

2021

Hair O'right Corporate Sustainability Report

© 2021 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report
Letter from the Chairman

Chapter 1. A Sustainable Business
- 1.1 About O'right
- 1.2 Philosophy
- 1.3 O'right and the SDGs
- 1.4 Operations and Economic Performance

Chapter 2. Green Innovative Manufacturing
- 2.1 O'right Green Headquarters GMP Cosmetics Factory
- 2.2 Green Products
- 2.3 Green Resource Recycling System

Chapter 3. Caring for Our Staff
- 3.1 Our green team
- 3.2 Employ Benefit
- 3.3 Personal Training
- 3.4 Qccupational Health and Safety

Chapter 4. Green Supply Chain
- 4.1 Green Supply Chain
- 4.2 Green Suppliers
- 4.3 Green Salons
- 4.4 TogetherGreener

Chapter 5. Green Impacts
- 5.1 Green Chairity Engagements
- 5.2 An Educational Facility for All
- 5.3 Green Publication
- 5.4 Green Consumption

Appendix 1 GRI Standards Index
Appendix 2 Third Party Guarantee Declaration
Appendix 3 Green Management System
Appendix 4 Green Footprint

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



About Our Corporate Sustainability Report

O'right's 2022 Corporate Sustainability Report marks our 9th annual report on sustainability topics concerning environmental, social, and governance (ESG) issues material to our stakeholders and business. This Report details our sustainability initiatives, performance and impact and focuses on activities in 2021.

The data and information disclosed within this Report focus on the operational performance in 2021 of the parent company, O'right Green Headquarters, excluding our subsidiaries in Shanghai and Japan. Regarding hydropower, since Yongkang and Daan Concept Stores have not yet installed individual water meters, they are excluded from the statistics. This Report highlights our current achievements in sustainability and details our progress towards a greener tomorrow. We remain future-focused, reflecting on the data and building on last year's progress to develop strategies that achieve positive change in the world and create a better future for people and for the planet.

This Report was planned jointly by our CEO Steven Ko and CSR team and integrated and written by the Sustainability and Risk Management Department. We gathered important global economic, environmental and social issues. We identified 12 stakeholder groups and addressed the issues they consider material. This Report covers a total of 13 topics and corresponds to 12 standard disclosures included in the GRI sustainability reporting standards.

Our Sustainability Reporting

The Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and externally assured by SGS Taiwan Limited (see Appendix 2 Third Party Guarantee Declaration).

Our Publications

Our Corporate Sustainability Report is published annually. Out of consideration for the environment, our latest and previous Reports are available for downloading and viewing on our website.

Compiled by Yuhsuan Liu & Darren Chen

Designed by Ya-lien Wang

Translated by Angela Lai

Current issue: October 2022

Previous issue: December 2021

Next issue: December 2023

Contact information

We welcome and value your feedback and inquiries. Please visit our official website http://www.oright.inc or contact Sustainability Specialist Yuhsuan Liu via email (esg@oright.inc), telephone (+886-3-411-6789 Ext. 8921) or fax (+886-3-411-6779).

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

Letter from Our Founder

Bringing Nature into Our Decision-making for a Zero Impact World

Climate change, biodiversity loss and pandemics are far more intimately intertwined than we imagined. Climate change exacerbates the loss of biodiversity, which aggravates the transmission of infectious diseases spread by animals to humans. This is nature's way of fighting back – and we are paying the price. We are the first generation to be hit with the worst impacts of climate change, and we could also be the last. Since O'right was founded, we have been dedicated to creating green products that reflect our core values and keep us on our path towards our zero carbon, zero impact goal. For the past 15 years, we have measured our product carbon footprint, built a green supply chain and redefined green consumption, while providing green products and services. In 2020, we achieved carbon neutrality (Scope 3 emissions) across the organization, manufacturing operations and product portfolio. We have demonstrated that achieving a zero carbon economy is possible, and we have our unfaltering commitment to live in alignment with our green values.

In 2021, we joined the World Biodiversity Summit at COP15 and World Climate Summit at COP26 as a representative of Asian SMEs. We ardently stressed the importance of measuring the carbon footprint of all products and implementing carbon reduction strategies. All businesses will go green in the future. We need to close the loop on the circular economy and restore biodiversity. We must respect nature and reduce the impact on the health and well-being of people and the environment. We designed post-consumer recycled plastic and mono-material packaging and developed pure green products that are good for people, society, and the environment. That's the least we can do for the place we call home.

As global net-zero trends take prominence, businesses are mapping out carbon reduction plans and placing more importance on maintaining their green competitive advantage. Our carbon passbook is what puts O'right ahead of others in green, sustainability, and innovation. To achieve our zero carbon goal, we became Taiwan's first carbon trading company in 2011. Carbon trading could become the key to solving climate change when global carbon prices soar. I sincerely hope that more green partners can join us on our journey to secure the future of younger generations and make the world a better and greener place.



Chairman of O'right

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

01 A Sustainable Business

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

1.1 About O'right

O'right Green Headquarters is located at No.18, Gaoping Sec., Jhongfong Rd., Longtan District, Taoyuan City. As the leading green beauty brand in Taiwan, Hair O'right International Corporation is the home to Asia's first GMP certified green cosmetics plant, certified to ISO 9001, ISO 22716, ISO 50001, ISO 14001, ISO 45001. Our product manufacturing relies on renewable clean energies of solar and wind power and water recycling systems. O'right is one of the few beauty manufacturers established in Taiwan that engage in green research and development, green design, green processing and creative marketing.

Our sales channels in Taiwan include 7,000 salons, 23 stores and 5 e-commerce platforms as well as our official e-shop website. As for international markets, our products and services are sold through professional salons, e-commerce, retail and omni-channel distributors across 40 countries including Poland, Sweden, Belarus, Ukraine, Saudi Arabia, China, Korea, Thailand, South Africa, Belgium, the Netherlands, Austria, Bulgaria and Japan.

Since the birth of our first shampoo, we have been committed to product, social, and environmental responsibility. We aspire to be great instead of big, taking giant leaps to make a big difference for the environment in our race to zero carbon and zero impact. Like the message the O'right logo aims to communicate and convey: our green promise to do what's best for future generations and our planet.

Figure 1-1 The logo of O'right

1.1.1 The Story

Hair O'right International Corporation was registered on August 28, 2001 and began operations the following year on March 8, International Women's Day. Initially, O'right started as a distributor of international brands; then we realized that the hair care products manufactured by most companies are no different from other generic chemical products.

In 2002, the same year in which O'right was established, CEO of O'right, Steven Ko, grief-stricken over the death of his parents from kidney disease and cancer, and having grown up with allergies, vowed to take protective measures against exposure to chemical substances. His personal experience fueled his determination to transform O'right into a green company dedicated to developing hair care products containing natural plants and no harmful chemicals.

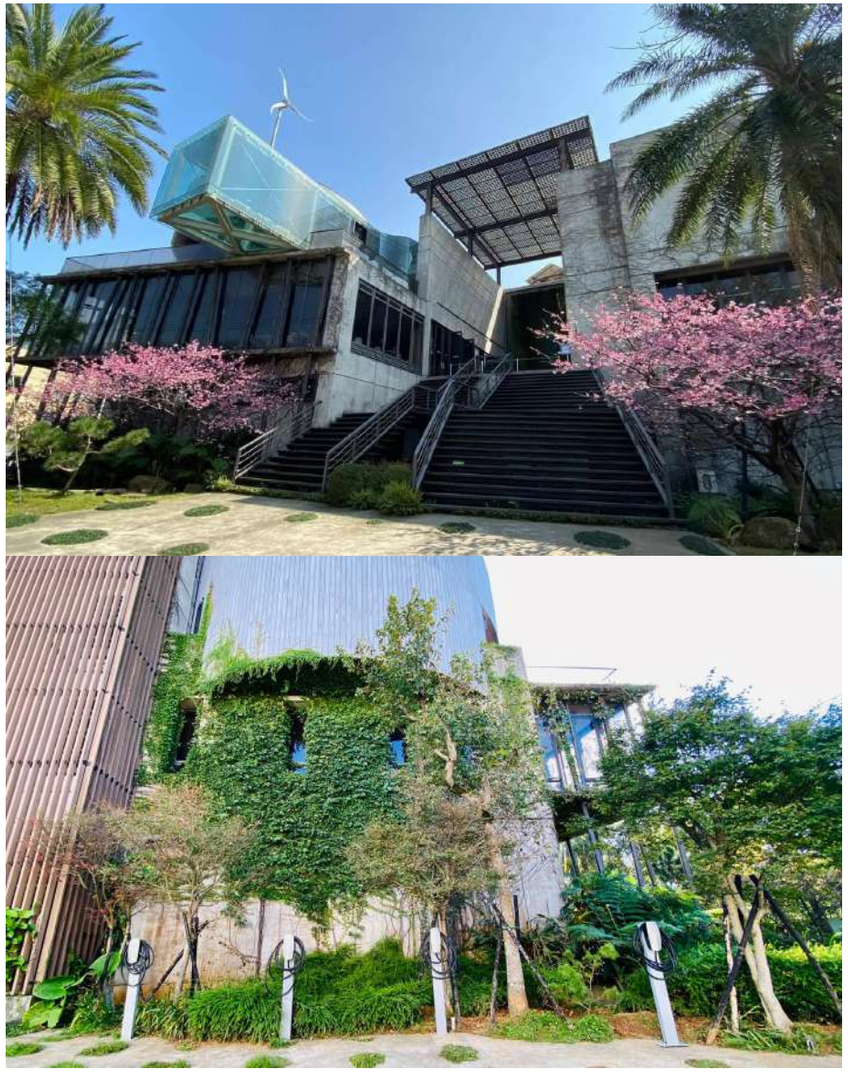


Figure 1-2 O'right Green Headquarters is the first GMP certified Gold-level green cosmetics plant in Asia and Taiwan's first Diamond-level carbon footprint green building

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

1.1.2 Awards and Accolades

2021/05 Global Views Monthly CSR/ESG Award

2021/09 CommonWealth Excellence in CSR Little Giant

2021/10 Green World Award
Innovation (Silver)
Environmental Policy (Silver)
Carbon Reduction (Silver)
Energy Management (Bronze)
Products (Bronze)

2021/11 Sustainable Beauty Awards
New Sustainable Product
Sustainability Leadership

2021/11 Taiwan Excellence Award
(Botanical Curl Defining Oil)

2021/11 Good Design Gold Award
Top 3 Finalist for the Good Design Grand Award
Best 100

● Figure 1-3 Awards and accolades of 2021



● Figure 1-4 Sorghum Radiance Banana Fiber Sheet Mask wins the Sustainability Leadership and New Sustainable Product at the Sustainable Beauty Awards 2021

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

1.1.3 Corporate and Organizational Involvement

O'right is also fully aware of inter-industry collaborations' importance in achieving sustainability. To adhere to our corporate philosophy of Natural, Pure and Eco-friendly, O'right plays an active role in various groups and organizations, incorporating corporate sustainability and earth's resources into associations in Taiwan to thoroughly achieve environmental protection practices.

O'right CEO Steven Ko is an integral part of numerous organizations in Taiwan, including Director of the Taiwan Excellence Brand Association, Director of the Taiwan Cosmetics Industry Association, member of the Importers and Exporters Association of Taiwan, Managing Supervisor of the Taiwan Association for Superior Service Brands, member of National Association of Young Entrepreneurs R.O.C and Executive Director of the Sustainable Salon Association.

O'right may be best known to the world as a professional hair care brand, so most people do not know that we have always made it our responsibility to optimize the beauty salon industry and achieve sustainable development. In 2019, we started the Sustainable Salon Association with U-Fresh Technology and SGS Taiwan to help promote sustainable development in salons (or social/public spaces), meet Sustainable Development Goals, promote sustainable consumption and production, encourage a healthy, environmentally-conscious environment, promote renewable energy and contribute to society. The aim and purpose of the association are to promote healthy, safe, green public spaces.



Figure 1-5 Sustainable Salon Association is jointly promoted by O'right, U-Fresh Technology , Unity Sustainability Services and SGS Taiwan.

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

1.1.4 Stakeholder Engagement

The Green Council for Sustainable Development meets every season to discuss environmental issues. The CSR Committee meets during the third season to discuss the need to reevaluate stakeholder concerns. Material aspects are also part of the meeting agenda.



Figure 1-6 Stakeholder engagement process

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

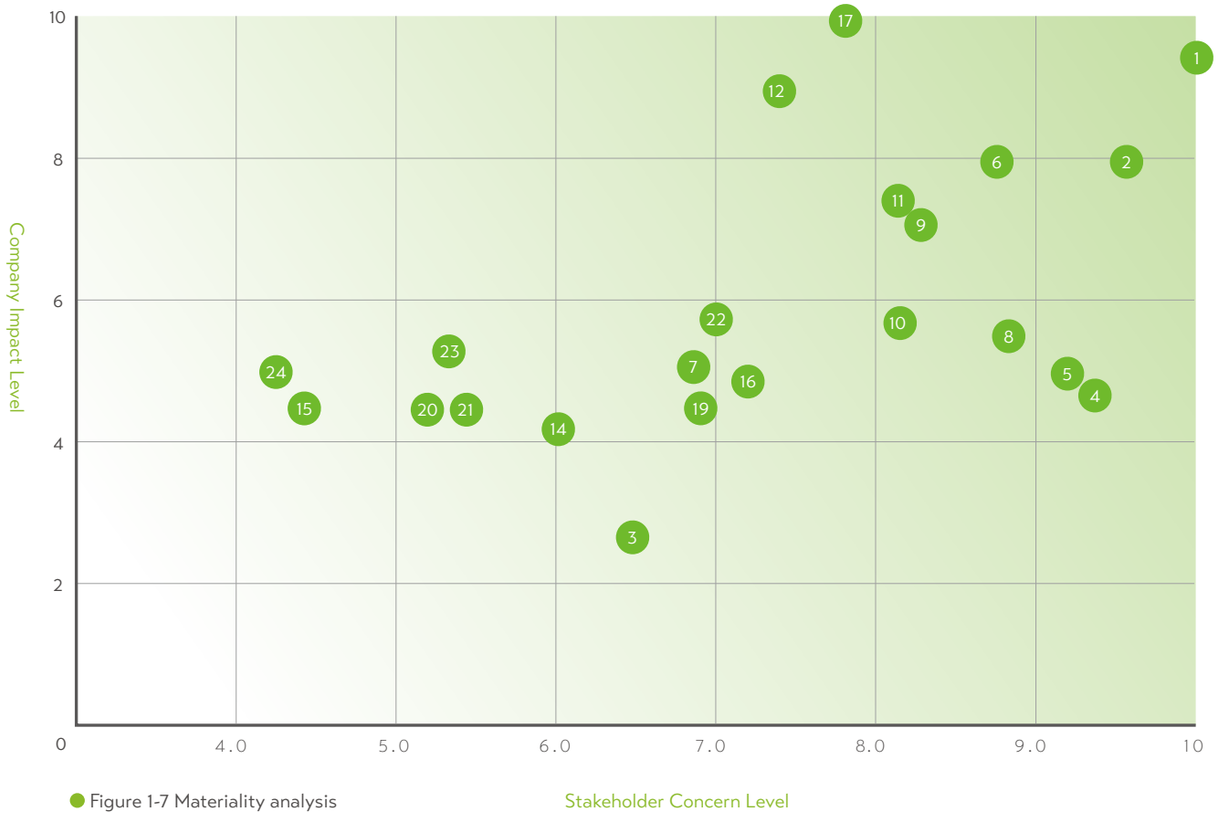


Figure 1-7 Materiality analysis

Stakeholders' issues of concern were identified in the Green Council for Sustainable Development meeting held in 2021. In 2022, 8 stakeholders were identified: employees, consumers, channel customers, distributors, suppliers, subcontractors, shareholders and communities.

To ensure that our company development does not deviate from stakeholder expectations, we conducted a questionnaire survey for stakeholders to indicate their level of interest or concern in each sustainability issue and a materiality analysis to determine how each issue impacts our operations based on the 1,218 surveys received and completed. A total of 13 material issues were identified and determined based on stakeholders' level of concern and impact on company operations that scored above 6. In addition to the customized theme of biodiversity protection, we also included "measures for employee protection in response to the Covid-19 epidemic" in response to the global impact of the COVID-19 pandemic, covering a total of 13 topics and corresponding to 12 standard disclosures from the GRI sustainability reporting standards (Table 1-1).

We proposed future strategies and actions in corresponding chapters to respond to the stakeholders' material concerns (Table 1-1). The engagement of the first 8 groups of stakeholders is outlined in Table 1-2.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

● Table 1-1 Issues of concern and its corresponding GRI standards

No.	Issues of Concern	GRI Standards	Corresponding Chapter	Strategy	Target	Responsive Actions	Results
A.	Financial stability	201 Economic performance	1.4	In addition to the cost of supplies and labor, we also take into consideration the social and ecological costs that our products bring in order to keep up with future trends in the carbon trading market.	Calculate and monitor our annual financial statements and environmental expenditures to review our overall financial performance.	Publish an environmental accounting report every year to disclose our expenditure on environmental protection in our Corporate Sustainability Reports every year.	We have shown continuous revenue growth since 2017. Despite the COVID-19 pandemic in 2021, we still experienced an 8.7% growth in revenue. The amount of green investment generated in 2021 was approximately NT$105 million, and the total amount of related investments accumulated over the years is nearly NT$580 million.
B.	Economic impact of climate change	201 Economic performance	1.4	Incorporate risks and uncertainties in accordance with various management systems and climate change conditions to minimize the economic impacts of climate change and maintain economic stability.	Integrate the TCFD recommendations on climate and environmental risks into our overall risk management by 2022.	Establish a cross-departmental team to organize book clubs and identify disclosures, and organize sustainability related meetings every season with the help of the Green Council for Sustainable Development to propose potential risks and measures.	Disclose climate-related practices of 2021 under the TCFD reporting framework.
C.	Indirect economic contribution to farmers	203 Indirect economic impacts	2.2 4.1	Continue to develop safe and effective cosmetics that also double as agricultural products to add value to farm products.	Foster the development of the Taiwanese organic farming industry and reduce import dependence.	Develop native plants and local farm produce or other wastes, using eco-friendly extraction methods to obtain active ingredients for our product formulas and adding value to Taiwan's agricultural products.	Raw materials include organic tea leaves, bamboo leaves, goji berry roots, coffee grounds and sorghum grains grown in organic farms in Taiwan.
D.	Procurement from local suppliers in Taiwan	204 Procurement practices	4.1 4.2	Reduce the shipping carbon footprint of ingredients and raw materials, search for locally-sourced ingredients that meet standards and invite suppliers to form a green supply chain.	Increase the percentage of local raw material procurement to 90% by 2025 and the percentage of green raw material suppliers to 85% by 2030.	Develop green raw materials locally sourced in Taiwan to increase our local procurement percentage.	Local procurement percentage reached 35.2% and green procurement percentage reached 70.2% in 2021.
E.	Facilitation of industrial cooperation	206 Anti-competitive behavior	4.2 4.3	Reduce the shipping carbon footprint of ingredients and raw materials, search for locally-sourced ingredients that meet standards and invite suppliers to form a green supply chain.	Encourage suppliers to sign the Supplier Declaration on Corporate Social Responsibility Code of Conduct and create sustainable economic benefits through industrial cooperation.	Propose a Supplier Assessment Form to assess suppliers and determine whether they meet our company requirements. If a supplier is deemed unqualified, we will terminate our partnership.	As of 2021, we have signed the Supplier Declaration on Corporate Social Responsibility Code of Conduct with 103 raw material and ingredient suppliers.
F.	Impact of raw materials on the environment	301 Materials	2.2 2.3	Guided by principles of Natural, Pure and Eco-friendly, we adopt clean production, establish strict standards on green ingredients and materials, maintain product formula and packaging quality with continuous improvement, design and develop products that are optimized for the biological or technical cycles under a circular economy mindset and enforce a reduce, reuse and recycle campaign.	Earn the USDA Certified Biobased Product label for 5 more products in 2021, and improve more than 3 packaging items with recyclable and regenerated materials.	Aim towards earning USDA Certified Biobased Product label and develop products that are gluten-free, non-GMO and free from ingredients that are harmful to people and the environment; develop eco-friendly bottles made from recycled materials to reduce the use of natural resources and waste and pollution.	Formula: Implement our 8 Free standard; as of 2021, 60 products and 3 ingredients have earned the USDA Certified Biobased Product label. Packaging: Developed many eco-friendly bottles made in Taiwan, and monitor each stage of the process (from ingredients, bottles manufacturing to bottle use).

