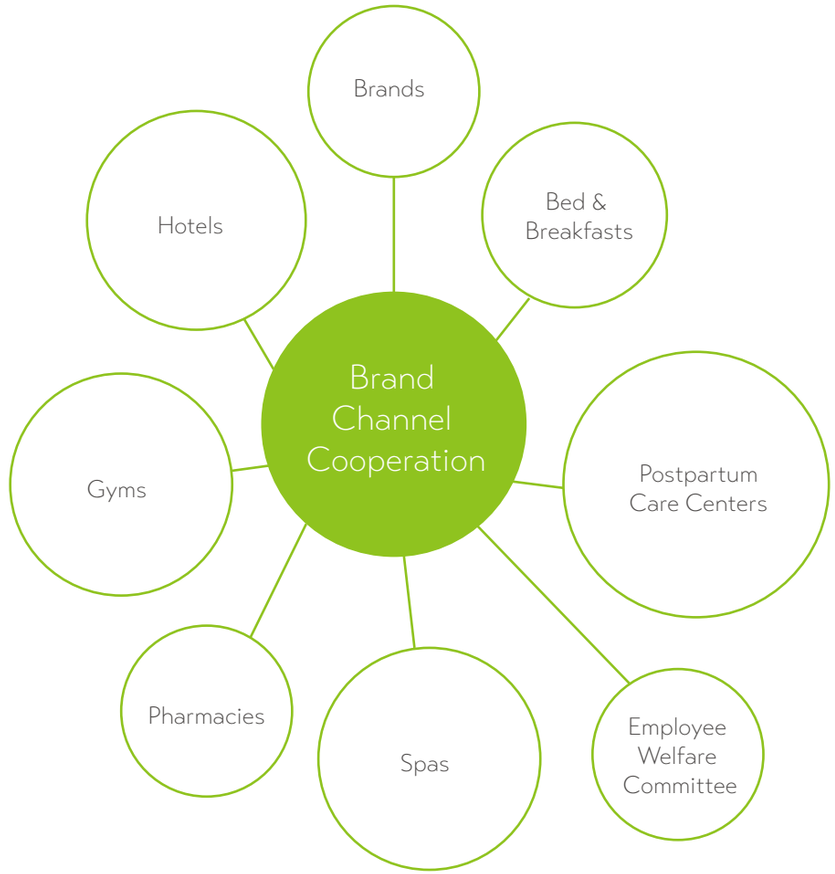
(2) Cooperative Business Division

O'right also offers brand collaboration services to create another dimension of its green territory. Following the outbreak of the pandemic, over two-thirds of consumers have shown increased awareness of climate change, with nearly 90% placing more emphasis on reducing pollution. The Cooperative Business Division, in promoting cross-industry collaborations, uses gift procurement as a key method to expand cooperation models. In line with the suitability of product tones, we emphasize presenting influential gifts that match the brand's personality and convey sustainable meaning.

By the end of 2022, successful collaborations have been established with 142 hotels/accommodations, 22 postnatal care homes, 14 spa clubs/gyms, 10 restaurants, 6 corporate partners, and 163 employee committees/corporate employee purchases, totaling 357 cross-industry collaborations. This is an increase of 213 collaborators compared to 2021, a growth rate of 150%. O'right has successfully integrated its green products into travel and everyday life, aspiring to blend the concept of environmental sustainability into the daily lives of the public, encouraging more people to work towards the betterment of our living environment.



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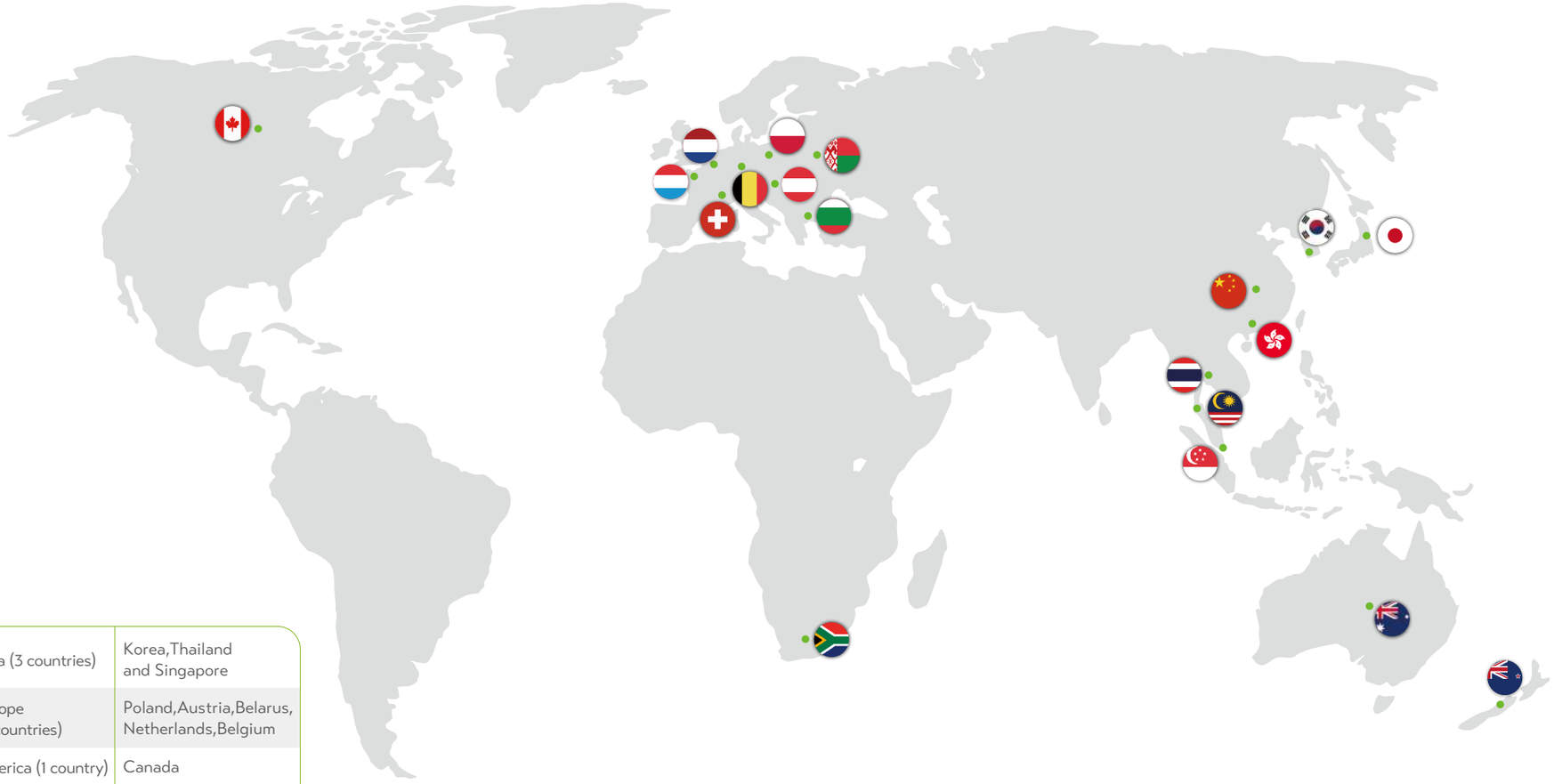
(3) nternational Business Development