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

No.	Issues of Concern	GRI Standards	Corresponding Chapter	Strategy	Target	Responsive Actions	Results
G.	Energy use management	302 Energy	2.1	With Green, Sustainaility, and Innovative as our core values, we are committed to improving energy efficiency and establishing a management system in order to achieve the goal of sustainable management.	The direction of energy performance improvement is set and achieved according to the company's energy policy, and quantitative data is presented as much as possible.	Monitor energy usage daily, confirm the operation status and improvement progress of each equipment, report any outliers and propose countermeasures.	Regularly monitor energy equipment improvements, provide relevant data at weekly managers' meetings to track the use of energy-intensive sources, significanting increase the percentage of renewable energy use due to the addition of renewable energy equipment.
H.	Water resource management	303 Water and effluents	2.1	Save water, reduce reliance on drinking water and improve the efficiency of wastewater treatment and use of reclaimed water.	Minimize wastewater to achieve zero liquid discharge.	Measure our water footprint, formulate a water resource management system and improve efficiency; improve product formulas to reduce water consumption.	Improve wastewater treatment plants (currently all treated wastewater can be used for irrigation); establish a water balance chart to manage our on-site water footprint.
I.	Biodiversity protection	304 Biodiversity	5.1	Promote animal welfare, show more respect for nature and reduce ecological impact.	Offer cruelty-free products (no animal testing) and develop vegan products (no animal-derived ingredients).	Build a nature-inspired Green Headquarters to protect biodiversity and restore natural resources; develop alternatives to animal testing (cruelty-free methods) and vegan products to protect biodiversity.	All of our products have been upgraded to vegan, non-gluten and non-GMO formulas, and we continue to apply for third-party certifications worldwide.
J.	Net-zero emissions	305 Emissions	2.3	Strive to lower emissions and take responsibility for our emissions in order to achieve Taiwan's 2050 net-zero goal.	Go 50% renewable by 2022 and 100% renewable by 2025.	Measure our annual greenhouse gas emissions and product carbon footprint, formulate a carbon reduction plan, achieve organizational and product carbon neutrality and set an internal price for carbon to serve as a useful decision-making tool.	For 3 years in a row, we have achieved carbon neutrality across business operations and for 77 products across entire product portfolio.
K.	Employee benefits	401 Employment	3.2	Abides by labor laws and regulations set in place by the Taiwan government to protect employee rights, offer a good benefits package and establish effective employee complaints channels.	Offer good benefits and care system that cover the various needs of employees in the workplace.	Plan employee complaints and communication channels, establish human resource policies and set up the Labor Relations Committee and Green Council for Sustainable Development.	Refer to Chapter 3.2 Employee Benefits in this Report for more information.
L.	Employee protection measures in response to the Covid-19	403 Occupational health and safety	3.4	Ensure a safe and healthy working environment for our employees, suppliers and subcontractors.	Implement an employee health management program and adopt infection preventioon and control strategies to reduce transmission among employees and maintain healthy business operations; clean and disinfect the space of employees who test positive for COVID-19 to reduce the spread.	Implement the ISO 45001 standard for occupational health and safety as a tool to combat the impacts of worldwide pandemics and form a dedicated pandemic response team to prepare us from the impacts of global emergencies (e.g., pandemics) and minimize adverse effect on the health and safety of employees; purchase COVID-19 test kits for employees to use in emergency situations.	In addition to annual health checks, employees are required to report back their health status; regularly check up on infected employees to check if they are doing well.
M.	Employee training program	404 Training and education	3.3	Adopt a quantitative framework to evaluate employees' strengths and skills and provide internal and external training opportunities to improve work efficiency and help them grow their careers.	Create a grow and learn workplace environment and increase the numbers of employees undergoing training.	Implement a performance appraisal system in which employee job performance is rated by a direct manager; managers and employees discuss the past year's goals, review accomplishments and make future plans in order to reach the annual goal of the company.	Build an educational training framework and provide professional learning and development opportunities in the workplace; initiate the Sowing the Seeds program where a new employee is assigned an onboarding buddy to help get them onboard with our company culture.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Table 1-2 Stakeholder engagement

Stakeholders	Issues of concern / expectations	Communication channels	Frequency	How we engage	Performance
Employees	d, e, h, m	Web portal / E-mail / Announcements / Telephone / Communication software	Ad hoc	Promote our efforts in environmental protection and sustainability through product development and manufacturing, corporate sustainability report and accolades.	Enhance employee identification with the company, increase employee engagement and promote our core values of sustainability as a
Consumers	a, b, g, l, m	Corporate website / E-mail / External documents / Telephone / Communication software	Ad hoc	Communicate our brand philosophy, products and product labelling.	Increase consumers' willingness to purchase and brand identity.
Customers	a, b, c, f, k, l	E-mail / External documents Telephone / Communication software	Ad hoc	Promote our green vision, brand positioning and green values through our Concept Stores and use communication software and social media to communicate with customers. **1.** We obtained organizational carbon neutrality and carbon neutrality for 9 of our products by SGS in 2019. **2.** We aim to source 100% renewable energy across our	Increase our green impact to communicate our commitment to sustainability and ensure customers buy into our corporate vision.
Distributors	j, k, l	E-mail / External documents / Telephone Communication software / Distributor meeting	Ad hoc	Communicate our green values, promote marketing events and share international awards and certifications through social media and annual assessments.	Increase collaboration opportunities by creating a connection and a sense of belonging
Suppliers	d, e, i, j	E-mail / External documents / Telephone Communication software / Distributor meeting	Ad hoc	Provide information through our corporate sustainability report and It's O'right newsletter/e-paper and publications.	Increase suppliers' connection with the brand and promote our green supply chain.
Subcontractors	a, f, g	E-mail / External documents Telephone / Communication software	Ad hoc	Send e-cards to stakeholders on special holidays while communicating our corporate sustainability actions or important milestones.	Increase subcontractors' connection with the brand and improve the quality of collaboration between O'right and subcontractors.
Shareholders & investors	b, g, h, j	Shareholders'meeting (annual general meeting) E-mail / External documents / Telephone	Annually	Share status report of our corporate responsibility at the annual meetings	Better communicate our company message with shareholders and gain their long-term
Community residents	a, c, g, h, j	Corporate website / Social media sites / Forums / Visitation (Green Headquarters) / Communication software	Ad hoc	Promote our green practices via forums, visitation and community events.	Increase community identification with the company and create a friendly environment.

O'right Chairman Steven Ko and Green Council for Sustainable Development identified 12 stakeholders to communicate with: employees, consumers, customers, distributors, suppliers, subcontractors, shareholders and investors, government, communities, non-governmental organizations, financial organizations and the media.

O'right Chairman Steven Ko and CSR Committee refer to the 5 attributes of stakeholder engagement standards, which includes dependency, responsibility, influence, diverse perspectives and tension, in identifying stakeholders. Seven stakeholder categories have been identified: employees, consumers, customers, distributors, suppliers, subcontractors, and shareholders. We engage the stakeholders in the 7 categories through communication channels and achieved the results reported in the Report.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

1.2 Philosophy & Policies

1.2.1 Sustainable Innovative Planning

Since 2006, we began initiating an innovative green plan to fully promote green practices and concepts and become a social enterprise focused on creating green value. From the procurement, raw materials, design, production, delivery, usage, and recycling of green products, we strive to create an eco-friendly environment for everyone and future generations to enjoy. We are entirely against the use of harmful substances, and therefore our products do not contain endocrine-disrupting chemicals, colorants, or plasticizers. As green advocates, we insist on using formulas that benefit humans and the environment.

In 2018, we enhanced our sustainability strategy to zero carbon and zero impact. We switched to renewable plastic pumps in all of our shampoo and body wash products in 2019. Together with our suppliers, we developed a mono-material renewable packaging in 2020. We adopted mono-material renewable refill packs in 2021. We will continue to propose innovative zero carbon strategies in the future to reduce our ecological footprint, develop products that cater to our customer's needs, and focus on what the environment deserves and expects from our products.

We strive for excellence through breakthrough innovation and quality management. We adopt a circular economy approach that focuses on biological and technical cycles and builds an international quality management system as a seal of guarantee for our products. Continuing towards our net zero emissions goal, we plan to implement carbon pricing and incorporate the cost of carbon into our business' decision-making process. To expand our green impact, we empower people through our green products, using them as an environmental education tool to communicate our green values and raise awareness on climate change. We aim to inspire the beauty industry to start a green revolution and achieve the SDGs together with the supply chain.

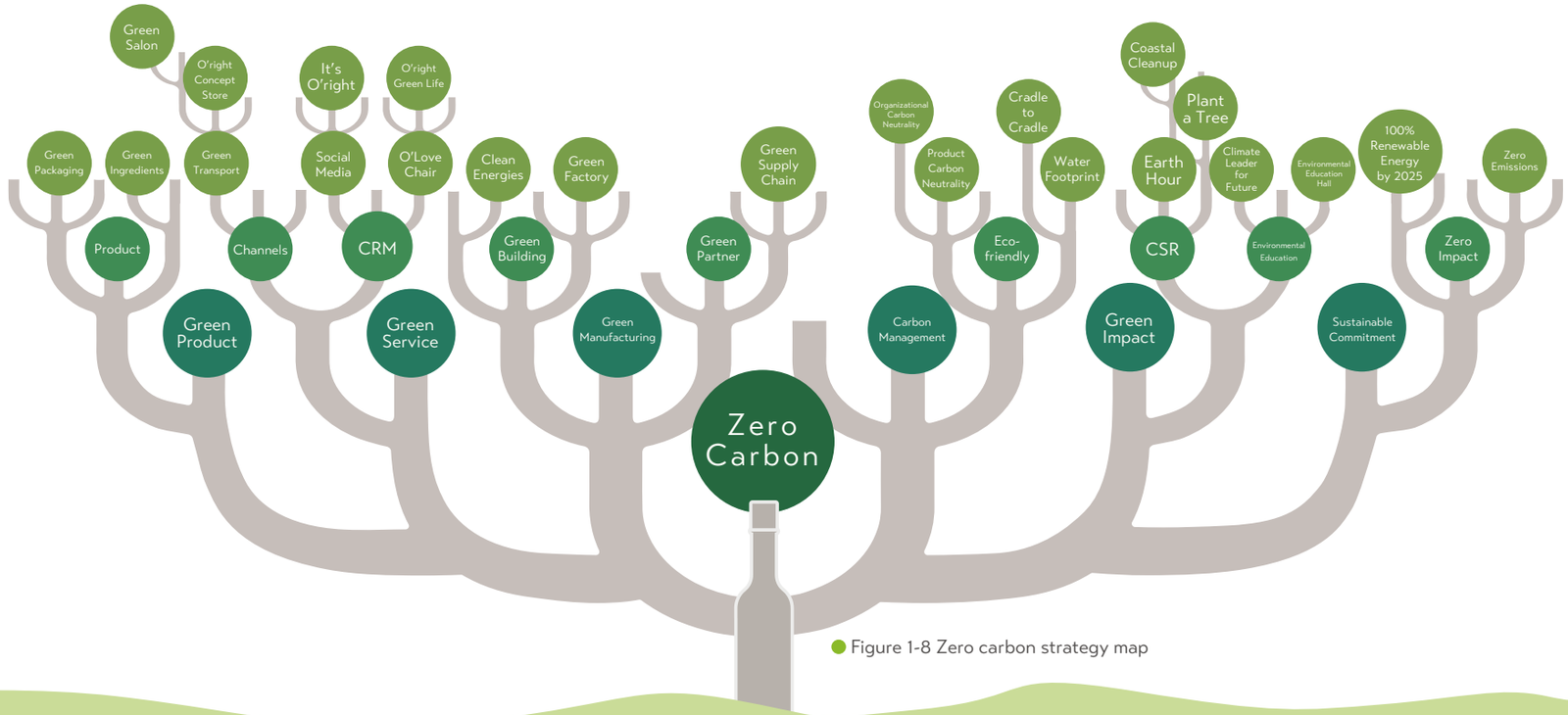


Figure 1-8 Zero carbon strategy map

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 1-9 Operation of the supercritical fluid extraction system



Figure 1-10 Analysis of active ingredients



Figure 1-11 Development of green formulations

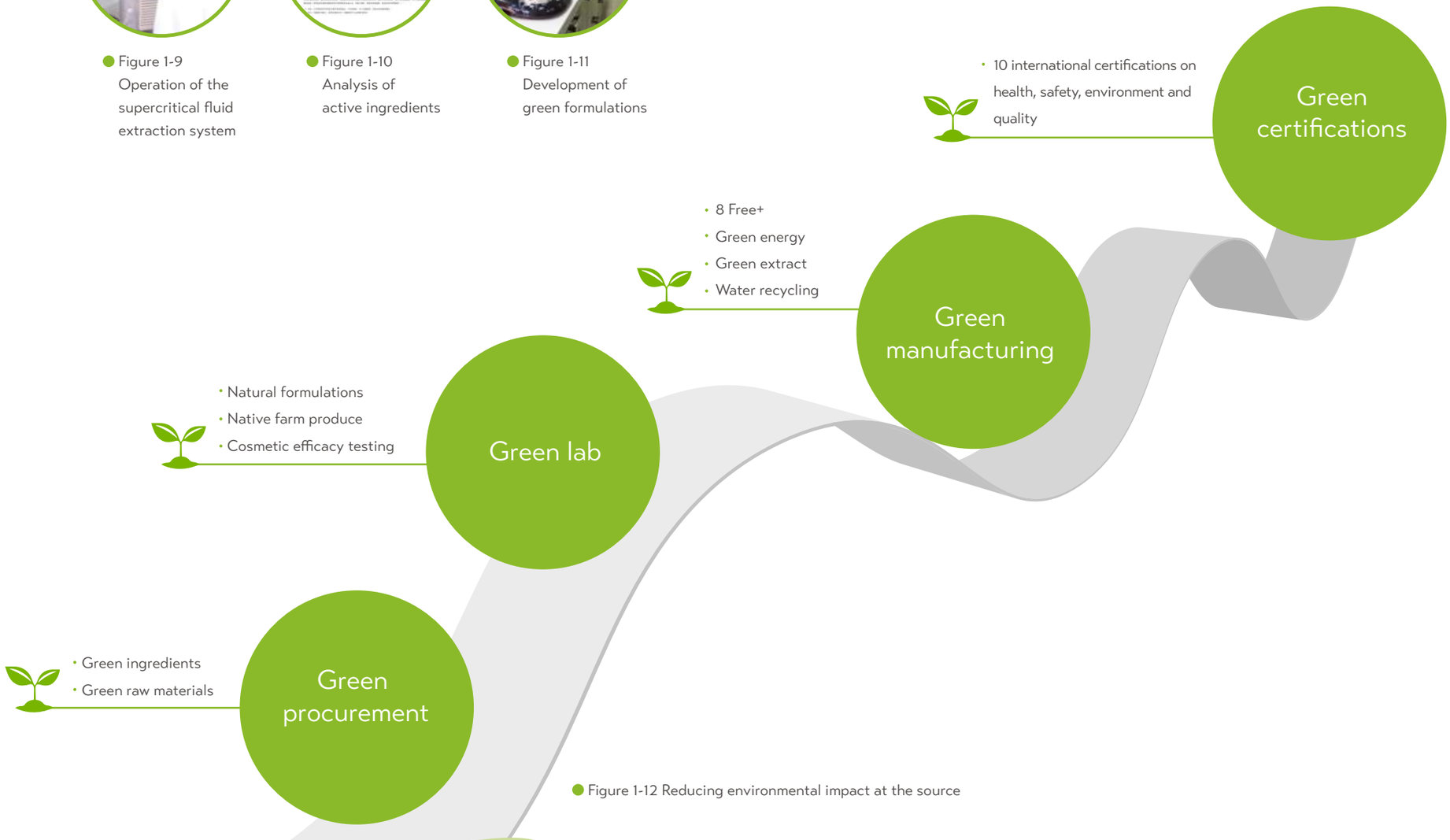


Figure 1-12 Reducing environmental impact at the source

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

1.2.2 Sustainable Policies

O'right's green policies include the following: "employee engagement, involvement and participation" means that each and every employee takes an active part and engages in environmentally friendly practices; "energy saving and carbon reduction" refers to the use of renewable resources to reduce waste and carbon emissions caused by product and marketing activities; "green innovation" refers to our commitment to constant innovation by using the world's most eco-friendly materials and developing low-carbon products and services; "environmental protection" refers to the promotion of eco-concepts through participation in activities related to environmental protection; "sustainability" refers to creating green value together with the supply chain.

O'right is governed by a green mission, vision and core values that guide our business. In 2018, we joined the RE100 campaign, a global initiative to reach the goal of 100% renewable electricity. We committed to purchasing 100% of the electricity we use from renewable sources by 2025. As such, we are committed to upholding the most rigorous eco-standards and concepts, from the design and facilities of our green building and eco-friendly policies to our green supply chain.

(1) Green Building Design and its Facilities

Designed according to the site's wind direction and built without gates, fences, or surrounding walls, O'right Green Headquarters is 300 meters above sea level, where the temperature is 2 ° C cooler than lowland areas. Abundant sunshine and wind make the Green Headquarters ideal for harnessing solar and wind energy for power generation. In 2012, our headquarters was certified with the EEWH Gold-level Green Building Label, meeting 7 green building indicators. In 2016, we were awarded the Green Factory Label and the Diamond-level Building Carbon Footprint Label. The design and facilities of our green building were all created and installed to coexist in harmony with nature. We are committed to lessening environmental impact and restoring natural resources. For more information on the design of O'right Green Headquarters, please refer to Chapter 2.

[1]Led by The Climate Group in partnership with CDP and in collaboration with the International Renewable Energy Agency (IRENA) and others, RE100 is a global corporate leadership initiative bringing together the world's most influential companies committed to 100% renewable power. Apple, Google, Microsoft, Nike, IKEA, H&M, Nestlé, Philips and BMW are among the 122 members that are reshaping the energy market through their global investment decisions and accelerating a zero emissions economy.

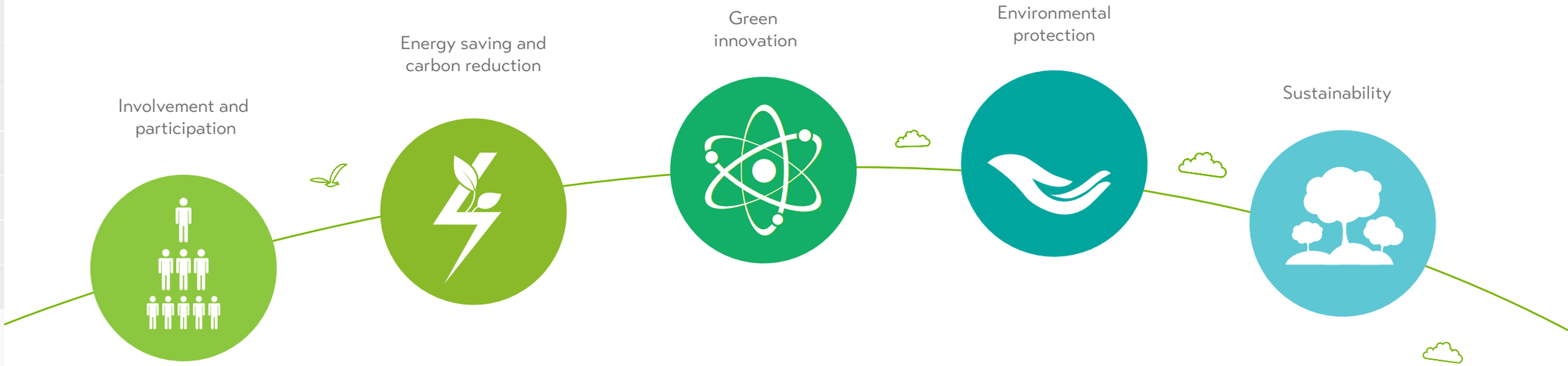


Figure 1-13 O'right sustainable policies

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

(2) Green Accounting

In addition to the cost of supplies and labor, we also consider our products' social and ecological costs. In other words, aside from corporate, employee, client, and stakeholder benefits, we place greater importance on social and ecological benefits.

Therefore, our sustainability philosophy revolves around environmental education, environmental protection, environmental improvement, and social investment. The amount of green investment generated in 2021 was approximately NT$105 million, and the total amount of related investments accumulated over the years is nearly NT$580 million. As a green enterprise, we are using our power to make a difference, and that is what counts.

Note: Environmental accounting is also known as green accounting. It is a field that identifies resource use, measures and communicates costs of a company's economic impact on the environment. Green accounting allows companies to think beyond the economics they gave little consideration to in the past and to quickly assess how they can improve in the future. Since 2014, O'right has adopted green accounting to measure our company's environmental costs.

Table 1-3 O'right's green investments of 2021

Unit: NTD (New Taiwan Dollars)

Items of expenditure	Capital expenditure	Current expenditure	Total
Operating[1]	0	2,558,975	2,558,975
Supply chain[2]	0	90,321,565	90,321,565
Management[3]	0	5,895,531	5,895,531
Research and development[4]	0	5,459,971	5,459,971
Social[5]	0	489,546	489,546
Remediation[6]	0	0	0
Taxes and others[7]	0	569,850	569,850
Total	0	105,295,438	105,295,438

Note:
[1]Pollution prevention, global environmental protection and resource circulation
[2]Green procurement, resource recycling, product services from promoting environmental protection, packaging and containers from minimizing environmental impacts
[3]Environmental protection training, verification and certifications, environmental monitoring and measurements, handling of environmental impacts and environmental protection insurance
[4]Development of environmentally-friendly products, product sales and environmental impact assessments
[5]Protection of the natural environment and forests, donations to environmental charity events in communities, donations to environmental groups and announcements and promotions of environmental information
[6]Environmental solutions, compensations, reimbursements, punishments, lawsuits and the quality maintenance of living environment and urban landscape
[7]Air, soil and water pollution and other costs charged and collected by the government

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(3) Sustainable Business Practices

O'right always encourages an environmental conscious workplace in order to cultivate sustainable employees. For this purpose, the Green Council for Sustainable Development was established to raise environmental awareness among staff and encourage sustainable living. The resolutions adopted by the Council also serve as guidelines for the formulation of regulations by the administrative department.

In addition to promoting environmental activities such as the adoption and planting of trees, we also encourage employees to bring their own cups and tableware and to carpool to work to lower carbon emissions. We also reduce paper consumption in the workplace by making use of electronic files. If printing is necessary, we select double-sided printing, reducing paper consumption by 50%. We use office supplies with green or energy labels. Moreover, we promote waste recycling, water and energy saving, encourage employees to take the stairs instead of the elevator, and establish sustainable business practices following the Green Living Guidelines.

We encourage employees through educational training to think of ways that can help O'right achieve the Sustainable Development Goals (SDGs). We assign the task to teams composed of multi-disciplinary individuals with different functional expertise from different departments working toward a common goal to increase the level of creativity.

Driven by the common goal to achieve the SDGs and corporate sustainable development, we established 3 sustainability communities (task forces)—Environment (zero carbon), People (stakeholder engagement) and Society (public welfare). The communities each established a goal that aligns with corresponding SDGs, which then serves as a key foundation in our corporate governance and future development's decision-making process. (For more information, please refer to Chapter 1.3 O'right and the SDGs)

1.2.3 Green Supply Chain

O'right strives to reduce environmental impact in every way, from manufacturing to recycling. Our actions include replacing plastic made from petroleum with organic plastics, developing innovative green products, using green energy during green manufacturing process, implementing a low-carbon delivery system, assisting customers in green renovations and providing green consulting services and building a green resource recycling system. We save energy and reduce carbon, making sure to fulfill our corporate social responsibility to protect the earth. For more information on the green supply chain, please refer to Chapter 4.

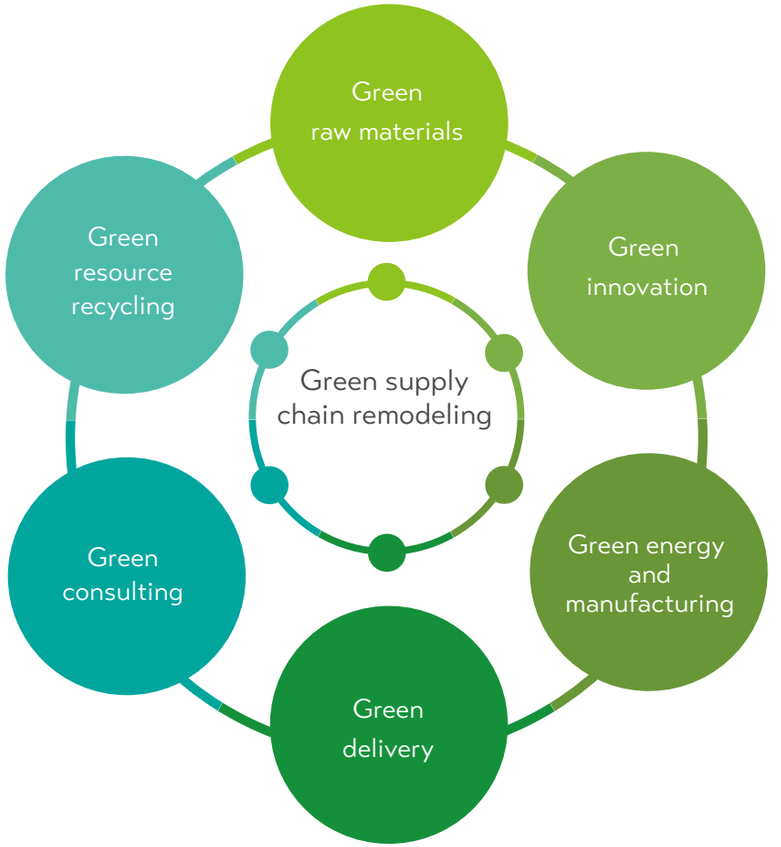


Figure 1-14 Energy saving and emission reduction

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

1.3 O'right and the SDGs

1.3.1 Associating Our Core Values with the SDGs

The UN's SDGs have become a common language for corporate reporting on societal issues. Countries, businesses and individuals recognize that the SDGs provide a framework for communicating progress in a globally-recognized language. This Chapter details O'right's efforts in achieving the goals and increasing our impact.

The UN's Sustainable Development Goals (SDGs) are building momentum with companies. Sustainable companies all across the globe have begun embedding and are striving to achieve these goals. As a leading green beauty brand, sustainability is part of our DNA. We have decided to embrace the SDGs as drivers of corporate value and change and implement them within our business model.

In 2018, we focused on 10 of the SDGs that align with our activities to scale up our green impact and become closer to achieving our visions for a greener tomorrow.

The SDG framework stimulates action on 5 key themes: people, planet, prosperity, peace and partnerships. Guided by our core values Green, Innovation and Sustainability, O'right strives to create green products, green services , and social and ecological value.

1.3.2 Implementing the SDGs

Our efforts have already aligned with 14 goals and 31 targets (see Table 1-4 and Figure 1-16). We have chosen to focus on contributing to 10 of the SDGs (Figure 1-15).



Figure 1-15 With Zero Carbon as our destination and Green, Sustainability and Innovation at the core of our business, we achieve 10 SDGs through green products and services while creating social and ecological value



© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Table 1-4 Our contributions to the SDGs

Social	Corresponding SDGs	Our actions
Green transformation		• Create economic value in agricultural products, earn INCI names for ingredients and develop products with clean energies and high-tech extraction methods to promote sustainable consumption. • Equipped with a biosafety level 2 (BSL-2) laboratory accredited by TAF in 5 categories and became the first hair and skin care company in Taiwan to perform preservation efficacy testing in accordance with ISO 11930 standards.
Integrated decision-making and participation of vulnerable groups		• Share work schedules and weekly reports, providing job transparency to improve work efficiency. • Establish cross-functional sustainability communities to find solutions to specific sustainability issues.
Hazardous chemicals and deaths		• Establish the Green Living Guidelines and prohibit smoking in the workplace. • Install stainless steel drainage pipes and use steam sterilization instead of chemical solvents. • Promote the use of electric vehicles and provide free charging services to reduce carbon emissions. • Conduct research on agricultural products and the active ingredients contained, create economic value, and earn an identified INCI. • Disclose the percentage of natural ingredients in our products and earn the USDA Certified Biobased Product Label with 100% biobased content. • Founded the Sustainable Salon Association to promote sustainable management in hair and beauty salons. • Established the Organic Plant Extraction R&D Center and collaborate with Academia Sinica, National Chung-Shan Institute of Science & Technology and Hungkuang University to develop green ingredients from agricultural products grown in Taiwan.
Water scarcity		• Established 3 water recycling systems (our wastewater recycling rate reached 99.43% in 2021), and continue to target the goal of zero wastewater discharge. • Organize Earth Hour, Plant a Tree and Coastal Cleanup events to raise environmental awareness and communicate our sustainability message through green products. • Pioneered the 8 Free initiative, opting for agricultural products instead of chemical-based ones and promoting healthier earth and healthier people with formulas that biodegrade in 28 days.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

Social	Corresponding SDGs	Our actions
Road injuries and deaths		• Set up mobile offices and encourage mobile payment to reduce road injuries and transport emissions.
Global pandemic (COVID-19)		• Develop pure and natural products to help fight the pandemic without damaging the environment.
Gender inequality		• Curate the Hair Talk expo to make women's voices heard and promote gender equality. • Grant childcare leave to show support and empathy for working parents.
Climate change		• Joined the RE100 initiative with a target of sourcing 100% renewable electricity by 2025. • Construct Asia's first GMP certified cosmetic plant, which has earned the EEWH Gold-level Green Building Label and Diamond-level Building Carbon Footprint Label. • Became the first beauty company in the world to set a monetary price on carbon, incorporating voluntary emission reduction into corporate business model. • Use renewable energy and high-tech extraction methods and develop green, sustainable products. • Organize Earth Hour, Plant a Tree and Coastal Cleanup events to raise environmental awareness and communicate our sustainability message through green products. • Gave speeches on green innovation and sustainable responsibility at numerous global conferences, including the APEC SME Summit 2011, United Nations Sustainable Development summit 2013, Asia Carbon Footprint Network Seminar 2014, Cosmoprof Asia 2018, European Innovation Week 2018, Founder Said Annual Speech Conference 2018, Cosmoprof Bologna 2018/2019, CHINAPLAS 2019 , Asia Sustainability Reporting Summit 2019 (by CSRWorks), COP 25 in 2019, World Biodiversity Summit and World Climate Summit in 2021.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

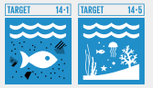
05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

Social	Corresponding SDGs	Our actions
Climate Awareness		• Welcome visitors to our Green Headquarters with guided tours for environmental education purposes and insights into our sustainability values. • Organize Earth Hour, Plant a Tree and Coastal Cleanup events to raise environmental awareness and communicate our sustainability message through green products. • Publish the It's O'right newsletter to keep readers up-to-date on the latest news and trends on sustainability and raise awareness about climate change. • Measure our carbon reduction achievements and encourage stakeholders to follow suit and make a green influence. • Inspire green thinking with our sustainable journey edition in school textbooks. • Initiate the Climate Leader program to encourage students to take climate action.
Marine pollution		• Designed the Re Office from recycled resources, giving new life to marine waste. • Organize Earth Hour, Plant a Tree and Coastal Cleanup events to raise environmental awareness and communicate our sustainability message through green products. • Established 3 water recycling systems (our wastewater recycling rate reached 99.43% in 2021), and continue to target the goal of zero wastewater discharge. • Collaborated with suppliers to develop post-consumer recycled packaging, which resulted in the birth of the world's first renewable PCR plastic shampoo bottle and the world's first PCR plastic pump.
Waste management		• Introduced the world's first 100% renewable PCR plastic bottle and pump, becoming the first company in Asia to receive the recyclability certification from Cyclos. • Establish a green supply chain system and procure 80-100% plant-sourced raw materials from suppliers with the aim to replace chemicals with agricultural goods and to reduce chemical waste. • Establish a green supply chain system and procure biodegradable, recyclable and renewable materials from suppliers with the aim to reduce waste. • Designed the Re Office from recycled resources, giving new life to marine waste.
Environmental education opportunities for children from remote areas		• Team up with other organizations to provide environmental education opportunities for children from remote areas.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

1.3.3 Addressing key sustainability issues from targets

In 2020, the Green Council for Sustainable Development established 3 sustainability communities, Environment (zero carbon), People (stakeholder engagement) and Society (public welfare).

The community members review the 169 targets and address sustainability issues with the best solutions for our company. The communities each completed multiple projects in 2020, greatly improving our corporate governance quality.

a. Sustainability community—Environment (zero carbon)

The purpose of measuring our carbon footprint is to assess the environmental impact of our products. Zero carbon goes beyond zero carbon dioxide emissions, but also encompasses zero environmental impact. This sustainability community focuses on exploring and assessing our environmental impact.

This community selects Goals 6, 7, 11, 12 and 14 to provide guidance on how we can align our strategies and manage our contribution to the realization of the SDGs. Projects include enhancing the green procurement system to ensure the quality of green ingredients and raw materials, optimizing the water balance chart to manage the quality of on-site water resources and proposing water conservation plans to reduce water use by 10% from previous year.

b. Sustainability community—People (stakeholder engagement)

This sustainability community communicates with stakeholders by putting ourselves in their shoes, accurately delivering messages across various media platforms to bring us closer to all of our stakeholders.

This community selects Goals 3, 4, 5, 11, 12 and 17 to provide guidance on how we can align our strategies and manage our contribution to the realization of the SDGs. Projects in 2020 include short videos to show gratitude for our stakeholders and supplier convention to give our suppliers a chance to know O'right better and to introduce them to our newly constructed Green Education Hall.
In addition, we use interactive Q&A sessions to improve our communication with stakeholders.

c. Sustainability community—Society (public welfare)

This sustainability community interacts with social groups to promote environmental education and make a bigger green impact.
This community selects als 1, 2, 3, 4, 5, 8, 9, 10, 14, 16 and 17 to provide guidance on how we can align our strategies and manage our contribution to the realization of the SDGs. Projects include the Climate Leader program, which aims to cultivate environmental awareness among among children and help them develop sustainable habits that are likely to stick with them as they grow up and increase their influence. Extensive use of manpower and educational resources were invested in the initiation of this program.

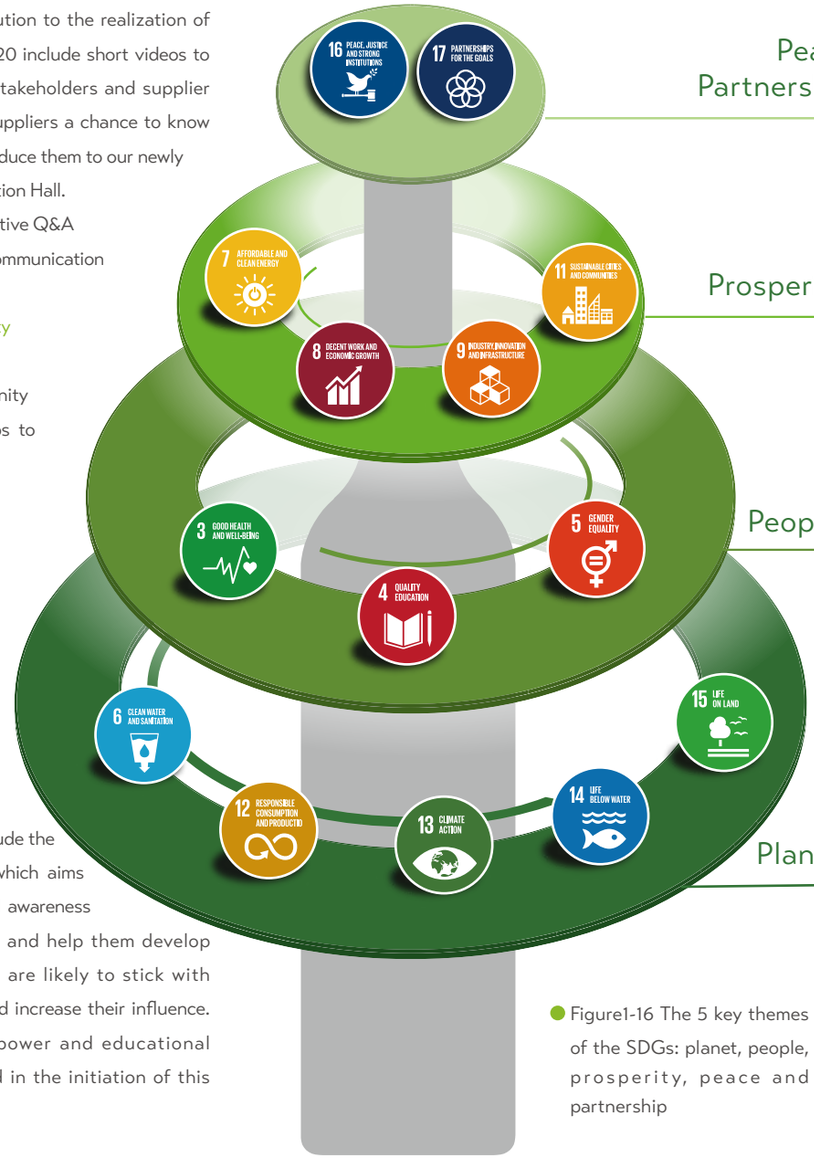


Figure1-16 The 5 key themes of the SDGs: planet, people, prosperity, peace and partnership

Sustainable Development Goals	Our actions[1]
SDGs 16	3,16,17
SDGs 17	16,19,37,38
SDGs 7	2,24,30,31
SDGs 8	13,29,34
SDGs 9	2,29,30
SDGs 11	15,25,29,33
SDGs 3	9,10,11,22,25,26,29,34
SDGs 4	7,8,18,19,20
SDGs 5	5,6,12,13,14,21
SDGs 12	18,19,27,36
SDGs 13	1,18,19,27,28
SDGs 14	19,33
SDGs 15	4,19,35

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Table 1-5 O'right board of directors

Chairmann/ CEO	Steven Ko
Directors	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 Rui-ting Huang

1.4.1 Corporate Governance

(1) Board of Directors

The board of directors plays an important role in overseeing business operations, disclosing important information, maximizing profits to shareholders, making decisions on capital expenditure, dividend reinvestment plans and dividend distribution. They review management's proposed corporate strategies and drive strategic change. The The General Manager is responsible for approving decisions made by the board and managing the planning and execution of strategies, business, production and marketing and operating goals based on the decisions made.

Hair O'right International Corporation was co-founded by Steven Ko, Xue-jing Qiu, and Michael Chang, who serve as the main board members. O'right's board of directors consists of 5 directors and 2 supervisory board members, all of which are over 50 years old. Women hold 29% of the corporate board seats, while 71% are held by men.In 2021, 8 meetings were held with an average attendance rate of 98%.

(2) Risk Management

We integrate risks and uncertainties into corporate strategic planning in accordance with various management systems and climate change conditions and develop relative response strategies. Risk sources can be affected by internal and external events or scenarios such as global trends, external suppliers, government regulations, customer preference and market trends. We develop control measures to move towards achieving our strategy and strategic objectives.



● Figure 1-17 O'right risk management flow chart

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

1.4.2 Composition of Company

(1) Organizational Structure

In 2014, we established the Internal Audit Unit responsible for our company's internal auditing. On August 8 and 12 of the same year, a Sexual Harassment Prevention Committee and Labor Relations Committee, respectively, were established. On November 1, the Biosafety Committee was formed. For more information on the committees, please see Table1-6.

O'right's organizational hierarchy can be split into three levels: the highest level consists of 1 business group, 9 centers, 7 divisions and 5 offices; the second level is made up of 33 departments, 6 mobile offices, 23 concept stores and 1 laboratory; the third level includes 7 sections. In addition, our company also has 11 groups and committees. See Figure 1-15 for O'right's company organizational chart of 2021.

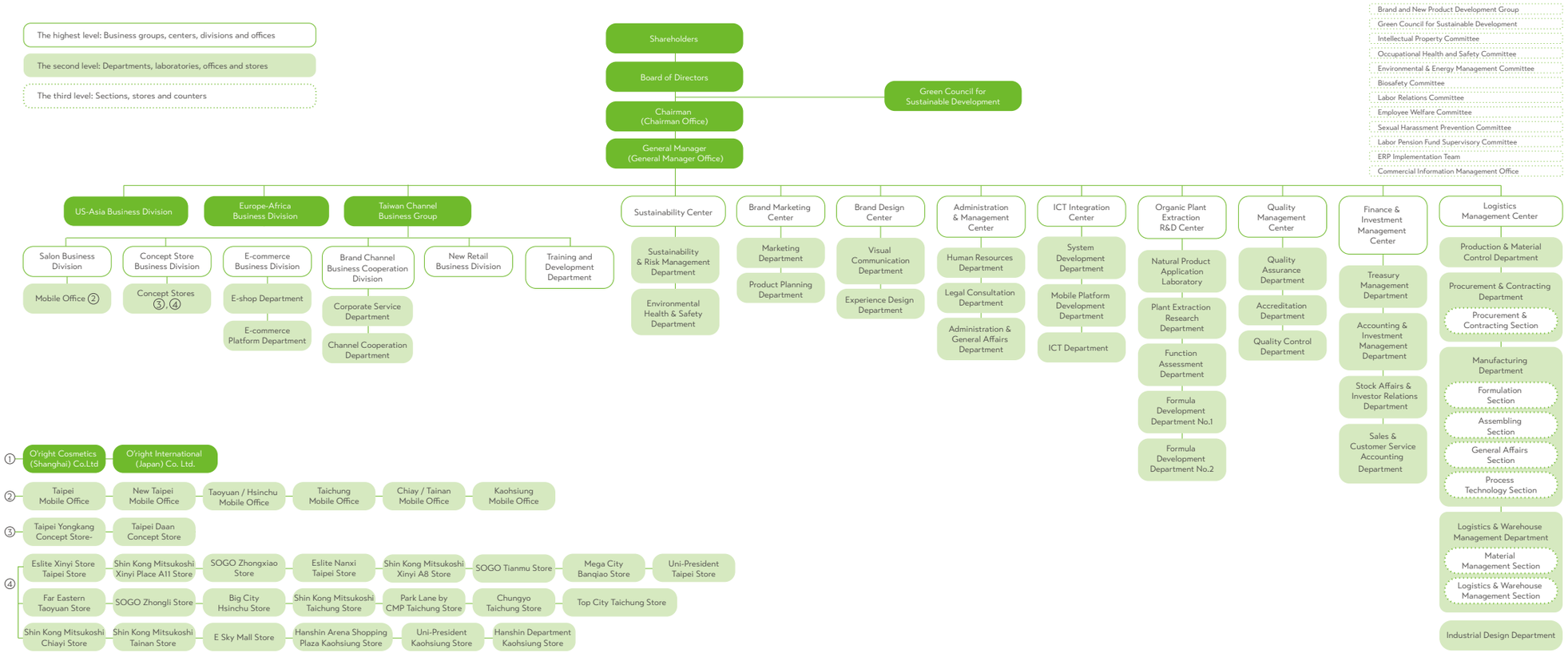


Figure 1-18 O'right organizational hierarchy of 2021

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Table 1-6 O'right groups and committees

Groups and committees	Relation	Date of establishment	Objective
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	This committee was established in accordance with the Occupational Safety and Health Act to prevent occupational hazards and promote employee health and safety. In 2015, the committee officially changed its name to the Occupational and Environmental Health and Safety Committee with more than 1/3 of labor representatives.
Biosafety Committee	Organization related	2014/11/01	This committee aims to oversee the laboratory's biosafety program and planning to achieve self-management goals. The chairman is responsible for coordinating matters to ensure biosafety control measures and planning, inspection of infectious biological materials, management and training of laboratory personnel, disinfection and sterilization and emergency response procedures are properly executed. Safety and biosafety inspections should also be implemented on a regular basis.
Labor Relations Committee*	Labor related	2014/8/12	This committee aims to coordinate labor-management relations, promote cooperative relations, prevent labor disputes and encourage voluntary cooperation and partnership between labor and management. The policies are designed by representatives from both parties at regularly held meetings. The proposals are decided by the majority vote of the representatives present at the meetings. The representatives are directly elected by the entire staff.
Sexual Harassment Prevention Committee*	Labor related	2014/08/08	This committee was established with the aim to provide a complaint mechanism to prevent sexual harassment and promote gender equality in the workplace. The representatives are directly elected by the entire staff.
Environmental & Energy Management Committee	Organization related	2013/12/04	This committee aims to ensure the implementation of energy efficient measures and achievement of energy saving goals.
Intellectual Property Committee	Organization related	2013/09/11	This committee was established with the aim to manage patent applications and copyrights and review and file patent applications requested by employees.
Green Council for Sustainable Development	Organization related	2013/05/10	This committee consists of all heads of departments with the aim to gather valuable suggestions regarding sustainability and energy conservation and carbon reduction. For example, ways to source local raw materials and develop extraction technologies and ways to simplify manufacturing process and reduce waste in production.
Brand and New Product Development Group	Organization related	009/06/22	This group is responsible for setting brand marketing strategies and the direction for product development.
Employee Welfare Committee*	Labor related	2009/01/01	This committee was established to optimize employee benefits and improve work efficiency and benefit policy, creating a workplace culture with mutually beneficial and reciprocal relationships between employees.
Labor Pension Fund Supervisory Committee*	Labor related	2001/09/28	This committee was established to set up a labor pension fund scheme to provide retirement benefits and security after retirement as well as effectively utilize medium- to long-term funds in order to support major economic infrastructure plans.

*Committees that are considered mandatory by the government

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

1.4.3 Climate Change Risk Assessment

Climate change is viewed as gray rhinos by the majority of businesses – a risk that is highly obvious, highly probable but still neglected. COVID-19, however, has taught the world a lesson that should remind us of the perils of ignoring gray rhino risks. It reminds us how vulnerable we are and how fragile life is, but it also makes us better at dealing with crisis and more resilient to crises in general.

Climate change has a devastating impact on human life and its effect will only continue to grow and worsen over time. We cannot expect to see improvement overnight, but we can try to slow down the process and minimize its impacts. At O'right, we assess the risks of climate change and use it to underpin adaptation actions.

(1) Global Environmental Policies

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 1,400 years in the northern hemisphere, where such assessment is possible.

With greenhouse gas emissions now higher than ever, sooner or later, countries have no choice but to consider introducing carbon tax to help reduce greenhouse gasses that cause global warming. William D. Nordhaus, the Yale economist who shared the Nobel prize in economic sciences with Paul Romer, argued that instituting carbon taxes would work best to tackle the problem and curb global warming.