'Zero Carbon' is the focal point of O'right's international marketing. O'right positions its products at the cutting edge of market trends for overseas expansion. The company conducts thorough market research and information gathering to identify target markets that align with its brand values and anticipated benefits. Collaborating with professional hair product agents, O'right deeply cultivates the professional hair product markets in various countries. In recent years, following the success of Taiwan's omni-channel strategy, O'right has gradually expanded its overseas sales from B2B to B2C channels. Moreover, annual exhibitions and touring events are planned to steadily expand the global customer base and sales footholds. By the end of 2022, O'right products had successfully reached 40 countries and regions across Europe, Asia, Southeast Asia, North America, and Africa, with the presence of O'right's green hair care products visible in many major international cities. Additionally, in 2022, O'right appointed Life Architect as the general agent in the Singapore market. O'right will continue to promote its ESG spirit and green sustainability awareness to more end consumers in the future.



Asia (3 countries)	Korea,Thailand and Singapore
Europe (6 countries)	Poland,Austria,Belarus, Netherlands,Belgium
America (1 country)	Canada
Africa (1country)	South Africa

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(4) E-Commerce — Online Platform for End Consumers

In 2014, O'right established its official shopping platform, offering customers an easy way to purchase high-quality green hair and beauty products, enhancing the convenience of consumer shopping. The official shopping website and external platforms operate 24/7, and during specified customer service hours, we provide customer service through Facebook, Line, email, and phone. Any product inquiries can be privately messaged for quick resolution, shortening the distance between us and our customers. Since 2016, we have expanded to other shopping platforms, conducting thematic marketing activities to secure advertising exposure and visibility. In 2018, we started cooperating with MOMO Shopping Network, providing consumers with a diversified product purchasing platform, not only enhancing brand visibility but also ensuring that consumer rights are not affected by internal system maintenance.

In 2022, we established the first zero-carbon beauty flagship store in Taiwan on the MOMO Shopping Network. Additionally, recognizing that many users rely on LINE's electronic gift coupons, O'right also opened a store on the LINE Gifts platform in September 2022, offering consumers zero-carbon product options for gifting, providing more comprehensive zero-carbon consumer services.

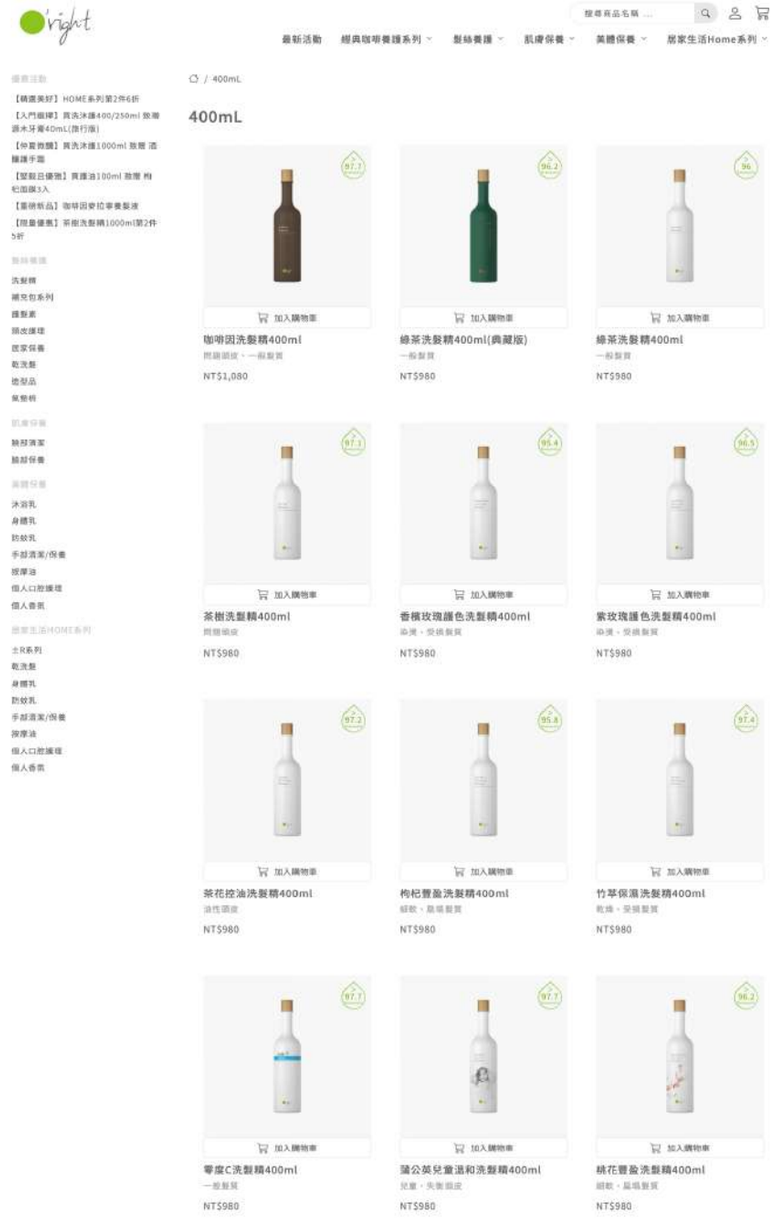
To make green consumption more tangible, in 2022, O'right innovatively displayed the carbon footprint data of products on its official shopping platform, clearly showing the lifecycle carbon emissions of various bath and care products. O'right has obtained carbon-neutral certification for both the organizational aspect and all products, covering the five major stages of the product lifecycle, including raw material acquisition, manufacturing, transportation and sales, consumer use, and waste recycling, offsetting the carbon emissions of each product in advance. At the final checkout, the system even thoughtfully sums up how much carbon emission the current purchase can reduce for the planet. O'right hopes that this initiative will encourage more consumers to consider environmental sustainability in every purchasing decision and inspire the public to continue transitioning towards green consumption.

Additionally, the e-commerce department independently operates the Facebook fan page "O'right Shop," the Instagram account "Oright_tw," and the Line official verified account "@O'right," directly communicating with end consumers. This department focuses on promoting the brand's philosophy, product image, usage tutorials, information on promotional activities, and consumer feedback and sharing. This approach not only offers consumers more choices but also narrows the gap between the brand and its consumers.

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



O'right e-commerce platforms



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(4) O'right Concept Store

Since 2016, O'right has been planning department store experience shops, using these retail outlets to convey and promote the brand's philosophy. Each experience shop features a unique decorative style, allowing consumers to directly experience a healthy, natural, and high-quality shopping environment, which also enhances shopping convenience. Moreover, the shops offer professional hair and scalp consultations, as well as hair care experience services, helping more people become acquainted with Taiwan's local green hair care brand.

Due to the high acceptance among consumers, there are currently a total of 25 O'right Concept Stores across Taiwan, bringing the brand to various prominent and well-known department store channels. This includes Eslite Life, a leading cultural and creative department store; Shin Kong Mitsukoshi, the largest department store chain in Taiwan; and other popular department stores nationwide. By the end of 2021, O'right's department store experience shops were widespread in major cities in Western Taiwan, with a presence in all six special municipalities. O'right gradually expanded its department store experience shops across Taiwan, adding new stores in 2022, including the Taipei Main Station Fashion Plaza, Far Eastern Department Store in Zhubei, and the Nantou Shude Mid-Hill Dream Factory. By the end of 2022, there were 24 department store experience shops and one directly operated independent store, the "Taipei Yongkang Xinyi Experience Shop," covering major department malls and key business districts across Taiwan. The selection of department stores, the floor of the counters, and the visual design of the counters are all core to conveying the green brand philosophy. Through professional scalp testing services and a tailored consumer experience, O'right accurately targets its key customer groups. In addition to offering advice on maintaining hair and skin health and high-quality products, this approach enhances the brand's overall image and drives business growth, increasing brand value and customer satisfaction. It also conveys a sustainable green lifestyle to customers.

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O'right Concept Store, serving as retail channels for O'right, have the following characteristics:

- Widespread presence in major cities in Western Taiwan, making the brand accessible to a large customer base.
- Offering the "It's O'right Green Life" e-newsletter, which discusses environmental topics and green issues, providing a wealth of detailed green knowledge and concepts.
- Organizing environmental activities periodically, inviting consumers and department stores to participate and engage actively in sustainability efforts.

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6.5.3 Customer Service

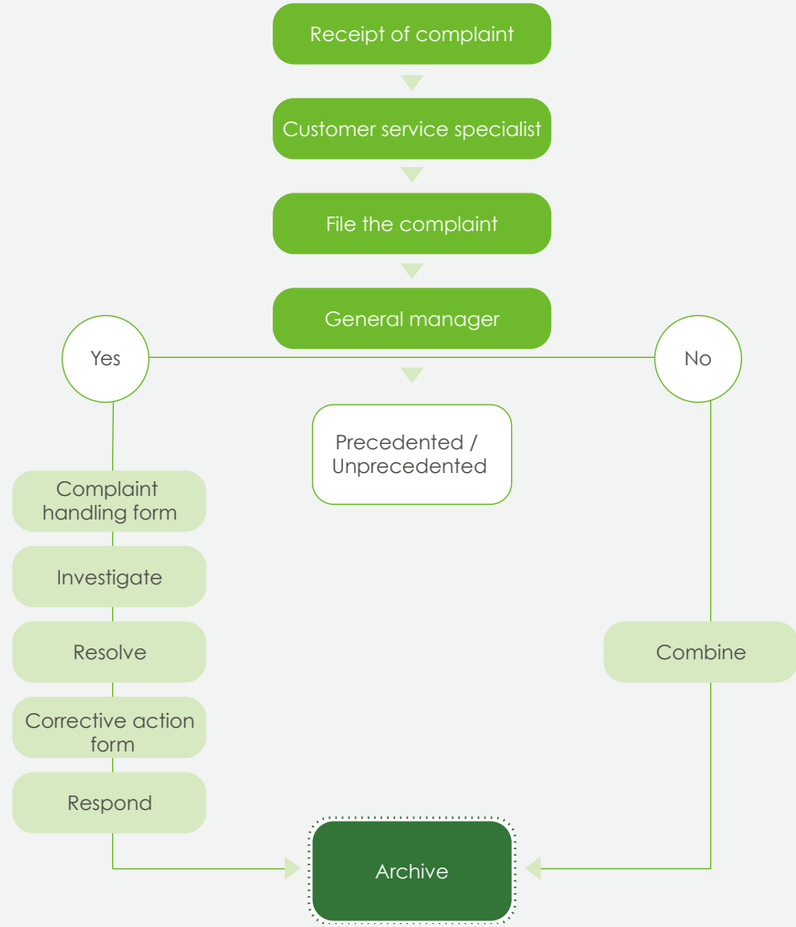
We prioritize the protection of customer privacy, using multi-layered security mechanisms to safeguard data. Our infrastructure is built with security considerations, including advanced anti-malware and threat detection systems, to prevent data breaches and protect customer information. Our rigorous data management practices ensure that customer privacy is never compromised, and we have not received any complaints regarding privacy breaches or data leaks.

Complete Customer Complaint Process, Listening to Customer Feedback

O'right values every customer complaint and has a comprehensive Standard Operating Procedure (SOP) for handling them. This includes time limits for customer service staff to report, for unit managers to understand and instruct, for headquarters to investigate, and for the general manager to approve the response to the customer. We aim to address complaints quickly and find satisfactory solutions for our customers.

All customer complaints are systematically recorded and made known to prevent recurrence of similar issues. Additionally, for general consumer feedback, O'right offers multiple channels such as Facebook, LINE, Instagram, Twitter, and other official platforms for communication. Overall, both the number and rate of customer complaints have been decreasing, indicating that our product quality and service are increasingly meeting customer expectations and needs.

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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6.5.4 Implementation of Satisfaction Surveys

O'right highly values customer satisfaction and regularly conducts customer satisfaction surveys to ensure timely understanding and response to customer needs. These surveys are conducted at least once a year, covering key areas such as quality, expertise, delivery service, after-sales service, and overall satisfaction. In the surveys, O'right's primary focus is on product quality. Committed to providing high-quality products, O'right prioritizes quality from the selection of raw materials to production process control. Customer feedback plays a crucial role in improving product quality and enhancing customer satisfaction.