In 2021, SGS declared the carbon neutrality across our business operations, including the direct, indirect and Scope 3 emissions associated with the entire product life cycle – from raw material acquisition, manufacturing, distribution, marketing, consumer use to final disposal. We measure our carbon emissions and formulate carbon reduction plans, and will continue to do so in 2022 (see Chapter 2.3.3 for more information).

During our carbon footprint inventories, we found that the amount of carbon emissions consumers emit is higher than that produced during the product manufacturing process. Thus, we set the following policy:

A.Cut our shipping emissions

In efforts to cut carbon emissions, despite putting our orders at risk of being canceled, we set a high free shipping threshold of NT$1,500 to encourage consumers to think before they place orders to reduce carbon footprint from shipping.

B.Cut our product carbon footprint

While other companies in the industry maximize their profits and efficiency in product design, we are developing natural alternatives to synthetic ingredients and conducting efficacy testing to improve our formulations. Test results showed a significant difference in consumers' hair and skin and the time spent in blow drying their hair after using our improved formulations, thus reducing the emissions generated during use. In addition, we developed post-consumer recycled plastic bottles reprocessed from plastic waste that has been recycled, sorted, washed and remelted to reduce the need for virgin petrochemicals.

C.Join RE100

The amendment of Taiwan's Renewable Energy Development Act increased the promotion objectives for the total amount of electricity generated by renewable energy power generation facilities by 2025. The development and use of green energy is bound to become a future trend in sustainability. Therefore, although we may not be an energy-heavy company, we realized the importance of renewable energy use way back in 2018. Since then, we began planning and installing solar panels and wind turbines to generate green energy on-site. We also lead the way in sustainable development by joining RE100, making the commitment to use 50% renewable energy by 2022 and 100% renewable energy by 2025.

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 1-19 O'right shampoo product bottles are all made from 100% post-consumer recycled materials

(2) Extreme Events and Climate Risk

Reduction

A.Implement carbon reduction plan

- In 2021, for the second time after 2020, SGS declared the carbon neutrality across our business operations, including the direct, indirect and Scope 3 emissions associated with the entire product life cycle – from raw material acquisition, manufacturing, distribution, marketing, consumer use to final disposal.
- Set a free shipping threshold of NT$1,500 to encourage planned consumption and reduce shipping/transport emissions.
- Launch exclusive offers on large size products to encourage consumers to buy large packages and to reduce shipping emissions.
- Choose recyclable, light air cushion packaging to reduce shipment's weight and carbon footprint.
- Replace fossil fuel-based ingredients (petrochemicals) with naturally-sourced materials and earn the USDA Certified Biobased Product label for our products. Biobased carbon can help reduce carbon dioxide emissions, which is the key to securing a sustainable future for all.
- Going green is becoming the new norm in the world of cosmetics. But not every brand considers the certification route. We validate our green claims with trusted third-party certifications worldwide. The result is transparency and authenticity, which build trust in our brand and empower consumers to choose healthier products and live a greener lifestyle. In 2020, we took our entire green beauty product range to the next level by making them vegan, demonstrating our commitment to doing what's best for people and for the planet.

B.Reduce the carbon footprint produced by consumers

- While beauty manufacturers are maximizing the profits and performance/efficacy of products, we are searching for natural alternatives to synthetic ingredients.
- Conduct efficacy testing and experiments to improve formulations. In terms of the cleansing performance, consumer satisfaction of the upgraded formulations greatly increased, thus reducing emissions generated during use.
- Develop dry shampoo products to eliminate the need for hot water use and blow drying, thus minimizing emissions caused by consumers.
- Develop100% post-consumer recycled plastic bottles reprocessed from recycled consumer goods.

C.Minimize the impacts of energy scarcity

- The world is facing the rapid depletion of conventional energy sources. This, along with air pollution increasing energy costs, is sure to push nations worldwide to go green.
- In 2012, O'right Green Headquarters became a solar- and wind-powered building. In 2019, we installed solar panel systems with a capacity of 27.4 kW to lower the environmental impact of non-renewable energy sources. We will continue our plan to expand our solar panel system, and are expected to go 50% renewable by 2022 and 100% renewable by 2025.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

Adaptation

A.Minimize the impact from sea-level rise, flooding and earthquakes

- O'right Green Headquarters is located in the mountainous area of Taoyuan's Longtan, which can mitigate the impact of rising seas.
- Red gravel soil is stable and has shown no signs of liquefaction. In the past 40 years, there have only been 2 earthquakes that measured over 4.0 on the Richter scale.
- Customer service and sales personnel are distributed across Taiwan and are therefore more likely to be affected by natural disasters. To protect the rights of the company and employees, we introduced the Mobile Office Plan that allows employees to work at places they find most convenient and not be restricted by transportation (see 1.4.5 for details).

B.Reduce the effects of drought and water shortage

- Calculate our water footprint to help us better understand our water-related impacts in the manufacturing process, which serves as a basis for formulating sustainable water strategies and policies.
- Equipped with 3 water recycling systems for the management of rainwater, reclaimed water and wastewater (see 2.1 for details) to reduce our reliance on tap water.
- Install mechanical foot pedal faucets to save 65.5% of water and mitigate the operational impacts of drought.

C.Reduce the impact of law amendments

- The amendment of Taiwan's Renewable Energy Development Act increased the promotion objectives for the total amount of electricity generated by renewable energy power generation facilities by 2025. The future development of renewable energy will most likely affect more businesses.

We realized the importance of renewable energy use way back in 2018. Since then, we began planning and installing solar panels and wind turbines to generate green energy on-site. We also lead the way in sustainable development by joining RE100, making the commitment to use 50% renewable energy by 2022 and 100% renewable energy by 2025. By doing so, we are significantly reducing climate transition risks.



Figure 1-20 60 products and 3 ingredients have earned the USDA Certified Biobased Product label in 2021.

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

1.4.4 Business and Management Operations

(1) Business Operating Conditions

O'right has shown continuous improvement since 2017. Despite the COVID-19 pandemic in 2021, we still experienced a 8.7% growth in revenue. In 2021, we paid NT$41,522,613 and NT$26,582,205 to shareholders and the government (see Table 1-7 for details).

● Table 1-7 O'right financial highlights (unit: thousand NTD)

Category	2019	2020	2021
Operating revenue (growth rate)	552,666 (-0.17%)	535,729 (-3.06%)	582,416 (8.7%)
Cost of goods sold[1] (growth rate)	484,992 (+3.25%)	461,907 (-4.76%)	489,086 (5.88%)
Operating profit	67,673	73,822	93,330
Wage expense	174,357	180,498	181,873
Employee benefits	3,387	3,214	3,437
Government subsidies	• Cosmoprof Asia • Motor-driven Systems Subsidy Project –Bureau of Foreign Trade • Cosmoprof Bologna – Ministry of Economic Affairs • Mobile Payments Rewards Program – Phase 2 • Greenhouse Gas Management Fund Project • Taoyuan Youth Employment Reward • Multi-beneficiary Vocational Training Program • Ministry of Economic Affairs Industrial Development Bureau Electric Motorcycle Subsidy Incentive	• Work Life Balance Award • Taoyuan Youth Employment Reward • Mobile Payments Rewards Program – Phase 3 • Greenhouse Gas Management Fund Project • One Touch – Phase 1 • Relief and Revitalization Measures for Businesses Affected by Severe Pneumonia with Novel Pathogens (April-June salaries) • Relief and Revitalization Measures for Businesses Affected by Severe Pneumonia with Novel Pathogens (Ooperations)	• Human Resource Improvement Plan • Taoyuan Youth Employment Reward • Work Life Balance Award • Importers & Exporters Association of Taipei • Relief and Revitalization Measures for Businesses Affected by Severe Pneumonia with Novel Pathogens (Conventional Industry Innovative Development) - One Touch • Ministry of Economic Affairs Commercial Service Struggling Businesses Subsidy • Multi-beneficiary Vocational Training Program • Youth Employment Flagship Program
Total assets	519,656	543,910	598,658
Retained earnings	74,179	94,878	140,760

Source: O'right financial statement

[1] Fees for promotion, management and research and development
[2] Payments to shareholders including dividends and interest on loans
[3] Payments to the government including business tax, income tax and property tax

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

We showed steady performance and maintained profitability throughout 2021. In 2021, we experienced a 8.7% increase in revenue growth compared to that of the previous year. Our net income after tax (or net operating profit after tax) was NT$86,512,000. Earnings per share (EPS), return on assets (ROA) and return on equity (ROE) were NT$4.25, 15% and 25%, respectively (see Table 1-8 for details).

Table 1-8 Financial analysis (Unit: Thousands NTD)

issue	Item	2019	2020	2021
Operating performance	Total assets	519,656	543,910	598,658
	Shareholders' equity	296,777	317,108	361,428
	Operating revenue	552,666	535,729	582,416
	Net income	52,403	67,978	86,512
Profitability	ROA	10%	13%	15%
	ROE	17%	22%	25%
	EPS	2.57	3.34	4.25

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

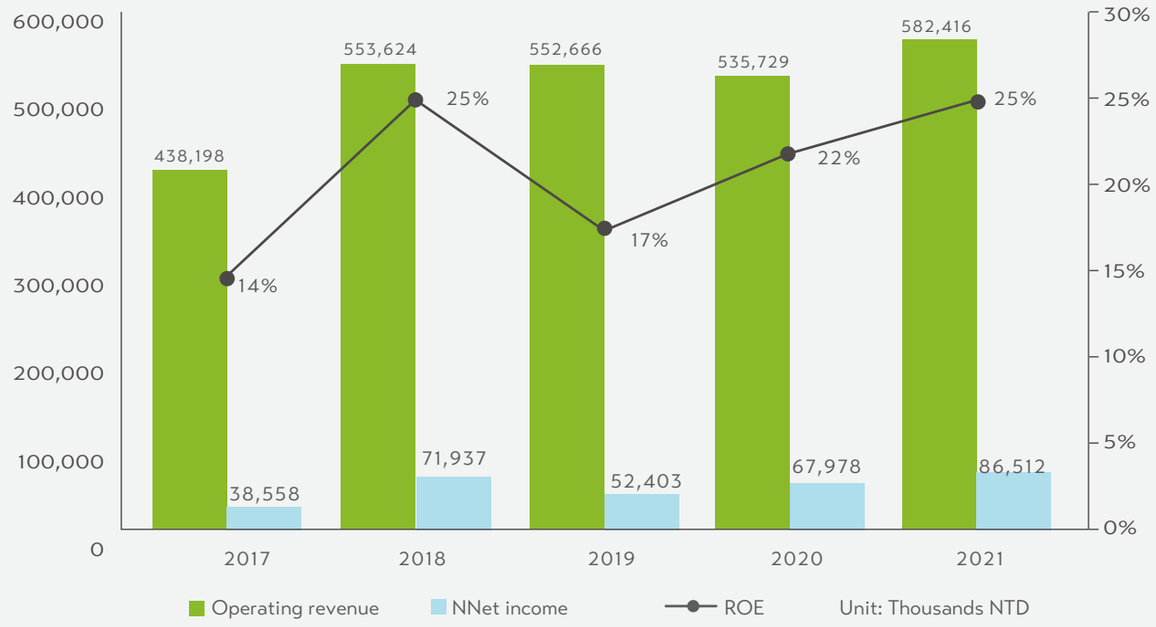
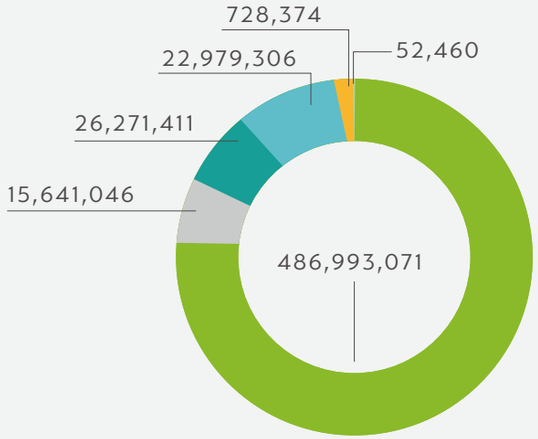


Figure 1-21 Financial analysis

© 2020 Corporate Sustainability Report of Hair O'right

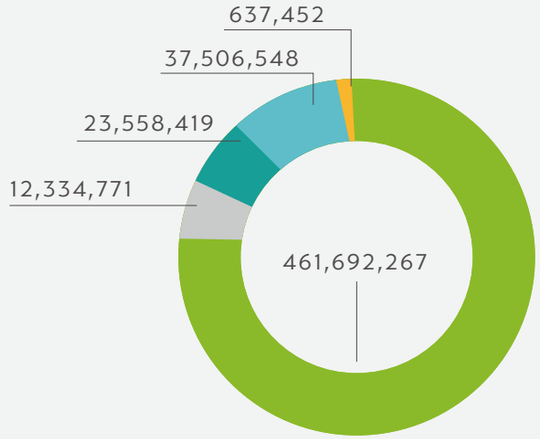
Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Unit: Thousands NTD



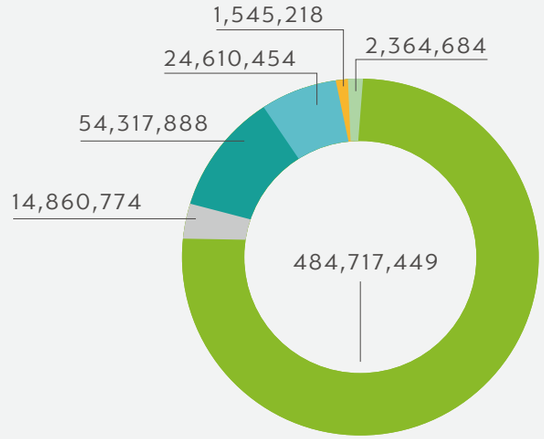
(Taiwan market share is 88.12% and the international market share is 11.88%)

Figure 1-22 Export sales in 2019



(Taiwan market share is 86.18% and the international market share is 13.82%)

Figure 1-23 Export sales in 2020



(Taiwan market share is 83.23% and the international market share is 16.77%)

Figure 1-24 Export sales in 2021

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(2) Sales Operations

Our sales departments include Salon Business Division, Brand Channel Business Cooperation Division, International Business Development Division (business-to-business) as well as Concept Store Business Division, E-commerce Business Division and International Direct Sales Development Division (business-to-customer).

(A)Taiwan Business Division

Customer service specialists are responsible for finding new customers and gathering customer information. They promote our brand concepts and brand image as well as provide instructions for using our products to increase brand awareness and make a green impact together as a team.

We regularly invite salon customers to attend events such as Green Life, Earth Hour, Plant a Tree and Coastal Cleanup with the aim to bring our company values to life.

In 2018, we began to promote the use of mobile payment in traditional salons, which not only helps to save energy and carbon, but also improves the payment process and reduces risks. Also, customers are able to check their order history and status, greatly reducing the paper consumption and postage costs.

Since then, we have had 32,000 payments (over NT$260 million) made through convenience stores.



Figure 1-25 B2B and B2C omnichannel operations

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(B) International Business Division

Zero carbon marketing has always been a core part of our international business strategy. Like our Taiwanese market, we started our "road to zero" by partnering with distributors of professional salon supplies to make our presence felt in the professional hair care industry worldwide. In recent years, due to our Taiwanese market's successful omnichannel strategy, our International Business Divisions began embracing a B2B and B2C omnichannel approach as well.. Our innovative green products have revolutionized the global market and are currently sold in 44 countries and territories across Europe, Asia, China, Middle East, North America and Oceania.

In 2021, O'right partnered with B-ex Inc to help get our products distributed in Japan, promote our ESG mindset and green values across their 70,000 salons.

2021 (44 countries)

Asia (9countries):

Singapore, Malaysia, Korea, Japan, Hong Kong, Vietnam, India, the Philippines and Thailand

Europe (23 countries):

Austria, Poland, the Netherlands, Belgium, Germany, Italy, Denmark, Bulgaria, Sweden, Belarus, Lithuania, Finland, Russia, Romania, Switzerland, Luxembourg, Slovenia, Croatia, Montenegro, Serbia, Bosnia, Portugal and the United Kingdom.

The Middle East (7 countries):

Turkey, United Arab Emirates, Qatar, Oman, Bahrain, Kuwait and Saudi Arabia

America (3 countries):

Canada, the United States and Chile

Oceania (2 countries):

Australia and New Zealand



Figure 1-26 O'right's global presence

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(C) E-commerce Division

Our team established the O'right official online shop in 2014, providing customers with a more convenient and better shopping experience to purchase green hair care products with ease.

In 2016, in addition to our own official e-commerce store, we also partnered up with various online platforms and organized promotional events to boost brand exposure and awareness and reach more consumers through advertisements. In 2018, we began working with Taiwanese e-commerce online shopping platform Momo to increase brand visibility while ensuring that consumers have another platform to purchase our products in the event that our online shop is under maintenance. In 2022, Taiwan's first zero carbon beauty e-shop was established on momo, the leading online retailing brand in Taiwan.

Additionally, the E-commerce Division also manages the O'right Shop Facebook page, Instagram handle Oright_tw and Line account O'right, which not only offer consumers more ways to communicate with us but also bring us closer to consumers through direct B2C communication on our brand concept, product image, directions for use, promotional events and consumer feedback.

These social media platforms give us the opportunity to communicate our green values in hopes of motivating more people towards sustainability.



Figure 1-27 O'right e-commerce platforms



Figure 1-28 O'right official website

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(D) O'right Concept Store

In 2016, we kicked off our plan to open store locations to expand our business into new markets. Each uniquely designed, O'right Concept Stores give us more opportunities to get more people engaged with our brand and excited about our green values. They tell the story of O'right through sustainable designs, natural products and aromatic experiences.

Consumers can get up close and personal with our extensive range of natural beauty products while receiving professional hair and skin advice and experiencing the green beauty of O'right.

Since 2016, we have opened 23 O'right Concept Stores in Taiwan, namely the cultural icon Eslite, the largest department store chain Shin Kong Mitsukoshi and a few of the most popular department stores nationwide.

O'right Concept Stores can be found in major cities across Taiwan, bringing our green products closer to our consumers.



Figure 1-29 O'right Concept Stores in Taiwan

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

Taipei's Yongkang Xinyi Concept Store

As the world's first circular economy champion leading the way in sustainable beauty, we have long been dedicated to providing zero carbon products with zero impact. On June 5, 2021, World Environment Day, we celebrated the grand opening of the first Concept Store to feature our latest cutting edge technology, the ±R Plan.

±R is a sustainable circular design driven by the 3R's mindset Respond, Revive, Respect and manufactured on the concept of Reuse, Refill Reduce. Building a vision for zero carbon consumption, it has been conceived to enhance respect for the environment and all living things.

For a long time, safety and hygiene issues of package-free shops have been on many people's radar and ignited concern among consumers. Now, O'right has a sustainable, clean and safe solution for cosmetic refilling. Yongkang Xinyi Concept Store unveils an automatic vacuuming, nitrogen flushing food-grade GMP compliant filling machine that steam-sterilizes at 100 ° C temperature and guarantees a dust-free, contamination-free and hands-free process. The robotic arm, charmingly named "Mr. Right," is designed to thank consumers for their sustainability efforts, and even dances to the music.

We embed sustainability elements not just in our products, but also the store itself. Yongkang Xinyi Concept Store, dubbed the "next generation of circularity," features a storefront signboard made of 2,058 recycled plastic bottles, aiming to offer an immersive shopping experience that stimulates sustainable consumption behavior. Remaining steadfast in our commitment to sustainability and providing nature-inspired products and services, we hope to empower consumers to respect earth and make sustainable choices.



Figure 1-30 Taipei's Yongkang Xinyi Concept Store

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

As retailers, O'right Concept Stores have the following features:

Distributed across the Western Taiwan;

Provides It's O'right Green Lifestyle newsletter, which covers global environmental issues as well as the latest green news.

Regularly holds environmental events and invites consumers and retailers to show their support.

We established the following measures to improve product quality and increase customer satisfaction:

Products

- Salespeople are required to take product training programs and be evaluated in order to be qualified to serve customers at stores with the latest product knowledge.
- Create a knowledge base of FAQs (frequently asked questions), including product knowledge, ingredients and benefits), for educational training purposes.

Information

- Store customer data into a software so that sales staff can have immediate access to information and identify customer needs. Keep customers updated on the latest news via LINE or Facebook.
- Establish an effective internal communication strategy to make sure that the latest news is properly delivered and improve both vertical and horizontal communication.

People

- Create an SOP to ensure that services are delivered consistently.
- Provide customer feedback to quality assurance and research and development staff to ensure their problems are solved and needs are fulfilled.
- Sales' job is not just to serve customers, but also to convey our green values, which is why we arrange for them to take educational programs every season.
- Distribute customer satisfaction surveys each year to improve customer satisfaction levels and our communication strategy.