Moreover, O'right emphasizes the provision of expertise. The team, rigorously trained and educated, possesses extensive product knowledge and professional skills, offering customers the necessary professional advice and support. This allows customers to trust and rely on O'right as their partner. Additionally, O'right offers comprehensive after-sales services, including customer consultation, problem-solving, and product maintenance. These services not only address customer issues but also strengthen their satisfaction and loyalty to O'right.

By comprehensively evaluating customer feedback on various aspects, O'right gains insights into the overall customer satisfaction with its products and services. This helps O'right identify potential areas for improvement, further enhancing the customer experience and satisfaction.



The Customer Satisfaction Survey Process

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(1) Department Store and E-commerce Division

In the department store and e-commerce sector, to enhance product quality and customer satisfaction, the following measures have been established to improve customer service:

a. Product Aspect

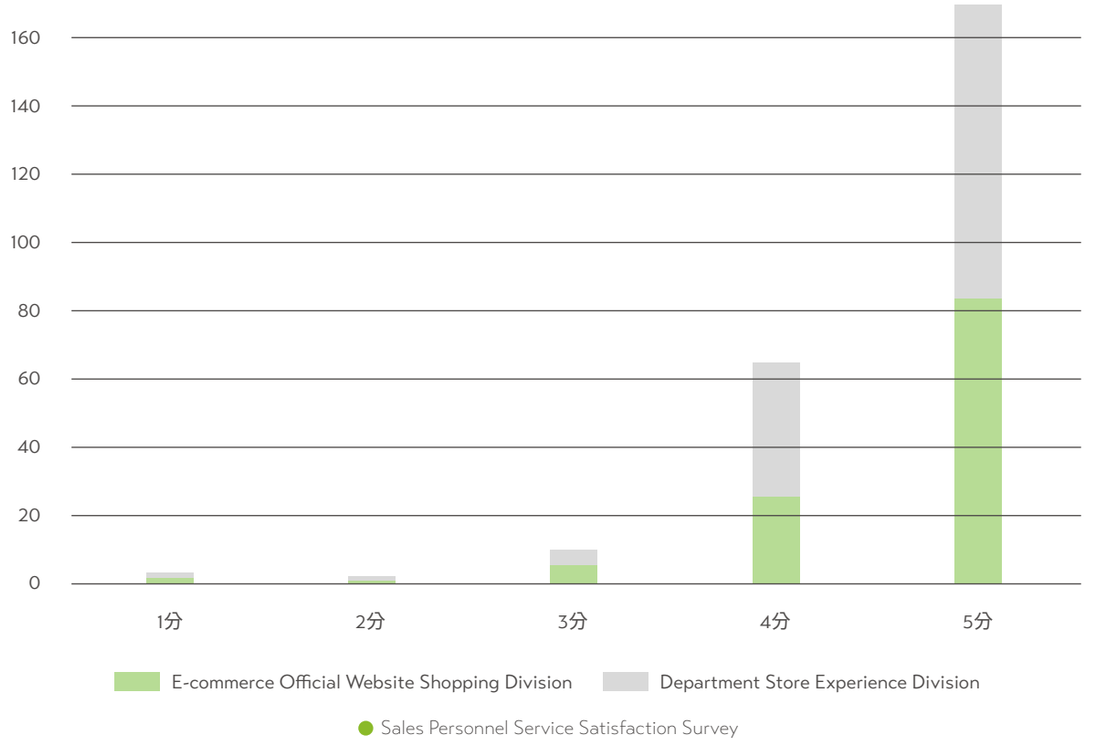
Sales personnel are required to pass a product introduction course and an assessment before providing on-site services. A two-way confirmation method is used to ensure sales service personnel receive the latest and most accurate product information, guaranteeing correct product knowledge. A product database (including product knowledge, ingredients, effects, FAQs) is created, serving as educational material for product training.

b. Information Aspect

ustomer information is compiled in a system, allowing sales staff to quickly understand customer conditions and needs. Latest updates are communicated to customers through channels like LINE or Facebook. A comprehensive internal communication network is established to facilitate all-around communication, ensuring timely delivery of the latest information, enhancing both vertical and horizontal communication across regions.

c. Personnel Aspect

A standard sales service process is established to maintain service consistency. Customer feedback is regularly provided to quality assurance and R&D units for prompt resolution of customer issues. Sales personnel are not only service providers but also 'green ambassadors' spreading the company's philosophy. Regular training sessions are organized each quarter, ensuring staff are up-to-date with product usage and company philosophy. Annual satisfaction surveys are conducted to hear customer voices and adjust subsequent communication strategies accordingly.



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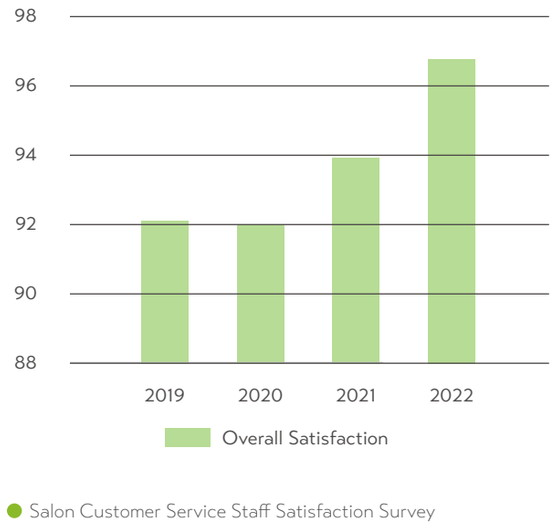
(2) Taiwan Salon Business Division

In 2022, the satisfaction survey continued to target salon customers with a high number of annual orders for investigation. Since 2012, O'right has consistently conducted annual customer satisfaction surveys, reaching a decade of implementation by 2022. The customer satisfaction KPI target is set at 80 points, and the overall customer satisfaction achieved 94.1 points. O'right will continue to strengthen customer relationship management and complaint handling, and enhance the professionalism of customer service to provide better services to salon owners.