Figure 1-31 Sales training program

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 1-32 O'right sales assistants

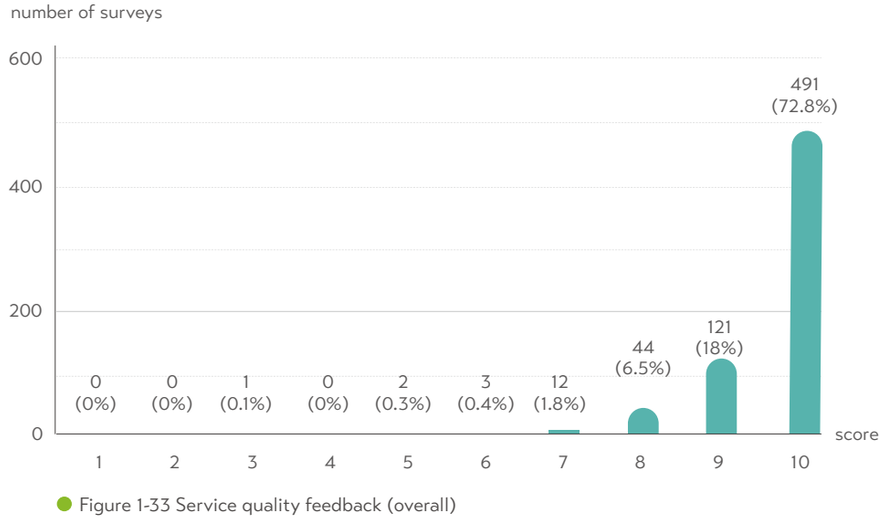


Figure 1-33 Service quality feedback (overall)

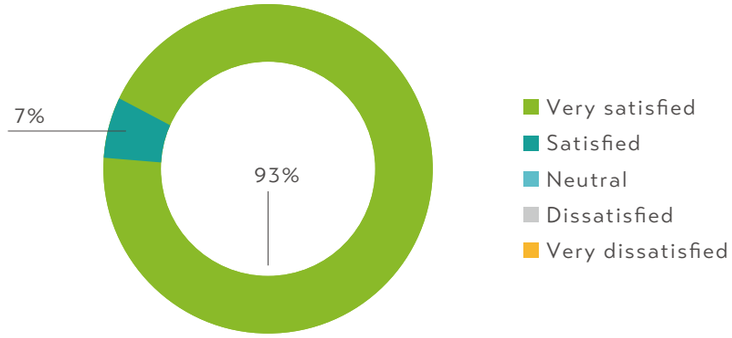


Figure 1-34 Service quality feedback (friendliness/communication/enthusiasm)

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(E) Brand Channel Cooperation Business Division

In addition to professional hair salons, international distributors, e-commerce channels and stores, we also form partnerships to expand our green footprint. Due to a recent rise of environmental awareness and eco-tourism, hotels are gradually taking the sustainable route and going green for a better tomorrow. As such, our Brand Channel Cooperation Division has begun incorporating natural, pure and eco-friendly concepts into green tourism. O'right has formed partnerships with 46 hotels, 62 bed & breakfasts, 19 postpartum care centers, 6 spas and 8 gyms, which is 8 less partnerships compared to 2020. The reason for this decline is due to the COVID-19 pandemic. Our aim is to infuse O'right green bath amenities into traveling and life in hopes of sharing our sustainable values with travelers from all around the world.

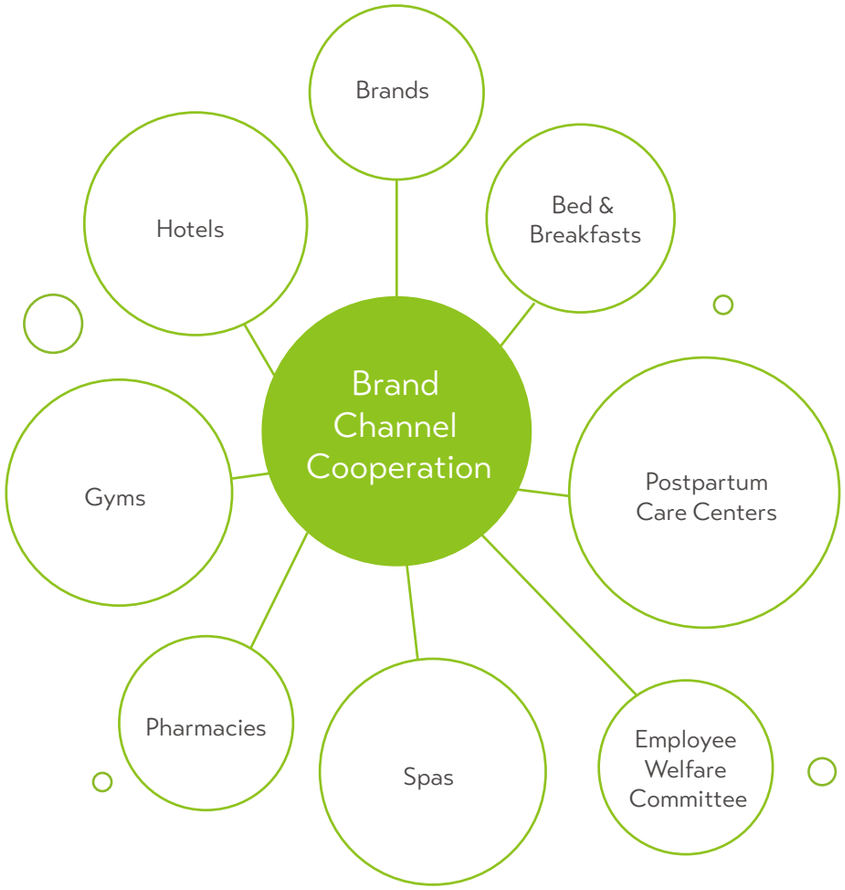


Figure 1-35 O'right Brand Channel Cooperation Division

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

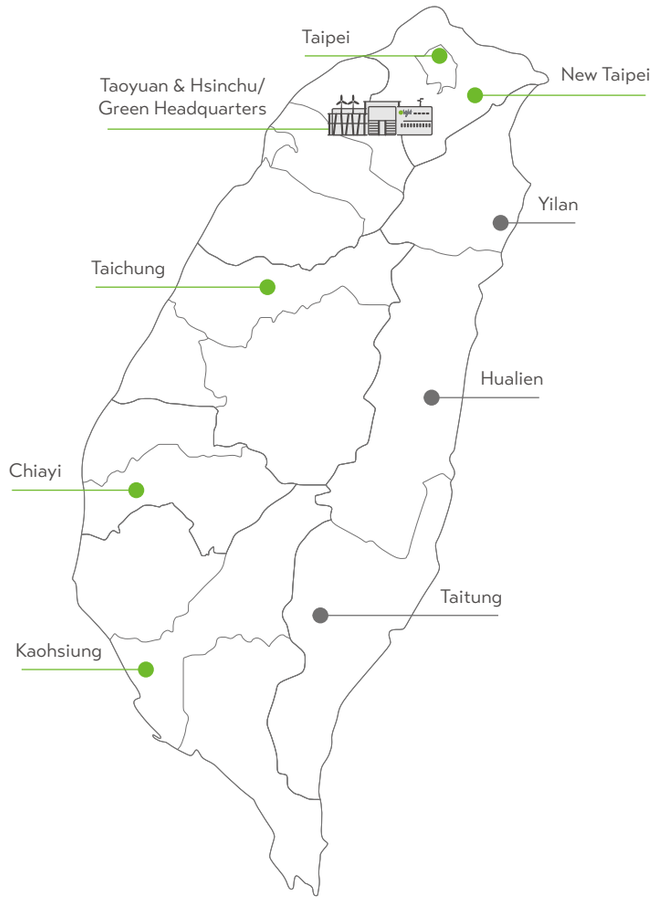


Figure 1-36 O'right customer service network

Note: The green spots are locations of mobile offices; the grey spots in Yilan, Hualien and Taitung are home offices (i.e., customer service specialists who work from home)

1.4.5 Customer Service

O'right has always been known for its green hair care products. However, while we have made a name for ourselves in the green beauty world, we believe that in order to truly make a difference, we have to ensure that our green values are communicated as well. A brand is a lot more than the products it sells. When customers buy and use our green products, they are presented with a clear depiction of our mission and values; then they tell their friends and families about our sustainability effects and inspire them to jump on board.

We care about customer privacy. We implement a multi-layered security system and installed an advanced antivirus software to ensure that all threats are detected and blocked to prevent data breaches.

Additionally, we implement the following strategies to enhance brand value with excellent services:

(1) A Widespread Cusomter Service Network

With a presence in various locations across Taiwan, including Taipei, New Taipei, Taoyuan, Hsinchu, Taichung, Tainan, Chiayi and Kaohsiung, O'right is able to promptly respond to customer needs and improve customer service quality. Customers can find customer service specialists closest to them to cater to their needs.

We make sure we are fully prepared and have collected sufficient information about the foreign market before taking our next step and bringing the latest trends to countries where our brand values will translate and to markets that offer potential benefits beyond our expectations. By attending annual exhibitions and events, our global customer base and service points have expanded. O'right hair, body and skin products are now sold across Europe, America and Asia. This year, we broke into Japan's omnichannel retail and e-commerce market.

More and more people prefer to shop online due to the convenience of the internet. Our online stores and customer service are available 24 hours a day, and we provide customer service via our Facebook Page, Line, email and phone during designated hours. Consumers can shop anytime they want and send us messages to our Facebook or Line account with any inquiries.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(2) A Variety of Customer Services

O'right offers a wide variety of green services including visiting hair salons to personally share green concepts and demonstrations, encourage salons and hairdressers to take part in environmental charity events and assist salons in holding eco weeks to promote green concepts among customers.

Our close-knit service network enables us to provide so many services all across Taiwan. We have around 40 customer service specialists to cater to satisfy a variety of customer needs.

In terms of our international distributors, we provide a comprehensive brand and product educational training and visit them overseas to offer guidance on the design and planning of stores. We also give materials for the promotion of products and services and any other practical information that could help the foreign markets.

Moreover, we encourage distributors and salons to take part in environmental protection events and communicate sustainable values to foreign customers.

(3) A Focus on Green Service

At O'right, we take the initiative in promoting zero carbon both internally and externally. We share information about environmental protection and motivate customers to embrace sustainability. It's O'right articles are published online every month in Chinese and English. We also hold annual environmental events such as Coastal Cleanup, Earth Hour and Plant a Tree where we encourage customers to join and show their support.



2021 Earth Hour地球一小時 不只自己 還要一起 為自然發聲

2021-Feb

近來世界大國紛紛訂出「零碳排」時程表，2020年底的《巴黎氣候協定》更呼籲各國政府以達成「碳中和」來因應氣候緊 [...]

more

Figure 1-37 It's O'right

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(4) An Effective Customer Complaint Resolution Process

Responding to customer inquiries and complaints efficiently is essential for customer satisfaction. We have a complete SOP for handling customer complaints. All complaints received from customers are reported back to the Headquarters by customer service supervisors, who then forward the request to the Chairman for his stamp of approval. It is important to handle and resolve complaints and give customers a satisfying response in the shortest time possible after receipt. There is a database in complaints are stored in. We also make customer complaints public to prevent the same issues from occurring.

Customer complaints greatly decreased from 2015 to 2021, which indicates that we are meeting customer demands with improved product quality. However, this resulted in an increasing number of authorized O'right products being sold through unauthorized channels, causing a rise in consumer conflicts.

Consumers can make inquiries or provide feedback via multiple customer support channels such as Facebook, LINE, Instagram and Twitter.

Overall, we are receiving less customer complaints, which indicates that consumers' perception of our brand (i.e., brand image) is increasing.

Customer Complaint: Notice of Invoice Issuance

In September 2021, a consumer posted online that she had received multiple eGUI tax invoice issuance emails that are not addressed to her.

Due to the internal system undergoing an upgrade, unsuccessful attempts at issuing eGUI tax invoices by email in 2020 were unintentionally resent as a mass email, resulting in consumers receiving more than one email.

Customer service staff called the consumer in question and assured her that none of her personal information was leaked.

Improve our internal process to prevent similar situations like this from happening.

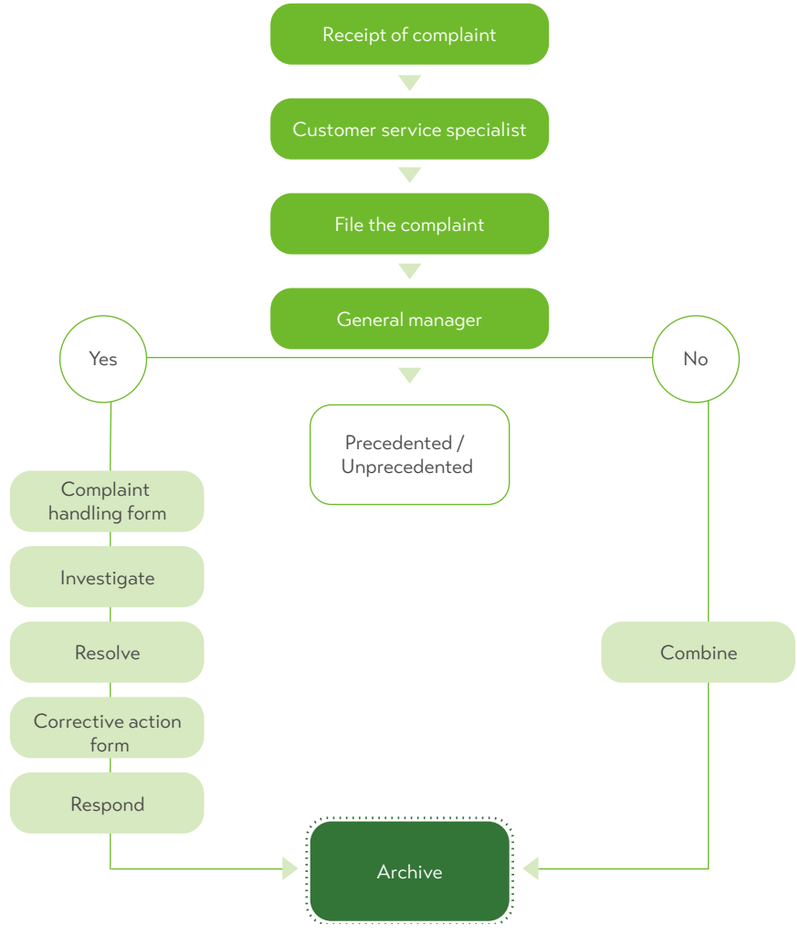


Figure 1-38 Customer complaint process

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

(5) An Effective Customer Satisfaction Program

Customer satisfaction surveys are conducted at least once a year, focusing on measuring customer perceptions on product quality, logistics and delivery, personnel service quality and 4 other categories. For more information, please refer to the customer satisfaction survey SOP.

From 2012 to 2021, we have conducted customer satisfaction surveys to continuously improve customers' level of satisfaction and key performance indicators (KPIs). The customer satisfaction survey in 2021 was completed by customers (i.e., hair salons) with the most orders. The satisfaction score increased from 75 to 80. We also continue to enhance customer-related management, improve handling of complaints and implement educational trainings.

As for privacy issues, O'right ensures that customer information is properly and securely stored. So far, there have been no customers complained about any invasions of privacy or information disclosure. In order to constantly enhance product quality and customer satisfaction, we established the following strategies:

(1) Product information source

When delivering messages, customer service personnel must make sure salons will receive the message and give a response; otherwise, they have to contact salons the next day via telephone to ensure they received the information.

(2) Customer complaint response

*Create a standard customer complaint response and regularly check the accuracy of customer service personnel's responses.
*Simplify the customer complaint internal handling process.

(3) Product quality satisfaction

*Ensure customer service specialists are properly trained regarding products.
*Collect and provide relative data to product quality assurance units.
*Come up with strategies to prevent temperature changes from affecting product quality during shipping.

(4) Product satisfaction

*Arrange for instructors or educators to teach and train hair salons and customer service personnel by demonstrating how to use each product.
*Collect and provide relative data to R&D personnel.

(5) Product delivery accuracy

*Customer service specialists must confirm the order details with hair salons before accountants input information in the computer system.
*Collect and provide relative data to the logistics department.

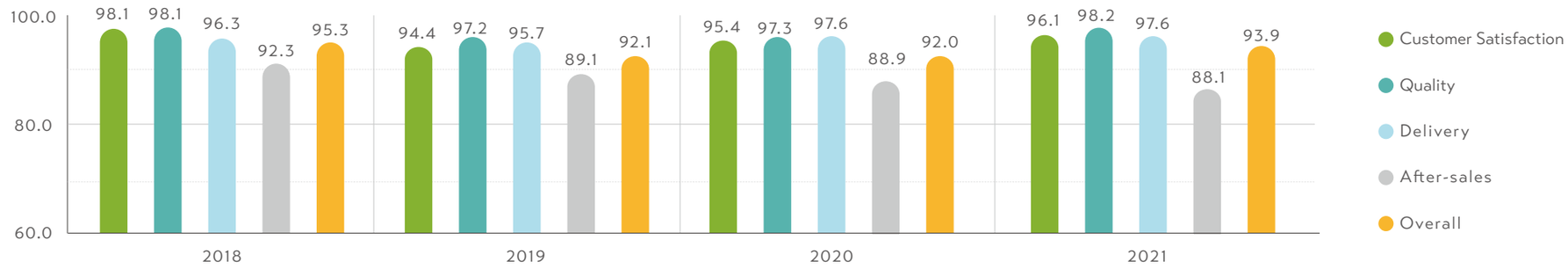


Figure 1-39 Customer satisfaction of the Salon Business Division

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

For international distributors, we take the following actions to enhance customer satisfaction and product quality:

(1) Product quality and information

The International Business Division assigns a specialist responsible for providing product information and FAQs.

(2) Marketing materials and planning

The International Business Division appoints a person responsible for providing marketing materials and event planning for the international market.

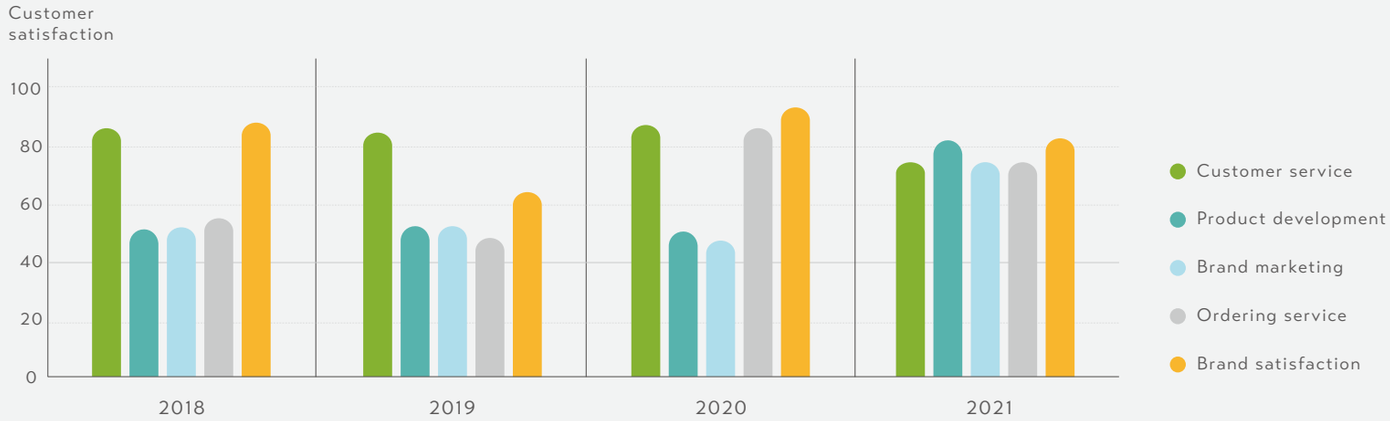


Figure 1-40 Online customer satisfaction survey for international distributors

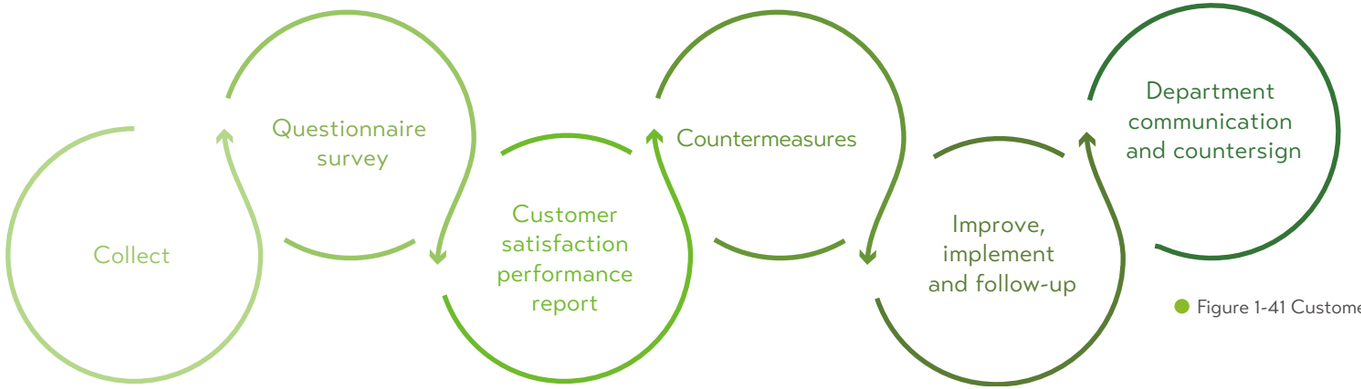


Figure 1-41 Customer satisfaction survey process

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4



Figure 1-42 O'right Newspaper

(6) A Customer-centric Culture

Together towards a greener world with O'right

In 2020, we started the newspaper reading movement following the publication of the O'right Newspaper, the information-rich, yet richly-illustrated newspaper containing all of O'right's firsts and milestones as a global green beauty champion from Taiwan that bring us closer to our suppliers, international partners and consumers. In 2021, before making the 2022 edition public to consumers and stakeholders, we made a poll and asked everyone to vote for the cover art they prefer. With the results, we eventually created a different cover for the electronic version and printed version.

Revolutionizing the century-old toothpaste formula

O'right Toothpaste N° Zero is made from natural ingredients, using sustainable wood powder to replace the harsh abrasives used in conventional toothpaste formulas. It is also infused with 3 billion chlorella cells, a nutritious food supplement, making it completely safe to put in your mouth. Redefining oral care with a toothpaste made from food, this critically-acclaimed revolutionary design caught the eye of the Good Design Gold Award jury. In 2021, we were invited to exhibit O'right Toothpaste N° Zero at the Fictional Garden: Taiwan House exhibition in Japan.

Fictional Garden: Taiwan House uses flowers and blessings as the theme to showcase the diversity of Taiwanese designs and blooming works of the design industry to the Japanese audience.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

1.1 About o'right
1.2 Philosophy
1.3 O'right and the SDGs
1.4 Operations and Economic Performance

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

1.4.6 Legal Compliance and Code of Conduct

O'right ensures compliance with the Cosmetic Hygiene and Safety Act and integrates management systems including ISO 50001:2018, ISO 14001:2015, ISO 22716:2007, ISO45001:2018 and TIPS:2016 (Taiwan Intellectual Property Management System) into our overall efforts to improve our business. ISO management system standards help us identify the statutory and regulatory requirements relative to our company regulations on energy, environment, fire safety, health and safety and intellectual property rights, etc.

We believe that educational training is critical to the growth of employees and the company. We have a mandatory 3-day employee onboarding program designed to engage and connect new employees with basic information such as energy, environment, fire protection, safety, hygiene and intellectual property. We also hire external practitioners and instructors to give in-house training and courses to employees every year. It is not only important for employees to acquire the skills and knowledge it has to take to truly contribute to our company, but also to learn our basic rules and policies and stay legally compliant.

We join relative cosmetics associations in order to stay up-to-date on the latest cosmetics regulations or announcements from the Taiwan Food and Drug Administration. We also hold meetings with the cosmetics associations to discuss the new regulations and communicate with them on a professional level. The opinions and feedback are then passed on to the FDA as a reference. By doing so, we are maintaining a communication channel with the competent authority. Additionally, we improve our code of conduct according to the latest regulations and relative issues provided by the association, as well as the regulations of local public health bureaus and the FDA.

In 2021, we continued to maintain the highest quality and practices by standardizing our business process with ISO, such as for internal control and audit, educational training and competitor communication to ensure legal compliance. Therefore, we did not receive any notice of violation in 2020.

O'right's product development and manufacturing have been inspected and verified by SGS and meet over 10 ISO standards. We also became the first in Taiwan to be certified by USDA to contain 100% biobased content.

We ensure compliance with current regulations. Our critically-acclaimed products have won numerous awards worldwide and are sold in more than 40 countries, proving that we are indeed leading the way in sustainable beauty. We will focus on upping our game and going full speed ahead to a greener world.



Figure 1-43 O'right enhances quality through green certifications

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

02 Green Innovative Manufacturing

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

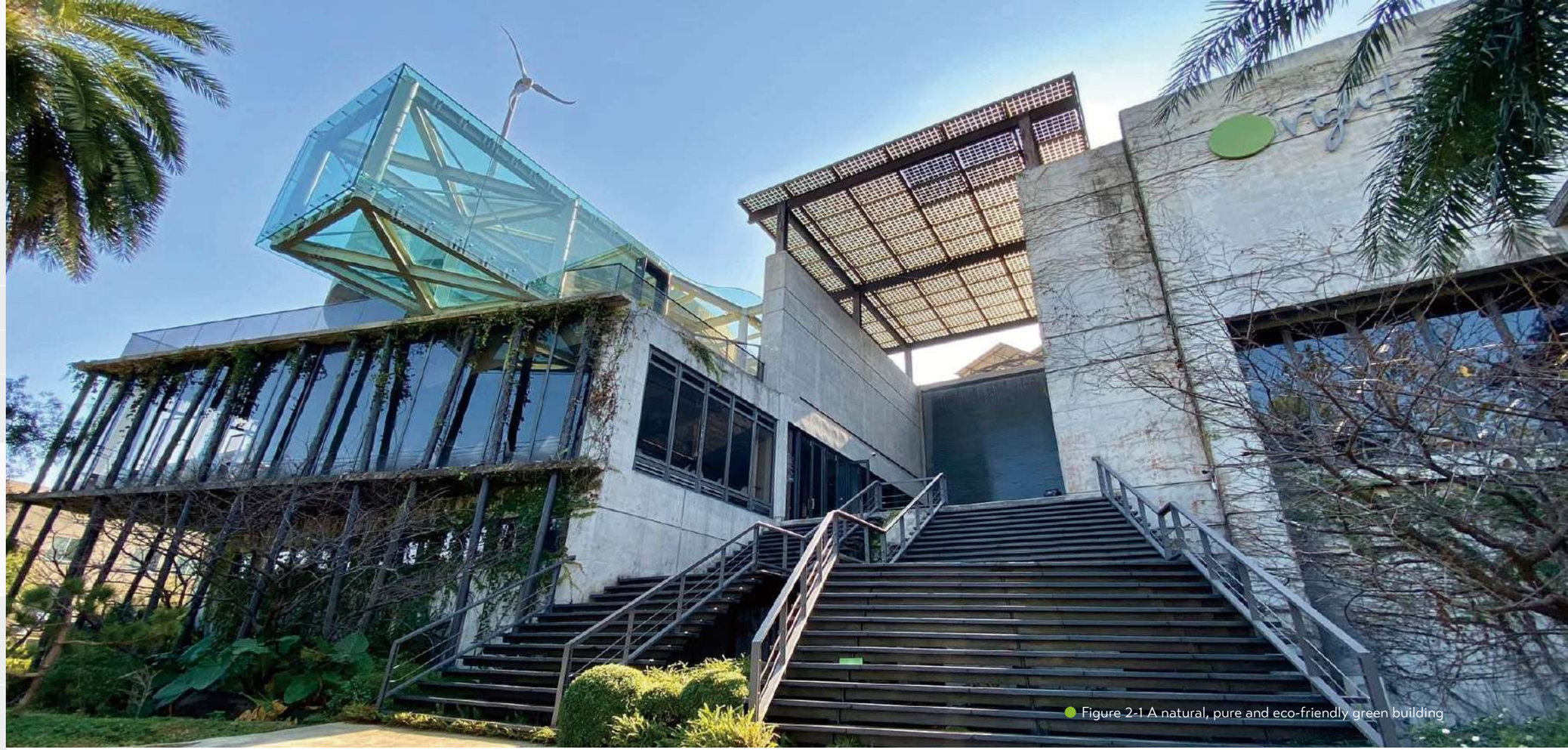


Figure 2-1 A natural, pure and eco-friendly green building

2.1 GMP Certified Green Cosmetics Plant

O'right's philosophy and mission is to bring our philosophy of Natural, Pure and Eco-friendly to a whole new level. It is part of everything we do at O'right. That includes our Green Headquarters – an ecological garden, a green production center and a low carbon office for our staff and our green products – manufactured in our Organic Plant Extraction R&D Center.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

O'right Green Headquarters is an energy- and water-efficient building. Compared to our previous factory in Pingzhen, our new headquarters is 3 times larger in size but consumes significantly less electricity (see Table 2-1).

Table 2-1 Energy consumption between Green Headquarters and Pingzhen Factory

Factory	Green Headquarters			
Year	2018	2019	2020	2021
Area (m^2)	1,500	1,500	1,500	1,500
Total electric power consumption (kWh)	439,577	430,480	417,830	437,880
Annual electric power consumption per ping (kWh)	293.051	286.987	278.907	291.92
Electrical efficiency of Green Headquarters (%)	11.82%	13.65%	14.78%	13.79%
Units produced(pcs)	1,551,819	2,487,733	2,083,868	1,745,346
Environmental control system	Control area & Cleanroom	Control area & Cleanroom	Control area & Cleanroom	Control area & Cleanroom
Water control	8-step ultrapure water	8-step ultrapure water	8-step ultrapure water	8-step ultrapure water
Management system	ISO9001 , GMP, ISO22716 , ISO50001, OHSAS18001 , ISO14001 ISO14064 , ISO17025 , TIPS	ISO9001, GMP, ISO22716, ISO50001, ISO45001, ISO14001,ISO14064, ISO17025,TIPS	ISO9001, GMP, ISO22716, ISO50001, ISO45001, ISO14001, ISO14064-1, ISO17025,TIPS	ISO9001, GMP, ISO22716, ISO50001, ISO45001, ISO14001, ISO14064-1, ISO17025,TIPS

The average energy consumption from 2015 to 2016 was used as the energy baseline.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

O'right is mostly home to shampoo and body wash products. Washing your hair and taking a shower can use up a lot of water. In order to avoid wasting water, we adopt a water recycling system during the product manufacturing phase and develop mousse and dry shampoo to save water, save time and save product use.

In terms of water recycling, 100% of rainwater and pre-production wastewater is recycled and reclaimed for daily water consumption, air-conditioning, irrigation and other purposes. At our Green Headquarters, we make sure that not one drop of precious water is wasted (Table 2-2). In 2018, we unveiled our plan to achieve zero liquid discharge and transformed wastewater treatment into a zero wastewater one. From 2019 to 2021, wastewater recycling rate went up from 56.81% to 99.43%. Currently, all of our wastewater meets irrigation water quality standards. We are on the path to achieving zero liquid discharge from wastewater treatment.

● Table 2-2 Total amount of water consumed and recycled

Year	2019	2020	2021
Tap water consumed (Tonnes)	6,487	6,677	6,262
Ultrapure water for production (Tonnes)	2,356	2,050	1,710.5
Reclaimed water recycled (Tonnes)	2,397	2,676	2,670
Wastewater recycled (Tonnes)	696	1,116	1,926
Percentage of water reused	47.68%	56.79%	73.40%
Water used for manufacturing (Liter)	3.66	2.84	2.45
Recycled water (%)	56.81%	79.49%	99.43%
Effluent flow	1,225	1,404	1,937

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



● Figure 2-2 Our industrial wastewater has a COD of below 50 mgO2/L

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

2.1.1 Natural: Ecological Garden

A green building not only provides the setting for human activities, but also enhances and protects biodiversity and ecosystems and conserves and restores natural resources. Nature is unpredictable and rich in biodiversity. The built environment should learn from the complicated yet sound nature.

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 CO2reduction. Three of our indicators are superior to the standards set by EEWH (Table 2-3).

(1) Greenery

Our Green Headquarters is rich in biodiversity:

A.Large area of trees:

Home to a total of 60 trees and 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 to mitigate climate change.

C.Green Hallway:

The vertical garden, which takes up a space of 47.5 m^2, is completely covered with greenery such as Devi'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.

[2]Vertical gardens act as a natural air purifier by removing formaldehyde and other volatile organic compounds.

D.Sky Farm:

The Sky Farm features a collection of solar panels and 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). Pebbles are used as a ground cover for the farm to retain rainwater and decrease indoor temperature.

The combination of plants, green land and water significantly contributes to reducing greenhouse gas emissions and avoiding the impacts of climate change.

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. At the end of April, we found an endangered plant species listed in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITIES), Chinese spiranthes (Spiranthes sinensis).

The Chinese spiranthes is a species of orchid in bloom around the Tomb Sweeping Festival, so it is also called the Tomb Sweeping Plant.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

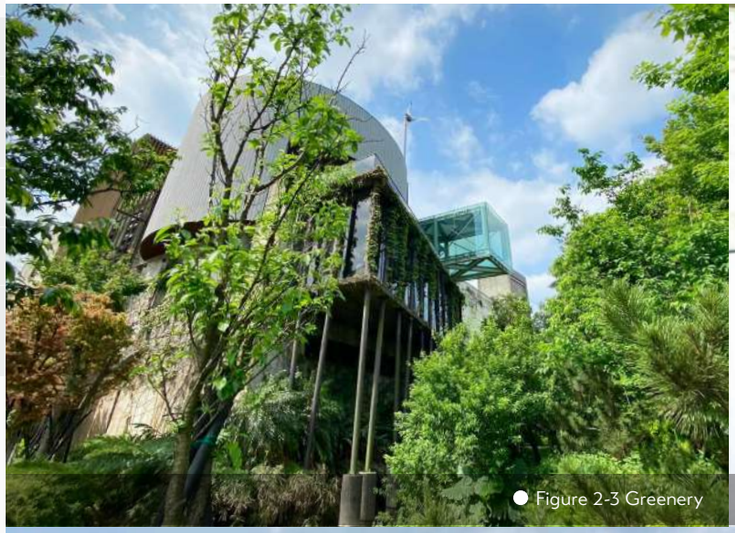
05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

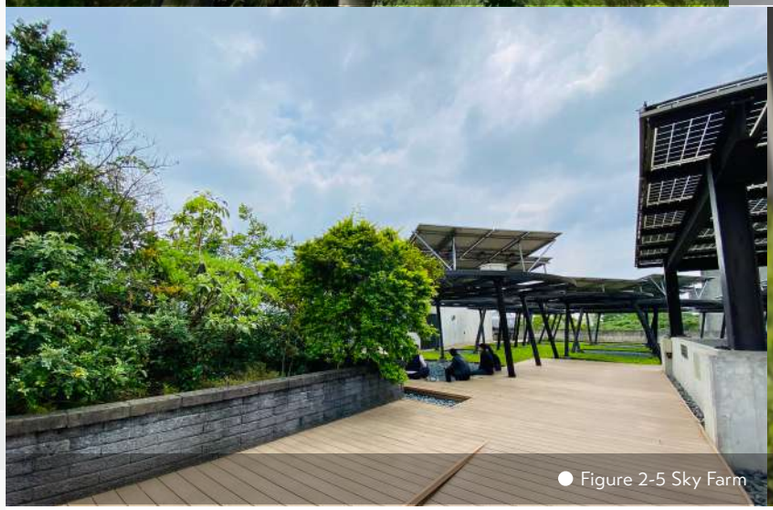
Appendix 4



● Figure 2-3 Greenery



● Figure 2-4 Green Hallway



● Figure 2-5 Sky Farm



● Figure 2-6 Organic Vanilla Garden



● Figure 2-7 Solar Panels

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Table 2-3 EEWH green building indicators exceeded by O'right Green Headquarters

Indicator	Benchmark	O'right	Margin
Greenery	TCO_{2C}=250,920	TCO_{2C}=931,814	TCO2c=Total CO2 O'right achieved a value 3.7 times higher than the benchmark
Soil water retention	Water originally retained is 0.24	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

(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. Permeable paving includes ditches, drains and rivers, used for draining and retaining water. A sustainable drainage system allows surface water to penetrate through the ground rather than directly running into drain pipes.

(3) Water Resource

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

a. 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.

b. 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.

c. 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) CO_2 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 0.79, which meets the criteria.

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

2.1.2 Pure: Green Production

O'right uses wind and solar power to generate electricity for production. This green energy has to be sold back to the grid at Taiwan Power Company before it can be used by O'right. In 2021, we generated 60,841 kWh of green energy. Since the establishment of our green building, we have generated 514,463 kWh.

Table 2-4 O'right green energy

Year	2019	2020	2021
Green energy generated	35,761 (kWh)	62,841 kWh	60,434 kWh

Note: 1 kWh=3,600 kJoule

To achieve the goal we set upon joining RE100 (to source 100% renewable electricity), we installed a 27.44 kW solar panel system to generate green power for use in our green building.

The green production center is designed with 3/4 built underground to protect the cleanroom from environmental impacts and minimize energy consumption by decreasing the need for air-conditioning due to the decrease in temperature. In order to create a healthy working environment for staff, a makeup air unit (MAU) is installed to maintain indoor air quality by diluting airborne contaminants and sterilizing the air with UV light. O'right's green production area minimizes any potential pollution to the area. Therefore, compared to cosmetic products in general, our products contain the minimum amount of preservatives to protect our consumers' health.

The green production center is equipped with 7 energy-efficient designs, as detailed below:

(1) Two Main Areas

A.Controlled area: A fingerprint identification system is installed to provide access control; people have to enter an air shower so that pressurized air nozzles remove particles of contamination.
B.Cleanroom: A high technology manufacturing area with a controlled level of contamination to ensure the highest product quality and minimize the use of preservatives.

(2) Three Energy-efficient Designs

A.PCW (Process Cooling Water) system
B.Total Heat Exchanging System
C.Heat exchanger for semi-finished products: A cooling equipment is installed to quickly lower the temperature of semi-finished products from 80° C to 25° C to make the particles smaller and finer for better absorption.

(3) Four Sterilization Methods

All manufacturing equipment and bottles are thoroughly cleaned through 4 rigorous and natural sterilization processes, ultraviolet sterilization, ozone sterilization, steam sterilization and alcohol sterilization (made from organic fermented corn), to ensure products are free from contamination.

Note: Cosmetic preservation is not an easy task; without preservatives, cosmetics go bad in 7 days. O'right uses minimal amounts of preservatives to prolong the shelf life of products. Protecting cosmetic products from contamination is the key to ensuring product quality.

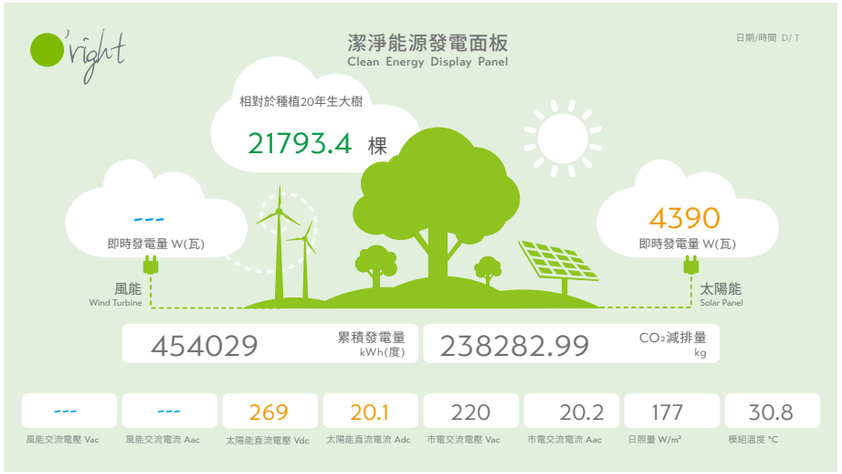


Figure 2-8 Clean energy display panel

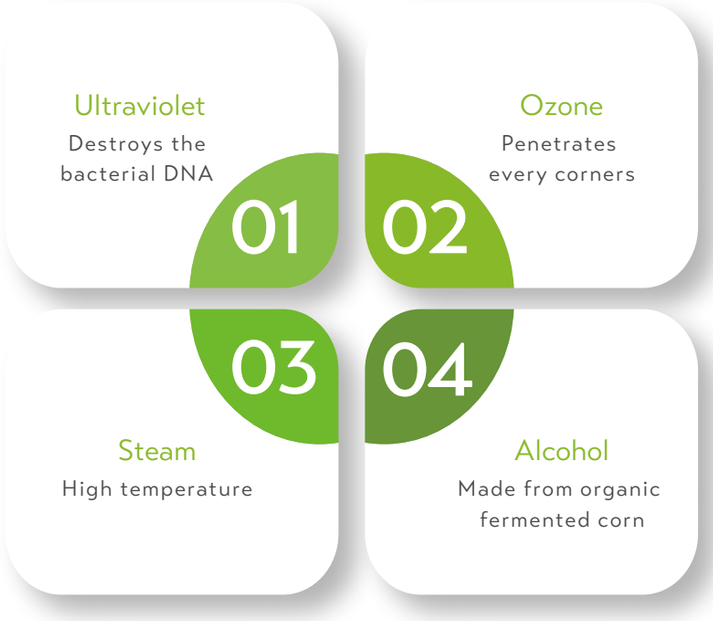


Figure 2-9 Four sterilization methods

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

(4) Five Preventive Measures

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

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

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

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

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

Figure 2-10 Five preventive measures

(5) Six Cleaning and Buffering Procedures

1. Clean dust off outer packaging
2. Separate for sampling and testing in the cleanroom
3. Clean and dry glass bottles
4. Clean dust off plastic bottles
5. Buffer in the sterilization room
6. Enter the buffer room before the cleanroom

Figure 2-11 Six cleaning and buffering procedures

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

(6) Six Wastewater Treatment Ponds

O'right Green Headquarters has 6 ponds or basins designed to treat wastewater generated during the product manufacturing and equipment cleaning processes. After going through the collection, adjustment, pH balancing, contact oxidation, buffer and discharge processes, wastewater, or greywater, is discharged into rivers without causing any damage to the environment.

Natural, Pure and Eco-friendly is the way we do things at O'right. We properly manage our industrial wastewater and ensure that our wastewater treatment process complies with effluent discharge regulations by following strict guidelines and purchasing testing devices. According to industrial effluent regulations, the Chemical Oxygen Demand, or COD, which is the indicative measure of the amount of oxygen that can be consumed by reactions in a measured solution, should be lower than 100 mg/L and the pH should range from 5-9. We monitor our industrial wastewater daily and outsource to a testing company approved by Taiwan's Environmental Protection Administration. The results indicated a COD of below 50 mgO2/L and that it is neither acidic nor alkaline (pH neutral), which is 50% lower than governmental regulations.

We monitor and record the data on a daily basis, which is reviewed every month by top-level managers. Additionally, 2 companies provide wastewater testing services each month and season to collect and analyze samples. Industrial effluent regulations state that testing must be performed at least once every 6 months.

We proposed the following improvement actions to be taken:

A. Improve the waterproofing capacity of the ponds
B. Increase the volume of the pond and increase the processing period of bacteria for better water quality
C. Increase the dissolved oxygen in the wastewater treatment plant to extend the survival rate of bacteria
D. Use the discharged wastewater to water plants

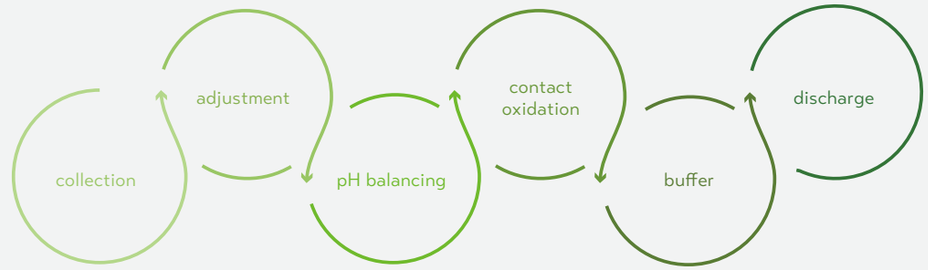


Figure 2-12 Six wastewater treatment ponds



Figure 2-13 Wastewater management

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

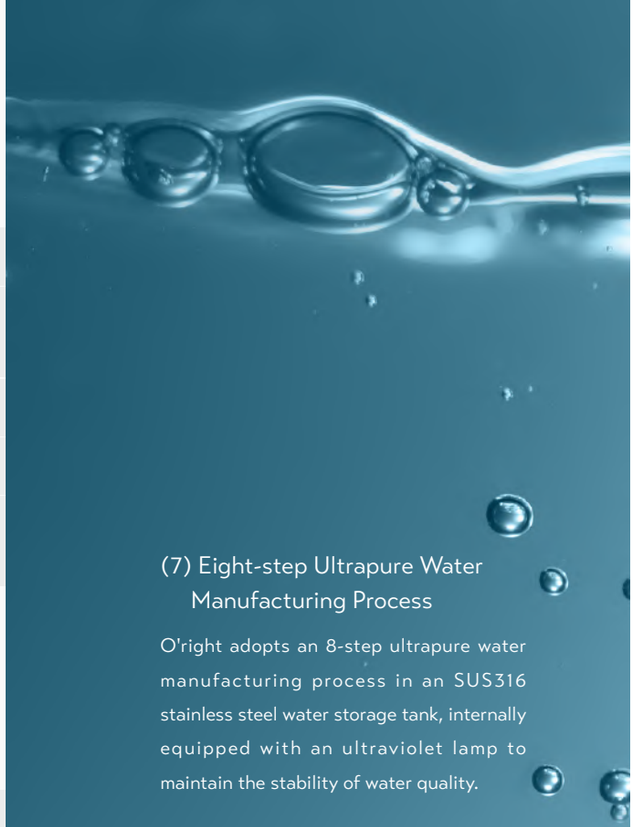
05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



(7) Eight-step Ultrapure Water Manufacturing Process

O'right adopts an 8-step ultrapure water manufacturing process in an SUS316 stainless steel water storage tank, internally equipped with an ultraviolet lamp to maintain the stability of water quality.