In the salon sector, to improve product quality and customer satisfaction, the following measures have been established to enhance customer service:

For the main sources of product information acquisition	• Customer service personnel need to maintain two modes of information transmission with the salon owners. It must be ensured that the salon owners receive the information and respond. If not, the customer service personnel should contact the salon owners by phone the next day to ensure they have received the relevant information.
For the response of customer service personnel in complaint handling	• Standard complaint response phrases are established, and the accuracy of responses provided by customer service personnel is regularly spot-checked. • Simplify the internal complaint handling process.
For product quality satisfaction	• Implement product education for customer service personnel. • Collect relevant information and regularly provide feedback to the quality assurance unit.
Whether the product variety meets the needs	• Arrange instructors to conduct educational training in hair salons and customer service units, ensuring that salon owners and customer service personnel understand the product usage. • Collect relevant information and regularly provide feedback to the research and development personnel.
For the accuracy of product delivery	• Customer service personnel must confirm the order content with the salon owners before the order is entered into the system by the accounting department. • Collect relevant data and regularly provide feedback to the logistics and warehousing department.

2022 Salon Customer Service Staff Satisfaction Survey - Results for Each Item	
Quality Satisfaction	94.7 points
Professional Knowledge	97.7 points
Delivery Service	96.8 points
After-Sales Service	92.1 points



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(3) International Business Division

In the international agency aspect, O'right, aiming to strengthen customer relationship management and continuously improve product quality and customer satisfaction, has enhanced the following measures:

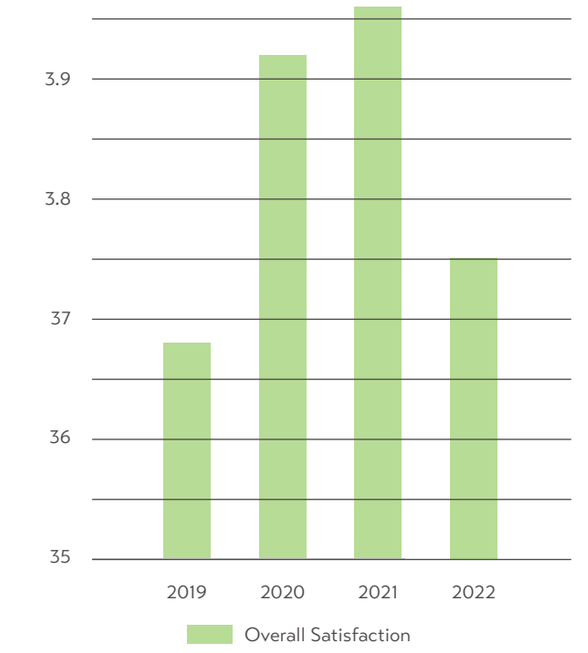
a. For product education training and business promotion sharing:

Meetings and educational training are arranged according to the needs of international agents to ensure symmetry of brand and product information.

b. For marketing materials:

Strengthen the information flow between the headquarters and the agents, providing more diverse and flexible planning and services for the international market.

2022 International Distributor Customer Service Staff Satisfaction Survey - Results for Each Item	
Customer Service	3.5 points
Product Development	4.5 points
Brand Marketing	3.5 points
Order Service	3.5 points



International Distributor Customer Service Staff Satisfaction Survey

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Appendices1 GRI Indicator Content Comparison Table

● GRI Indicator Content Comparison Table

Usage Statement	O'right's Corporate Sustainability Report has been prepared in accordance with the GRI Standards, covering the period of the year 2022 (January 1, 2022, to December 31, 2022).
GRI 1 Version Used	GRI 1: Foundation 2021 (without any disclosures)
Application of GRI Industry Standards	None

GRI	Disclosure Title	Chapter/Page	Explanation
GRI 2: General Disclosure 2021			
2-1	Organization Details	1.4 Corporate Profile	
2-2	Entities Included in the Sustainability Report	1.5 About the Report	
2-3	Reporting Period, Reporting Frequency, and Contact	1.5 About the Report	
2-4	Restatement of Information	1.5 About the Report	Correction of visitor numbers for the Green Building Headquarters Tour (2021)
2-5	External Assurance/Verification	1.5 About the Report Appendix 3: Third-Party Verification Statement	
2-6	Activities, Value Chain, and Other Business Relationships	1.4 Corporate Profile	
2-7	Employees	5.1 Green Team	Employee count is based on the end of the year (December 31, 2022).
2-8	Non-Employee Workers	5.1 Green Team	Non-employee workers include 2 night guards and 1 intern.
2-9	Governance Structure and Composition	6.1 Sustainability Governance; 6.2 Board Structure and Operation	
2-10	Nomination and Selection of the Highest Governance Body	6.2 Board Structure and Operation	
2-11	Chair of the Highest Governance Body	6.2 Board Structure and Operation	

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GRI	Disclosure Title	Chapter/Page	Explanation
2-12	Role of the Highest Governance Body in Overseeing Impact Management	1.1 Founder's Message; 2.1 Philosophy and Policy; 2.4 Stakeholder Engagement; 6.1 Sustainability Governance; 6.2 Board Structure and Operation; 6.4 Risk Management	
2-13	Responsibility Assigned for Managing Impact	6.1 Sustainability Governance; 6.2 Board Structure and Operation	
2-14	Role of the Highest Governance Body in Sustainability Reporting	6.1 Sustainability Governance; 6.2 Board Structure and Operation	
2-15	Conflicts of Interest	6.2 Board Structure and Operation	
2-16	Communication on Key Significant Events	6.1 Sustainability Governance; 6.2 Board Structure and Operation	
2-17	Collective Knowledge of the Highest Governance Body	N/A	Actual implementation items and information will be compiled and are expected to be reported in the 2023 report.
2-18	Performance Evaluation of the Highest Governance Body	N/A	Information on this item is expected to be reported in the 2024 report.
2-19	Compensation Policy	6.2 Board Structure and Operation	
2-20	Compensation Decision Process	5.3 Employee Benefits and Care	
2-21	Annual Total Compensation Ratio	N/A	Information on this item is expected to be accounted for and reported in the 2024 report.
2-22	Statement of Sustainability Strategy	1.1 Founder's Message	

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GRI	Disclosure Title	Chapter/Page	Explanation
2-23	Policy Commitments	5.3 Employee Benefits and Care 5.6 Green Influence 6.3 Ethics and Integrity	
2-24	Incorporation into Policy Commitments	2.1 Philosophy and Policy 5.3 Employee Benefits and Care	
2-25	Procedures to Remedy Negative Impacts	2.4 Stakeholder Engagement 5.3 Employee Benefits and Care	
2-26	Mechanisms for Seeking Advice and Raising Concerns	5.3 Employee Benefits and Care	
2-27	Regulatory Compliance	6.3 Ethics and Integrity	
2-28	Membership in Associations	6.1 Sustainability Governance	The company's participation in public associations is mainly presented in the "6.1 Sustainability Governance" section. However, involvement in international advocacy organizations like RE100 and SBTi is described in the "4.2 Energy Management" and "4.5 Greenhouse Gas Emissions" sections, respectively.
2-29	Stakeholder Engagement Policy	2.3 Materiality Issue Analysis 2.4 Stakeholder Engagement	
2-30	Collective Agreements	N/A	O'right has a mechanism for labor-management consultation and meeting procedures, but there are no trade unions or collective agreements. Additionally, O'right has established an internal General Manager's mailbox for complaints or suggestions, providing an equal communication platform for internal colleagues, allowing employees to immediately reflect problems and feedback suggestions.
GRI 3: Major Topics Disclosure Items			
3-1	Process for Determining Material Topics	2.3 Materiality Issue Analysis	
3-2	List of Material Topics	2.3 Materiality Issue Analysis	
3-3	Management of Material Topics	2.3 Materiality Issue Analysis	

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Specific Topic Disclosures （* Denotes Major Topics for the Year）

GRI	Disclosure Title	Chapter/Page	Explanation
GRI 200: Economic Series 2016			
*201 Economic performance			
201-1	Economic Value Generated and Distributed by the Organization	6.1 Sustainability Governance	
201-2	Financial Impacts and Other Risks and Opportunities Due to Climate Change	4.1 Climate Risks and Governance	Cost and financial impact data are mostly based on assumed estimates and detailed calculations are not currently possible. It is expected that relevant data items will be established 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	
*206 Anti-competitive behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	6.3 Ethics and Integrity	
GRI 300：Environmental Series 2016			
*301 Materials			
301-2	Recycled input materials used	3.2 Green Products	
301-3	Recycling of Products and Their Packaging	N/A	To reduce environmental impact and achieve waste reduction, O'right uses recyclable cardboard boxes for in-factory transport and has introduced reusable collapsible logistics boxes. However, as product packaging already largely utilizes recycled materials, designed for carbon emission reduction benefits, and can be reused through the national recycling system, data for this item has not been collected. Future reports will compile and present actual implementation data, expected to be supplemented in the 2023 report.

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GRI	Disclosure Title	Chapter/Page	Explanation
		*302 Energy	
302-1	Internal Energy Consumption of the Organization	4.2 Energy Management	
302-2	External Energy Consumption 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	Reducing Energy Requirements of Products and Services	N/A	O'right, with over hundreds of products and service items, plans to collect more comprehensive data on the actual number of products and their corresponding energy requirements. The detailed report is expected to be supplemented in the reports of the next two years.
		303 Water and effluents	
303-1	Mutual Impact of Shared Water Resources	4.3 Water Resource Management	
303-2	Management of Impacts Related to Wastewater	4.3 Water Resource Management	
303-3	Water Withdrawal	4.3 Water Resource Management	
303-4	Wastewater Discharge	4.3 Water Resource Management	
303-5	Water Consumption	4.3 Water Resource Management	
		*305 Emissions	
305-1	Direct (Scope 1) Greenhouse Gas Emissions	4.5 Greenhouse Gas Emissions	
305-2	Energy Indirect (Scope 2) Greenhouse Gas Emissions	4.5 Greenhouse Gas Emissions	
305-3	Other Indirect (Scope 3) Greenhouse Gas Emissions	4.5 Greenhouse Gas Emissions	
305-4	Greenhouse Gas Emissions Intensity	4.5 Greenhouse Gas Emissions	
305-5	Reduction of Greenhouse Gas Emissions	4.5 Greenhouse Gas Emissions	
305-6	Emissions of Ozone-Depleting Substances	N/A	Not applicable. O'right does not emit such substances.
305-7	Emissions of Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	N/A	Not applicable. O'right does not emit such substances.

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GRI	Disclosure Title	Chapter/Page	Explanation
306 waste			
306-1	Generation of Waste and Significant Waste-Related Impacts	4.4 Waste Management	
306-2	Waste by Type and Disposal Method	4.4 Waste Management	
306-3	Generation of Waste	4.4 Waste Management	
306-4	Disposal and Transfer of Waste	4.4 Waste Management	
306-5	Direct Disposal of Waste		Not applicable. O'right does not directly dispose of waste. All waste is transported to qualified treatment plants for compliant processing (incineration, composting).
*308 Supplier Environmental Assessmen			
308-1	Adoption of Environmental Standards for Screening New Suppliers	3.3 Green Supply Chain	

GRI 400 : Social Series 2016			
*401 Employment			
401-1	New Employee Hires and Employee Turnover	5.1 Green Team	
401-2	Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)	5.3 Employee Benefits and Care	
401-3	Parental Leave	5.3 Employee Benefits and Care	
*403 Occupational health and safety			
403-1	Occupational Health and Safety Management System	5.4 Occupational Safety and Health	
403-2	Hazard Identification, Risk Assessment, and Incident Investigation	5.4 Occupational Safety and Health	
403-3	Occupational Health Services	5.4 Occupational Safety and Health	

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GRI	Disclosure Title	Chapter/Page	Explanation
403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	5.4 Occupational Safety and Health	
403-5	Education and Training on Occupational Health and Safety	5.4 Occupational Safety and Health	
403-6	Worker Health Promotion	5.4 Occupational Safety and Health	
403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Operations	5.4 Occupational Safety and Health	
403-8	Workers Covered by an Occupational Health and Safety Management System	5.4 Occupational Safety and Health	
403-9	Occupational Injuries	5.4 Occupational Safety and Health	
403-10	Occupational Diseases	N/A	Not applicable. O'right operates in a low-risk work environment and, to date, there have been no cases of occupational diseases.
404 Training and education			
404-1	Average Hours of Training per Employee per Year		
401-2	Programs for Upgrading Employee Skills and Transition Assistance Programs		O'right provides internal and external training programs to enhance the professional skills required by employees. While there isn't a specific transition assistance program for employees who retire or terminate their employment, O'right is committed to addressing the needs and well-being of its employees. They continuously improve their employment practices to ensure that employees' work experiences and development opportunities are well supported and valued. If departing employees have individual needs, they can also connect with the Talent Development Center to access government resources through Employee Assistance Programs (EAPs) for professional counseling services in areas such as psychology, law, and finance.
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews		