The water transmission pipelines are sterilized via ultraviolet rays, ozone and steam.

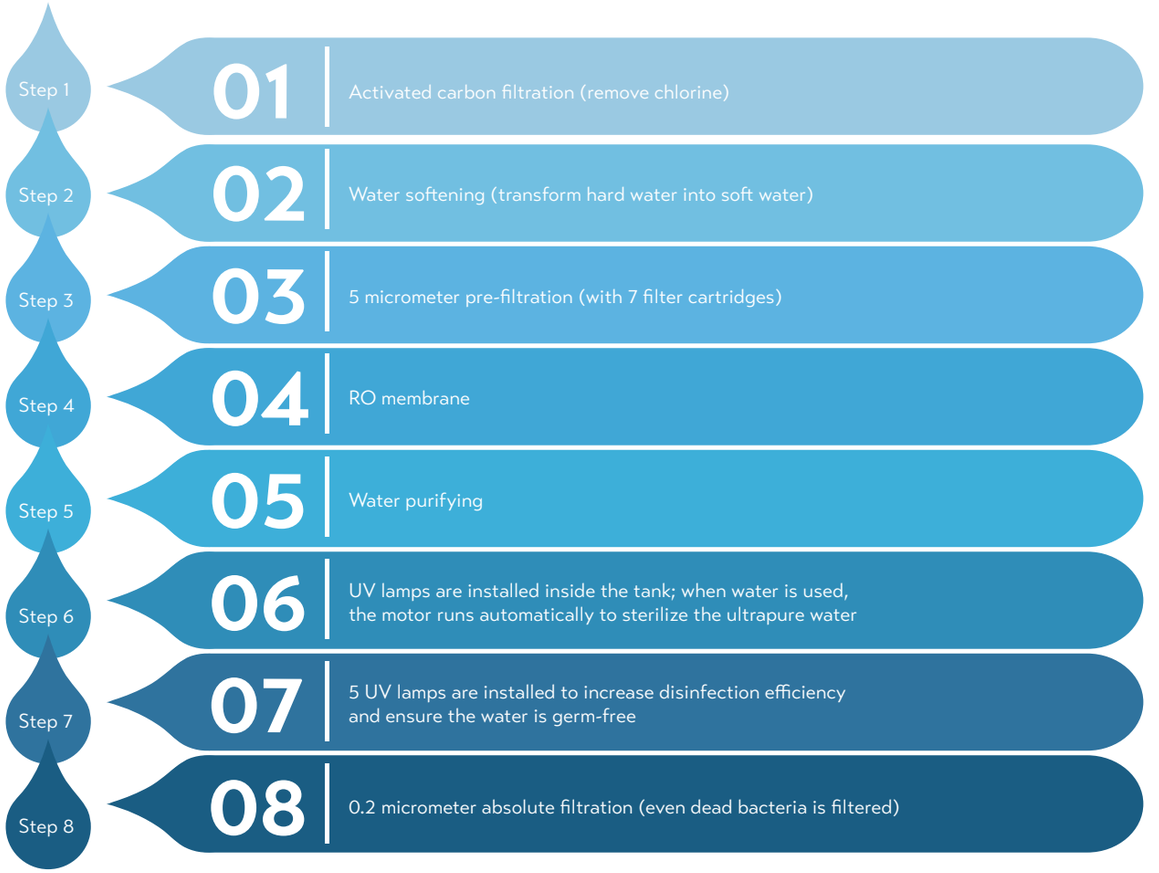


Figure2-14 Eight-step ultrapure water manufacturing process

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

2.1.3 Eco-friendly: Low Carbon Office

As a green corporation, we built a low carbon office in our headquarters to motivate sustainability among our staff and the guests that visit our green building.

(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 2021, the air conditioner was only turned on for 245.25 hours total.

B.LED lighting:The building is installed with LED lights, which helps reduceup to 63,168kWh 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 requested the help of a carpenter in Dazi to build office desks that are not only beautiful but also eco-friendly. Not one nail is used, only recycled wood waste.

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::

-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.FSC certified tissue 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.

-Can be directly thrown in toilets to prevent solid waste pollution.

J.Eco towels:Replaces hand dryers and paper towels to reduce electricity and waste.

-Greatly reduces greenhouse gas and air, water and solid waste pollution.

K.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.



Figure 2-15 Low Carbon Office

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 2-16 Foot pedal faucet

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

Table 2-5 Energy efficiency of foot pedal faucets

Note: 1 kWh = 3,600 kJoule

(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. For the health of our staff, 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.

We first believed that installing automatic or sensor-operated, touch-free faucets is the greener solution. However, automatic faucets operate 24 hours a day, meaning that it is still running (and consuming electricity) even after working hours. 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 (Table 2-5). 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%.

(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.

According to Table 2-6, our Green Headquarters reduced a total of 42% of carbon emissions, which equals to a carbon inhibition of 58%. A low-carbon building has to meet the following requirements: (1) Reduce the surface area exposed to the outside elements of sun, rain and wind; (2) Maintain good ventilation to improve indoor air quality; (3) Provide insulation and cooling with green roofs; (4) Utilize good thermal building insulation materials so that there is no need for air conditioning for over 300 days a year even during the hot and humid summer season in Taiwan.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

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

A. Daily Energy Saving:

Air-conditioning: At the Green Headquarters, air conditioners are activated mostly only during hot summer days. In 2021, our air-conditioning system was only turned on for 245.25 hours (54working days). According to Taiwan Power Company, companies in general have the air conditioning system on 8 hours per day for 88 days (excluding the weekends and public holidays) during the summer season from June to September with chillers consuming up to 60 tons of energy. In 2021, O'right saved up to 20,001.5 kWh, reducing 10,040.75 kg of carbon emissions, which is equivalent to planting 912-year-old trees.

Note：20,001.5 kWh*0.502 kgCO2e/kWh/11 kg = 912 20-year-old trees (the latest Taipower electricity emission factor: 0.502 kgCO2e/kWh;
International Forest Management Carbon Sequestration Efficacy Assessment Report: A 20-year-old tree absorbs an average 11-18 kg of CO2 per year)
Note：1 kWh = 3,600 kJoule

B. Indoor Environment

Good soundproofing materials: The walls are 15-25cm thick with airtight windows.
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.

● Table 2-6 Energy efficiency of air conditioning

	Other	O'right	Energy efficiency of O'right
AC energy consumption in 2019	28,950.4 kWh 43.6 x 8(hr) x 83(day)=28,950.4 kWh	6,540 kWh 43.6 x 150(hr)=6,540 kWh	77.41% 22,410.4 kWh
AC energy consumption in 2020	30,694.4 kWh 43.6 x 8(hr) x 88(day)=30,694.4 kWh	8,203.34 kWh 43.6 x 188.15(hr)=8,203.34 kWh	73% 22,491.06 kWh
AC energy consumption in 2021	30,694.4 kWh 43.6 x 8(hr) x 88(day)=30,694.4 kWh	10,692.9 kWh 43.6 x 245.25(hr)=10,692.9 kWh	65.16% 20001.5 kWh

Note: 1 kWh = 3,600 kJoule. The air conditioner uses 43.6 kilowatts of electricity per hour.
[6] Source: Hsinchu Science Park Bureau, Ministry of Science and Technology http://saturn.sipa.gov.tw/SPAEPI/page_detail.do?&fmeLv1Id=5cf6ff61-1f23-4f47-8f58-59b227637629&fmeLv2Id=72ff7cc3-72be-409b-beb3-4265c1fb2ded

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

C.Sewage and Garbage Improvement

a.Waste disposal site: A designated location is provided for the disposal of waste.

In addition to our constant innovation in products and manufacturing, we also continue take our role as a green enterprise seriously and responsibly by motivating employees to maintain a green work environment.

b.Incineration of business waste: Business waste, or commercial and industrial waste, is incinerated by qualified waste clearance companies. In 2021, a total of 10.02 metric tons of garbage was disposed of (1.6% less than 2020) and 11.67 metric tons of recycled waste (e.g., paper, iron, plastic and aluminum) was taken out (26.37% less than 2020).

c.From January to December of 2021, 1,937 metric tons of wastewater was converted and 1,926 metric tons was used for watering plants, achieving a recycling rate of 99.43%.

d.We classify our waste into garbage bins in different colors and clear labels to make it easier for staff to identify what type of trash goes in which bin. There is also a bin especially designed for kitchen food waste to be disposed in. Separated sewer lines are installed to eliminate combined sewer overflow, which helps to prevent pollution. Rainwater can be recycled and reused for domestic consumption.

e.In order to regulate the amount of preservatives used in formulations by maximum permitted levels, O'right became the first hair and skin care company in Taiwan to be accredited under ISO 11930 preservative effectiveness test. However, this resulted in the generation of infectious waste, which is being handled and incinerated by qualified waste clearance companies .

● Table 2-7 Annual industrial waste comparison

Category (metric tons)	2019	2020	2021
Recycled goods (paper, iron, plastic and aluminum)	13.805	15.858	11.67
Industrial waste disposal	10.46	10.19	10.02
Infectious waste disposal	0.469	0.474	0.494

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

2.2 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.

Twenty years ago, a global demand for a clean economy (i.e., the production of goods and services with an environmental benefit) began picking up. A clean economy is one that benefits the government, markets and consumers and one that provides products and services that reduce carbon emissions in the entire economy and improve efficiency in the use of natural resources. However, a clean economy is expensive; not everyone could afford to buy green and it did not help that green products often fail to deliver the desired result.

In order to make a breakthrough, we use green energy in the manufacturing of our products and environmentally-friendly packaging. Our products contain a high amount of natural ingredients with low environmental impacts. Our green building in which our products are manufactured is innovative and benefits the environment.

In addition, most of O'right's raw materials, packaging, and products are accredited by nationally or internationally recognized certifications that reflect our high standards for quality and safety. To enhance customer satisfaction, we comply with ISO 9001, ISO 22716, and Taiwan's Voluntary Cosmetic Good Manufacturing Practice (GMP) requirements and standards (see Appendix 3 for details).

Quality is characterized by strict adherence to guidelines, standards, procedures and specifications to ensure that our green products have the highest quality. Affordable shampoo, the kind you find in the supermarket or pharmacies, are great at removing the oil and dirt from our hair and scalp; but they are not very good at protecting consumers and the environment.

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.

Our extensive range of green beauty products (133 total) includes shampoo, conditioner, hair oil, scalp revitalizers, styling and skin care, all of which are formulated with authentic sustainably-sourced ingredients and free of fossil fuel-derived materials (petrochemicals). As a socially responsible business, we owe it to our consumers to provide transparency and guarantee of quality. As such, the percentage of sustainable ingredients in each product is clearly displayed as part of our long-standing commitment to creating a greener world. Consumers can rest assured that their hair, scalp, body and skin are given the best care. Because when we say "green beauty," we mean it.

O'right pioneers carbon reduction initiatives and leads the effort for a greener world. Earning the USDA Certified Biobased Product Label in 2020 confirmed that we are on the right path of sustainability – the path towards zero carbon and zero impact. Biobased carbon can help reduce carbon dioxide emissions, which is the key to securing a sustainable future for all.

Going green is becoming the new norm in the world of cosmetics. But not every brand considers the certification route. We validate our green claims with trusted third-party certifications worldwide. The result is transparency and authenticity, which build trust in our brand and empower consumers to choose healthier products and live a greener lifestyle. 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.

In 2011, we introduced the world's first carbon neutral shampoo. The following year, our newly constructed O'right Green Headquarters became the first Diamond-level green cosmetic factory in Asia. Then, we introduced the world's first 100% renewable plastic shampoo bottle and renewable plastic pump in 2016 and 2018, respectively. In 2018, we became the first company in Asia with product bottles certified by EuCertPlast, which is issued by Germany leading expert, Cyclos. In 2021, we adopted climate-friendly practices for sourcing raw materials and ingredients, manufacturing and selling products to cut greenhouse gas emissions and achieve carbon neutrality, thus bringing our emissions reduction path in line with the goal of making a zero carbon and zero impact world a reality.

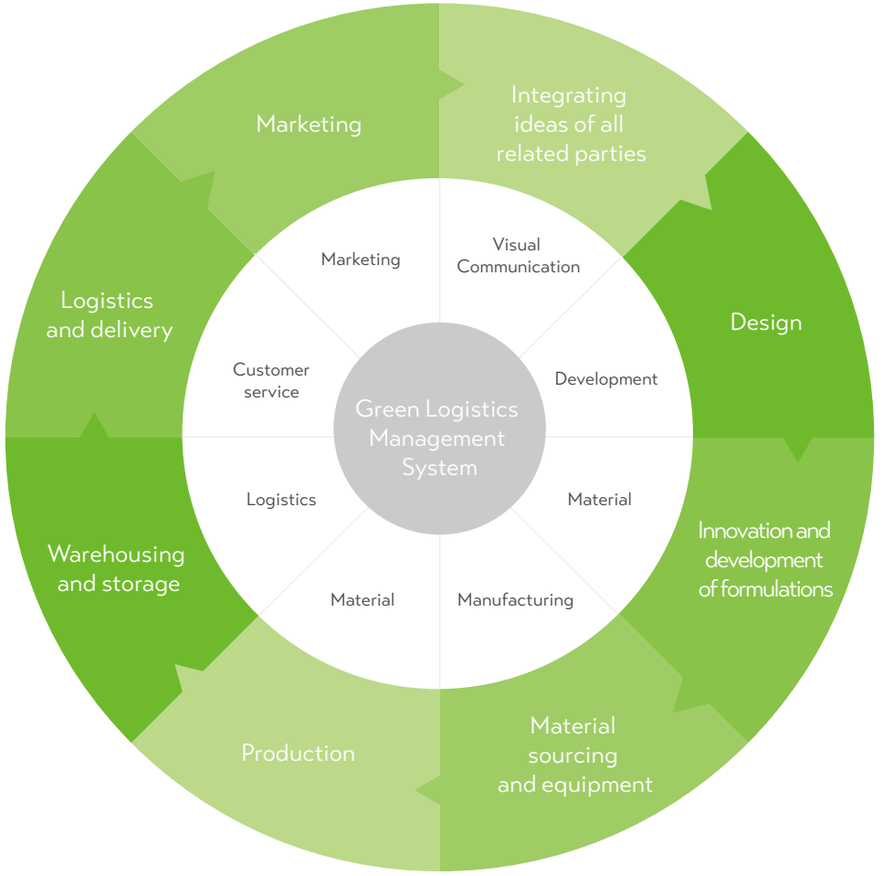


Figure 2-17 O'right green logistics management system



Non-GMO Gluten-free Vegan

Figure 2-18 O'right green logistics management system

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

2.2.1 Innovations in Green Formula

O'right's Organic Plant Extraction R&D Center is responsible for the quality control and safety of products as well as the development of green ingredients. We have always strived to incorporate the concepts of Natural, Pure and Eco-friendly by increasing the percentage of sustainable ingredients in our products.

Plastic microbeads are commonly found in face and body scrubs or cleansers due to its exfoliating abilities. However, they also raise concerns about the pollution of the marine environment. O'right bans the use of microbeads in our products; instead we use natural hinoki powder to achieve the same effect without compromising the well-being of people and the environment. Sustainability can be beautiful and beauty can be sustainable – and sustainable beauty is exactly what O'right aims to achieve.

All of our products are tested for its safety, heat tolerance and package compatibility. Semi-finished goods are required to meet cosmetics GMP requirements which include 6 tests on aerobic plate count and purified water quality, etc. Before products are launched, they are to be registered first. Products that are being exported to European countries must undergo product safety assessments according to the cosmetics regulations.

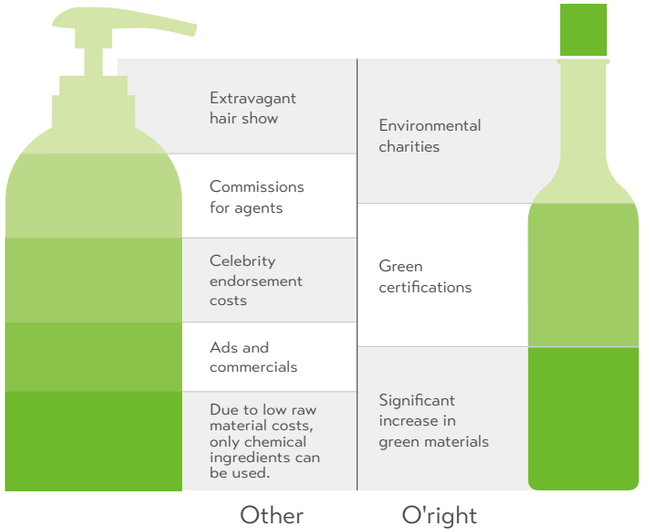


Figure 2-19 Comparison between O'right and other hair brand products



Figure 2-20 O'right offers 133 products to cater to different needs

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

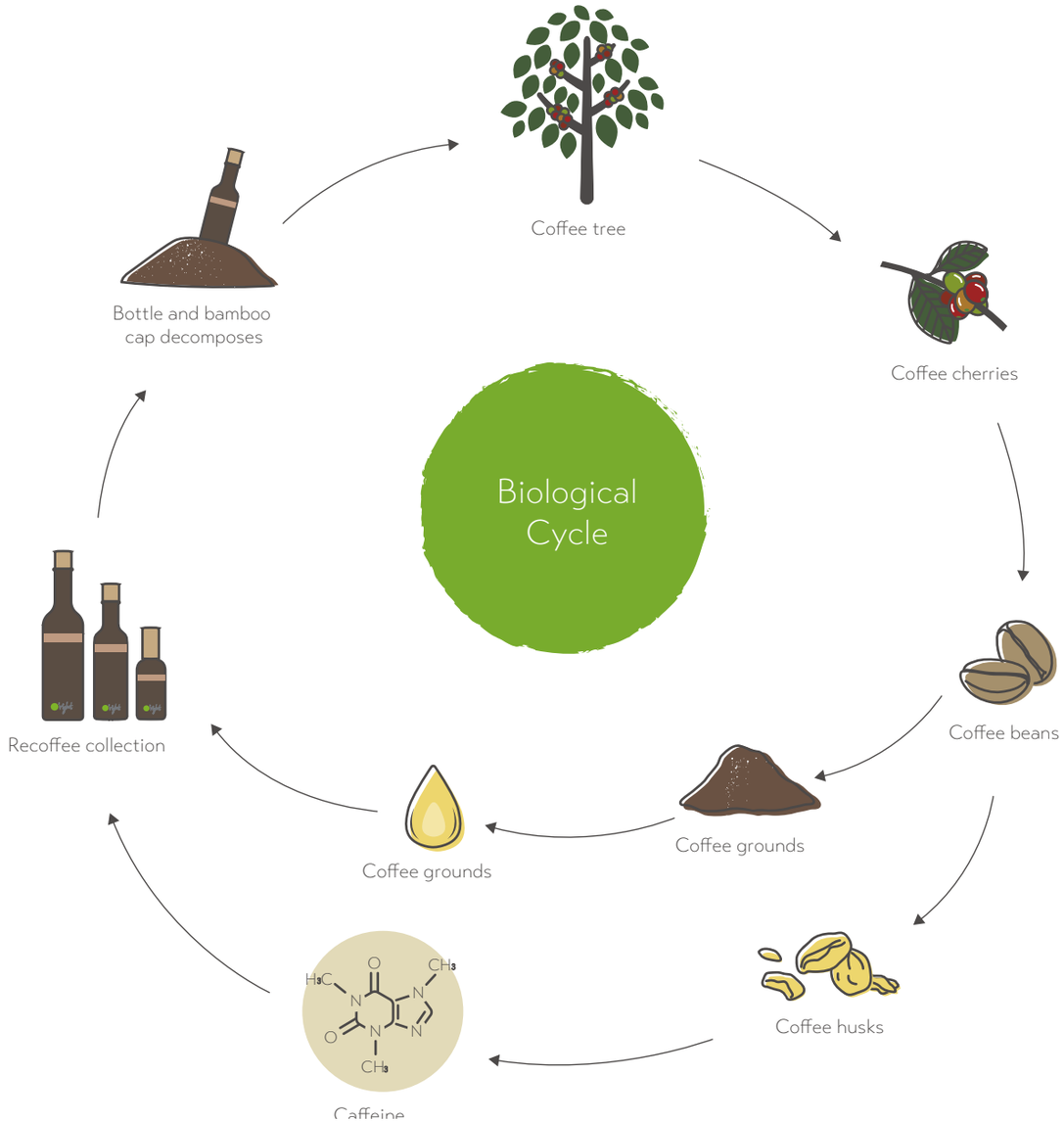


Figure 2-21 Naturally-sourced green innovative products

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(1) 8 Free

As a green brand, we have dedicated ourselves to developing innovative green products on quality alone, without the help of endorsements and advertisements. Our commitment to green development has successfully led to the introduction of our 8 Free formula. Free of 8 harmful chemical substances, O'right's green beauty products are healthy and safe for consumers and for the earth.

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 oxide derivatives to provide consumers with a healthier and eco-friendlier lifestyle choice. Figure 2-23 is an 8 Free poster given to hair salons to put in their salons for customers to see.