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GRI	Disclosure Title	Chapter/Page	Explanation
413 Local Community			
413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	5.5 Environmental Education 5.6 Green Influence	
413-2	Operations with Significant Actual or Potential Negative Impacts on Local Communities	5.5 Environmental Education 5.6 Green Influence	
*414 Supplier Social Assessment			
414-1	New Suppliers Screened Using Social Criteria	3.3 Green Supply Chain	
*416 Customer Health and Safety			
416-1	Assessment of the Impact of Product and Service Categories on Health and Safety	3.2 Green Products	
416-2	Incidents of Non-Compliance with Regulations Concerning the Health and Safety of Products and Services	6.3 Ethics and Integrity	O'right had no incidents of non-compliance with relevant regulations 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 with Regulations on Product and Service Information and Labeling	6.3 Ethics and Integrity	O'right had no incidents of non-compliance with relevant regulations during the reporting period.
417-3	Incidents of Non-Compliance with Regulations Related to Marketing Communications	6.3 Ethics and Integrity	O'right had no incidents of non-compliance with relevant regulations during the reporting period.
418 Customer Privacy			
418-1	Complaints Regarding Breaches of Customer Privacy and Loss of Customer Data	6.5 Customer and Product Services	O'right had no customer complaints regarding privacy breaches or data loss during the reporting period.

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Appendices2 SASB Comparison Table

O'right follows the Sustainability Accounting Standards Board (SASB) guidelines for disclosure. Based on the Materiality Map index, which covers 11 industry sectors and 77 industries, key issues and indicators applicable to O'right were selected. The company discloses relevant data and information to comprehensively assess its impact in environmental, social, and governance (ESG) aspects.

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

Sustainability Disclosure Themes and Indicators

Category	Disclosure Theme	Indicator Code	Disclosure Indicator	2022 Disclosure Content	Reference Section
Environmen	Water Resource Management	CG-HP-140a.1	Total Water Withdrawal	The total water withdrawal in 2022 was 5,118 cubic meters.	Water Resource Management
			Total Water Consumption	O'right categorizes water usage into 'pure water for production', 'boiler water', 'domestic water', and 'irrigation water'. By treating all wastewater, we have achieved a 100% recycling and reuse rate. Hence, in 2022, no effluent water was discharged, and the total water consumption was the same as the total withdrawal, which is 5,118 cubic meters.	
			Percentage in Areas with High or Very High Baseline Water Stress	Both of the above are 0% (no operations in areas of high or extremely high water scarcity).	
		CG-HP-140a.2	Management of Water Risks and Discussion of Strategies and Methods to Mitigate These Risks	As a beauty industry player with bathing products being one of our main product lines, water is an extremely ' important resource for us. To avoid wasting water, we use a water resource recycling system on the production side, reusing the intermediary and wastewater that is expelled during the process.	

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Category	Disclosure Theme	Indicator Code	Disclosure Indicator	2022 Disclosure Content	Reference Section
Social Capital	Performance of products in terms of environment, health, and safety	CG-HP-250a.1	Profit from products containing ingredients listed as Substances of Very High Concern (SVHC) under the EU REACH regulation	All our raw materials comply with REACH and the EU regulation (EC) No 1223/2009 requirements. There is no profit beyond what is stipulated by REACH.	Water Resource Management
		CG-HP-250a.2	Profit from products containing ingredients from the California Department of Toxic Substances Control's (DTSC) Candidate Chemicals List	We do not use ingredients from the California DTSC Candidate Chemicals List for our products. Therefore, we do not have any income from this source.	
		CG-HP-250a.3	Discussion on the identification and management process for emerging substances of concern and chemicals	O'right's Organic Plant Extraction Research Center is a TAF-certified laboratory, operating according to ISO/IEC 17025 for efficacy and safety testing. To ensure international standards for laboratory testing capabilities, our staff regularly participate in proficiency testing organized by third-party certification bodies. O'right has established principles such as 8Free, Vegan, and Gluten Free, insisting on the exclusion of various high-risk substances. The laboratory also continuously follows international developments in substance safety technology, performing cosmetic safety assessments on products.	
		CG-HP-250a.4	Profit amount from products designed using green chemistry principles	O'right prioritizes the use of raw materials that comply with green chemistry principles in the production and manufacturing of our products. All products adhere to green chemistry principles, so the disclosed amount is the total sales revenue of all products, which is NT$570,253,603.	
Business Model and Innovation	Management of Packaging Lifecycle	CG-HP-410a.1	Total Packaging Weight	The total weight of product-related packaging materials procured in 2022 was 267.544 metric tons, broken down as follows: HDPE plastic bottles: 211.713 metric tons Recycled PP pumps: 36.674 metric tons PET packaging and caps: 19.157 metric tons	
			Percentage from Recycled and/or Renewable Materials	The proportions of recycled plastics used in various packaging categories in 2022 are as follows: HDPE plastic bottles: 100% Recycled PP pumps: 83.70% PET packaging and caps: 100% Note: Recycled PP pumps have not yet achieved 100% recycled plastic use due to precise internal components such as springs and steel balls. We will continue to develop related technologies to increase the proportion of recycled materials used.	

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Category	Disclosure Theme	Indicator Code	Disclosure Indicator	2022 Disclosure Content	Reference Section
Business Model and Innovation	Management of Packaging Lifecycle	CG-HP-410a.1	Percentage Recyclable, Reusable, and/or Compostable	All O'right products use single-material recyclable packaging, with 100% entering the recycling system. O'right's core goal for green packaging is 'Recycling and remanufacturing is the last mile of the circular economy.' We continue to develop eco-friendly refill packs, squeeze tubes, recycled pumps, recycled bottles, and de-plated recycled spray heads. To date, O'right's bath series bottles have achieved 100% PCR recycled material use, making O'right the first hair care brand to fully implement 'circular economy' from ingredients to packaging, realizing the cradle-to-cradle concept and completing the final mile in product plastic reduction and carbon reduction.	Water Resource Management
		CG-HP-410a.2	Strategy Discussion for Reducing the Environmental Impact of Packaging Lifecycle	O'right's green packaging design takes into account the entire product lifecycle during the design process. The company actively researches and develops green organic materials to replace petrochemical ones and is dedicated to reducing packaging or replacing it with green sustainable materials. The design considers different aspects such as material, shape, and structure, aiming to 'reduce product packaging' to achieve carbon reduction.	
	Environmental and Social Impact of Palm Oil Supply Chain	CG-HP-430a.1	Sustainable Palm Oil Certification (RSPO) in the Palm Oil Supply Chain (a) Identity Preservation System	N/A	
			(b) Segregated Certification System	N/A	
			(c) Mass Balance System	In 2022, O'right purchased approximately 146.5 metric tons of palm oil derivatives, of which 37% were RSPO certified.	
			(d) Percentage of Certification Trading	N/A	
Activity indicators					
Operational Indicators		CG-HP-000.A	Product Sales Quantity and Total Weight of Sold Products	In 2022, the total quantity of products sold was 1,441,565 items, with a total weight of approximately 672.55 metric tons.	Green Building GMP Cosmetics Factory
		CG-HP-000.B	Number of Manufacturing Facilities	1 facility (O'right Green Building Cosmetics GMP Plant)	

SASB Materiality Map: https://materiality.sasb.org/

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SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE O'RIGHT INC.'S CORPORATE SUSTAINABILITY REPORT FOR 2022

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
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 Sustainability Report for 2022 (hereinafter referred to as the Report). The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standardv3 Type 2 Moderate level to assess whether the text and data in accompanying tables contained in the report and complies with the GRI Universal Standard (2021) and AA1000 Accountability Principles (2018) during on-site verification(2023/08/01~2023/08/30) in O'right headquarter. The boundary of this report includes O'right Taiwan operational and production or service 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 verification 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 Sustainability 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 topics, 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.

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)
B	AA1000ASv3 Type 2 Moderate (AA1000AP Evaluation plus evaluation of Specified Performance Information)

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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 Universal Standard (2021) (Reference)
2	AA1000 Accountability Principles (2018)

- evaluation of content veracity of the sustainability performance information at a moderate level of scrutiny for O'right, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018); and
- evaluation of the report against the requirements of Global Reporting Initiative Universal Standards (2021) listed in the GRI content index where the organization has referenced for the preparation of the reported information.

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 verification, 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 organisation, 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, EMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

VERIFICATION/ ASSURANCE OPINION
On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, 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) CONCLUSIONS, 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, investors, suppliers, and other stakeholders are implemented to underpin the organization'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 their 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 STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, O'right's CS Report of 2022, is reporting with reference to the GRI Universal Standards 2021 and complies with the requirements set out in section 3 of GRI 1 Foundation 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. 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 comprehensive details of its management processes on the identified impacts on the economy, environment, and people.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000
Licensed Report
000-8/V3-MVKRY

Stephen Pao
Knowledge Deputy General Manager
Taipei, Taiwan
25 September, 2023
WWW.SGS.COM

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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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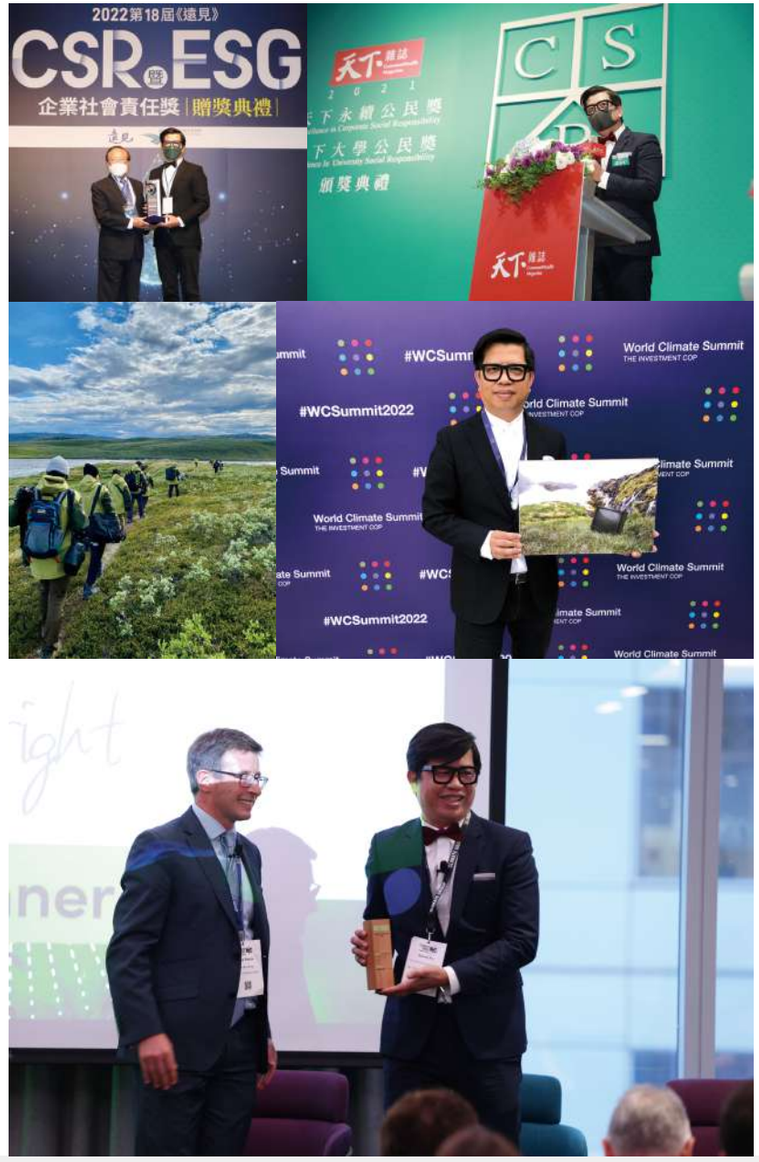
2022

- Verified by SGS for 3 consecutive years, achieving comprehensive carbon neutrality for the entire organization and all products, covering scopes 1, 2, and 3.
- Achieved the goal of 100% green electricity usage starting from December.
- Invited to speak at UN Climate Change Conference COP27
- Launched the "3-Minute Shower Action" campaign on the "Water Resources Day" at COP27
- Launched the "Melting Greenland" project, which received support from the United Nations-recognized World Climate Foundation (WCF) and the RE100 Climate Group | CDP
- Bloomberg Green Environmental Pioneers
- Low Carbon Reward by the Environmental Protection Administration
- Taiwan Excellence Award(Caffeine Melanin Botanical Scalp Revitalizer、Sorghum Radiance Banana Fiber Sheet Mask)
- Sustainable Beauty Awards - New Sustainable Product & Sustainability Leadership
- Winner of RE100 Enterprising Leader Award
- The 2050 Net-Zero carbon emission target has been audited and approved by the SBTi
- CommonWealth Excellence in CSR-Little Giant
- Global Views Monthly CSR/ESG Award
- Green World Awards -SUSTAINABILITY、ENVIRONMENTAL POLICY、INNOVATION



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