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

Figure 2-22 Cost comparison of O'right products and other hair products

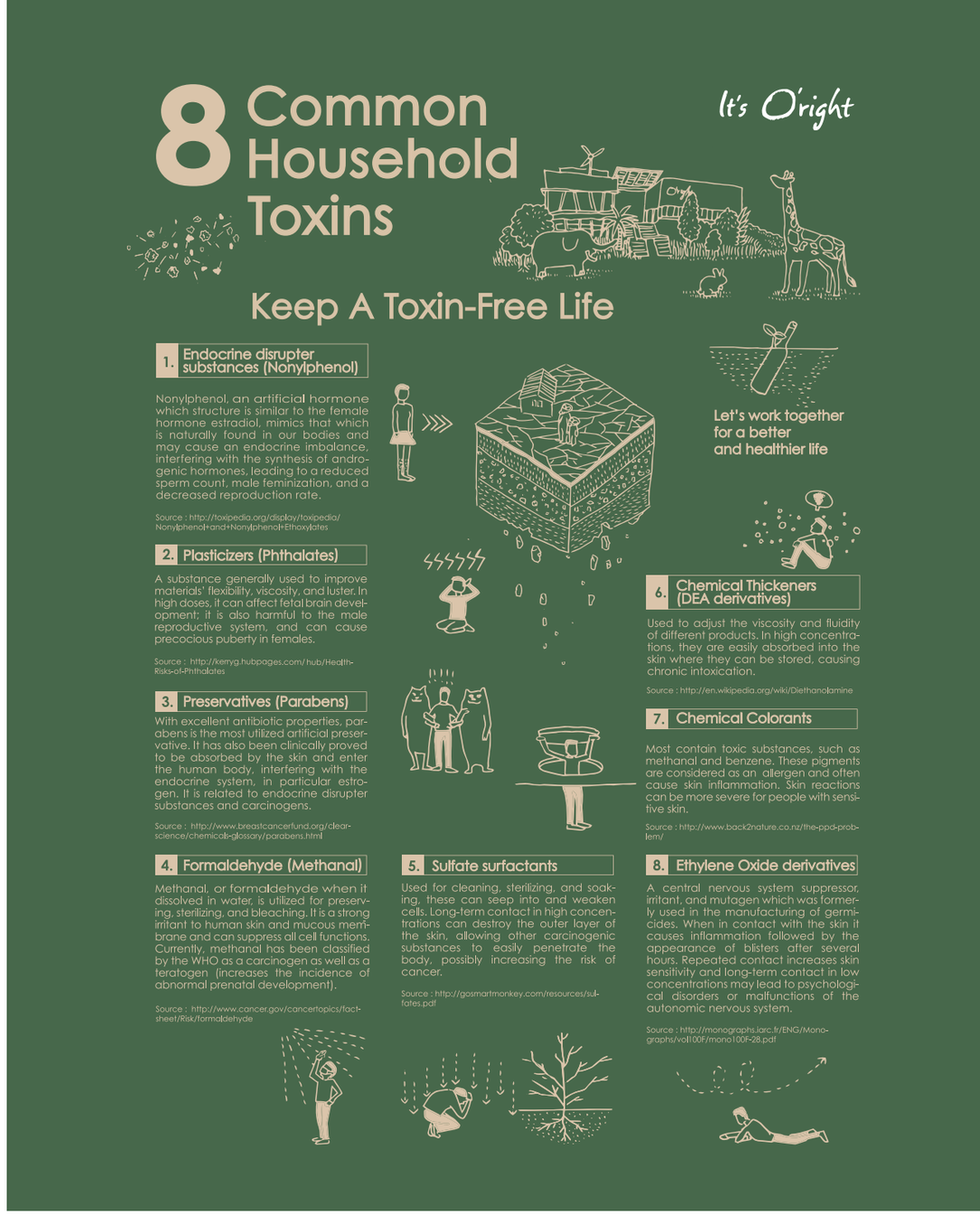


Figure 2-23 8 Free

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

(2) 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) 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.

In 2016, we were accredited by TAF to use ISO 11930 preservative efficacy test method. In 2019, we became the first certified laboratory in Taiwan to perform 3 efficacy tests of skin care products.

a. 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.
Currently, 60 products and 3 ingredients have earned the USDA Certified Biobased Product Label, which is a federally administered and run label that uses accelerator mass spectrometry (AMS) in accordance with ASTM D6866 to quantify the biobased content of a product.

b.Taiwan Agricultural Product Extraction Lab:

The Taiwan Agricultural Product Extraction Lab is responsible for developing native plants and local farm produce or other wastes, using eco-friendly ultrasonic and supercritical extraction technologies to obtain active ingredients for our product formulas.

[7]Carbon footprint refers to the amount of greenhouse gases (GHGs) produced during the life cycle of a product, a process or a service.



Figure 2-24 Independent laboratories

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4



Figure 2-25 Ultrasonic & supercritical extraction technologies

(a) Ultrasonic extraction equipment: Extracts active ingredients from native plants to Taiwan as well as farm produce and other wastes with optimal extraction conditions.

I.Eco-friendly manufacturing process: Short extraction time and less use of solvents.

II.Extraction of active ingredients: Obtains optimal amounts of active ingredients under low temperature to prevent heat damage and contamination.

III.Optimal extraction efficiency: Ultrasound has strong penetration abilities to enhance extraction efficiency.

IV.Optimal ingredients: Extracts ingredients with small particles, high permeability and high solubility.

(b) Supercritical extraction equipment: Extracts active ingredients from native plants to Taiwan as well as farm produce and other wastes with optimal extraction conditions.

I.High level of safety: Non-toxic with high biosafety.

II.The Three Rs (3Rs): Adopts the 3Rs approach (reduce, reuse and recycle).

III.Environmentally friendly: Uses carbon dioxide to prevent environmental damage.

IV.Extraction of active ingredients: Obtains optimal amounts of active ingredients under low temperature to prevent heat damage and contamination.

c.Cosmetic Efficacy Verification Lab:

The Cosmetic Efficacy Verification Lab analyzes the active ingredients, tests product safety and efficacy and examines the safety and preservation efficacy of green formulas. This Lab is equipped with a cosmetic efficacy testing lab, validation analysis lab and BSL-2 lab.

(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 (P2) lab:

Researches and tests level of antimicrobial activity to find the optimal preservation conditions of cosmetic products and enhance product safety and stability. This testing is generally called challenge testing or preservative efficacy testing. Compared to general BSL-1 laboratories, workers of BSL-2 laboratories must be adequately trained, qualified and experienced in the field of pathology. Certain operations have to be performed in Class I or II biosafety cabinets or other containment facilities.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(4) Research Objective and Results

A. 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.

B.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.

C.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, we 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 at the International Exhibition of Inventions of Geneva and Taiwan Excellence Award.

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.



Figure 2-26 Active ingredients sourced from aagricultural products using supercritical extraction and ultrasonic extraction methods

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

D. 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.

E. 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.

The demand for facial sheet masks is growing at an exponential rate. Taiwan has one of the largest sheet mask markets worldwide. Each year, an alarming amount of sheet masks are used and exported. This also means that an enormous amount of rubbish is generated as well. The fabric, plastic sheet (backing) and aluminum pouch cannot be recycled and end up in landfills and oceans, slowly killing the environment. We joined forces with our green suppliers to develop a circular design. Not only can it be recycled, even the fabric is biodegradable. We reduce agricultural waste by turning it into a valuable ingredient. We successfully created a sheet mask that is not a single-use product and not trash. It is a sheet mask that makes people and the earth smile. We hope to inspire more people in the beauty industry to join us in our mission to reduce environmental impact.

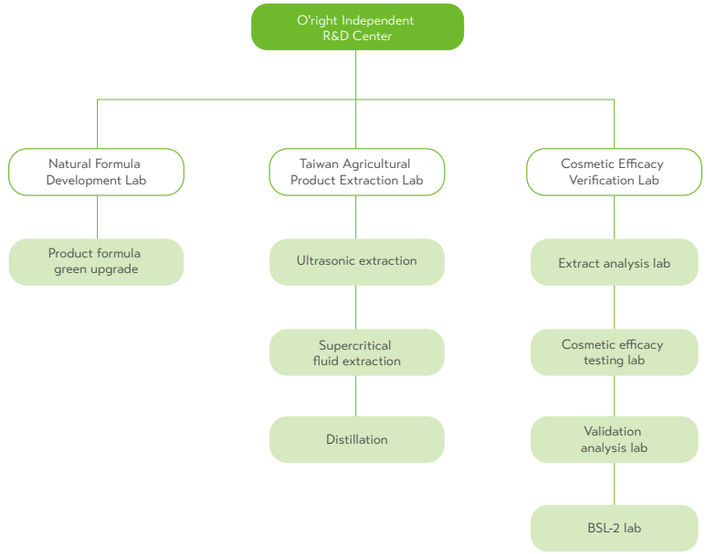


Figure 2-27 O'right independent research laboratory

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4



Figure 2-28 O'right green packaging design

2.2.2 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. For packaging, we follow the 5Rs of O'right, the five essential components of our green brand.

With zero impact as our priority, among the procurement of NT$53 million of materials in 2021 (see 4.1), NT$47 million (89.06%) was spent on renewable resources that can be replenished by natural means in a short period of time, such as the bottle made of spent coffee grounds and bottle cap made of the fast-growing bamboo.

The non-renewable materials that cannot be easily replenished and are lurking around us have become a serious danger to humankind and our environment. The best solution is to make good use of these resources and not burn them.

We also incorporate our environmental practices into other materials by replacing plastics with green materials to make our packaging more sustainable.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(1) Towards a Circular Economy

We are bold yet meticulous when developing products, ensuring that renewable plastic materials are properly sorted, packed, crushed, separated by gravity, mixed and pelletized. We also perform safety testing to ensure that our bottles do not contain any heavy metals for 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 (see below for details). 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.

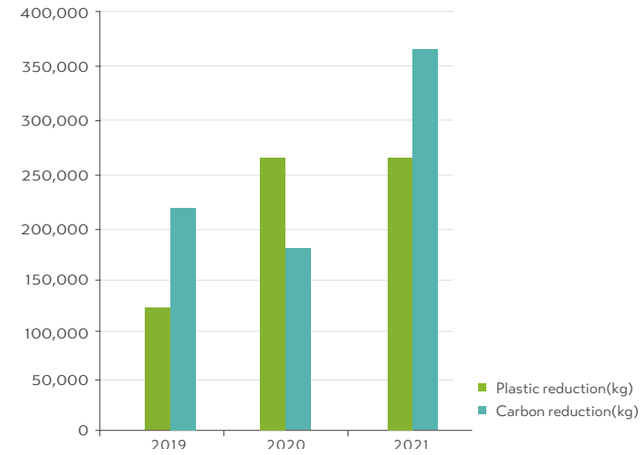


Figure 2-28 Carbon and plastic reduction achievements of renewable packaging

2021
- Design a mono-material refill pack

2020
- Develop a mono-material renewable packaging with suppliers

2019
- Switch all shampoo and body wash bottle pumps into renewable ones

2018
- Switch all shampoo and body wash bottles into renewable ones
- Successfully develop a renewable bottle pump

2016
- Develop a 100% renewable plastic bottle with Da Fong

2014
- Find suppliers specializing in recycled goods

Figure 2-30 Carbon reduction achievements of renewable plastic packaging

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

● Table 2-8 Carbon reduction achievements of renewable plastic packaging

NO.	Item	Quantity	Subtotal(kg)
1	HDPE bottle	Weight (kg)	177,642
		Carbon emission difference (kg)	319,803
2	PP renewable pump	Weight (kg)	29,522
		Carbon emission difference (kg)	39,332
3	PET bottle & cap	Weight (kg)	15,856
		Carbon emission difference (kg)	16,173
	Total	Total weight of renewable plastics(kg)	223,021
		Total amount of carbon reduced(kg)	375,308

Note :[1] Carbon emission difference = (Carbon emissions of new plastic - Carbon footprint of renewable plastic) x Weight of bottle x Usage ratio
[2] New plastic and renewable plastic carbon footprint calculation method by the Environmental Protection Administration

Plastic type	Carbon emissions of new plastic ($kgCO_2e/kg$)	Carbon footprint of renewable plastic ($kgCO_2e/kg$)	Usage ratio of renewable plastic	Carbon reduction achievement (Carbon reduction x usage ratio)
HDPE	2.25	0.449739	100%	80%
PP	2.01	0.418229	83.70%	66%
PET	2.35	1.33	100%	43%

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(2) 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.

● Table 2-9 Carbon achievements of air cushions

Item	Inflatable air pillows	Super light inflatable air pillows
Weight	0.00235 (kg)	0.00093 (kg)
Material	LDPE	
Used in 2021	576,900	
Annual carbon emissions	0.00235 x 576,900 x 6 = 8,134 kg	0.00093 x 576,900 x 6 = 3,219 kg
Carbon reduced	8,134-3,219＝4,915 kg	
Note	1.1kg of LDPE produces 6kg of CO2. 2.According to the amount of super light inflatable air pillows procured in 2021, the amount used in 2021 is calculated as follows: 150 rolls × 3,846 =576,900 pcs (i.e., each roll is 500 cm long and each air pillow is 0.13 m, meaning that there are 3,846 air pillows in each roll)	



● Figure 2-31 O'right green packaging

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right



● Figure 2-32 Trendy and eco-friendly Moso bamboo cap

(3) Moso Bamboo Cap: A Beautiful, Trendy 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%. We believe that small steps can lead to big changes in the environment. As our revenue grows, we also reduce even more carbon emissions. From 2012 to 2021, bamboo caps helped to reduce 221,729 kg of carbon, which is equivalent to planting 20,157 20-year-old trees.

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Love the earth with eco-friendly caps

Pump | Disc top cap | Bamboo cap







Figure 2-33 Carbon emissions of bottle caps

CARBON EMISSIONS

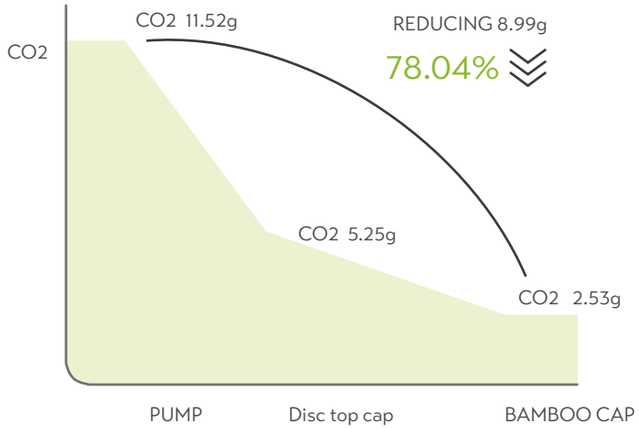


Figure 2-34 Carbon emissions of bottle caps

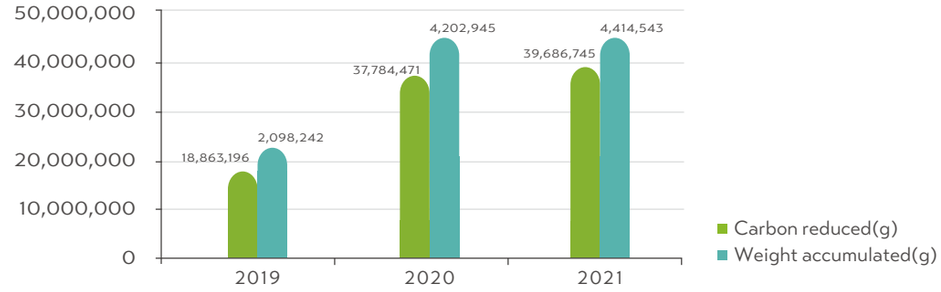


Figure 2-35 Carbon achievements through bamboo caps in the past 3 years

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

From 2011-2021, we sold 4,236,251 bottles with bamboo caps, which helped to reduce the use of

4,236,251 PP caps and

221,729 kg of carbon emissions.

This is equivalent to planting

20,157 20-year-old trees on earth.



Year	Procurement (pc)	Weight(kg)	Amount of carbon reduced(kg)	Number of 20-year-old trees planted
2012-2020	3,697,880	19,870	178,633	16,239
2021	538,371	4,414	39,686	3,608
Total	4,236,251	24,663	221,729	20,157

Table 2-10 Carbon achievements through bamboo caps

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(4) Eco Pallets

The alarming amount of plastic waste we find on the beach every year during our annual coastal cleanups are a startling wake-up call to how much damage plastic pollution is doing to our planet. Plastics such as bottle caps are being found inside seabirds that have mistaken debris for food, eventually killing the innocent animal. O'right uses eco pallets each made from approximately 7,300 bottle caps to prevent this sort of tragedy from happening and protect marine life.

(5) Fren Bag: Stylish and reusable

The Fren bag made from photolytic material is designed to reduce the use of paper bags. We helped reduce the use of 270,476 plastic bags in 2021 alone, and 1,879,844 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.

[3]Chris Jordan's photographs capture deceased seabirds with their stomachs overflowing with plastic litter. Take a look at the startling photographs here: http://www.chrisjordan.com/gallery/midway/#CF000313%2018x24

Table 2-11 Carbon achievements by reducing the use of plastic bags

Year	Plastic bags reduced
2013-2020	1,609,368
2021	270,476
Total	1,879,844



Figure 2-37 Fren Bag

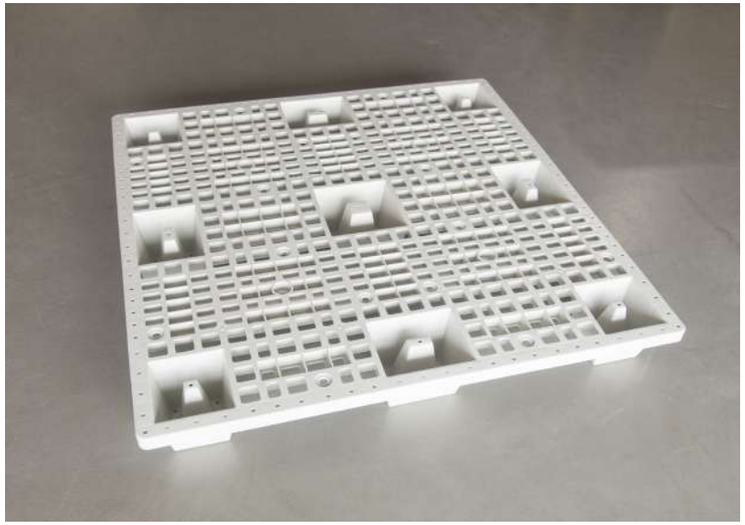


Figure 2-36 Eco pallet made from 7,300 recycled plastic caps



Figure 2-38 The deadly impacts of plastic pollution on seabirds

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

2.3 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 sustainability at the heart of our business, we adopted a reverse logistics system for waste management to reduce waste and reuse resources. This year, our corporation and 9 of our products achieved carbon neutrality by SGS. Additionally, we joined RE100 to make a commitment to go 100% renewable by 2025.

2.3.1 A Reverse Logistics Syste

The shift towards a circular economy requires us to preserve resources. During our inventory process, we discovered that a circular supply chain requires a technical cycle that focuses on recovering and restoring materials through reuse or remanufacturing. As such, we developed a circular model for 3 types of resources, empty bottle cartons, product cartons and empty product bottles, to reuse resources and lower costs at the same time. This recycling model not only benefits the environment but also fulfills our corporate social responsibility, enhances our competitiveness and reduces carbon emissions and cost.

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.

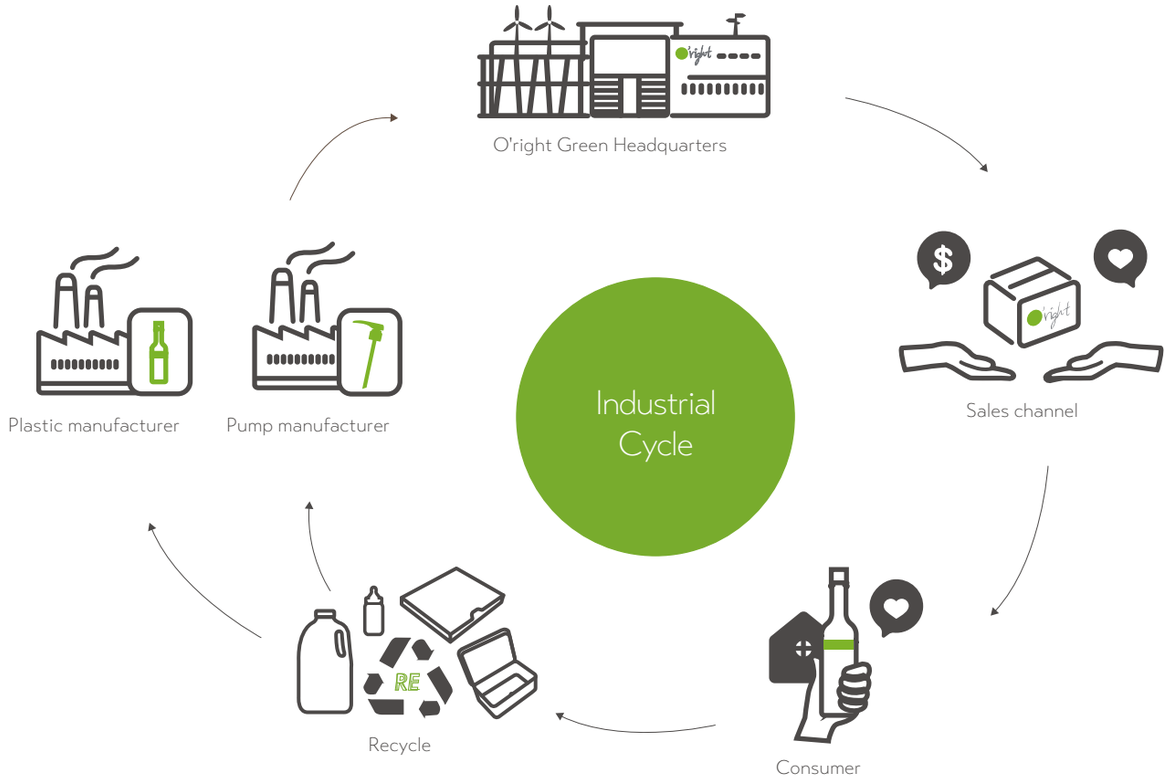


Figure 2-39 Green resource recycling system

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

2.3.2 Product Carbon, Carbon Neutrality and Water Footprint

Guided by our core values of Green, Sustainability and Innovation, we are committed to achieving green certifications, developing innovative green products, providing green services and fulfilling corporate social responsibilities. To bring our sustainable business to the next level, we became the first company in Taiwan to conduct carbon footprint and water footprint inventories as promoted by the government.

Carbon footprint inventory is a life cycle assessment to help better understand the environmental impact of a product and its effect in the value chain and to improve our competitive advantages.

In 2010, our Green Tea Shampoo got certified by SGS PAS 2050. We measured product life cycle greenhouse gas emissions and set carbon reduction goals, kicking off our product carbon neutrality project. In 2011, we obtained our first product carbon neutrality.

We will continue to implement the 4 aspects of green management and move forward on our path to obtain carbon footprint and carbon neutrality certifications. In 2020, instead of measuring our carbon footprint, we calculated the greenhouse gas emissions associated with the raw material acquisition, manufacturing, sales, consumer use and disposal of our products to achieve carbon neutrality in 2021.



Figure 2-40 The 4 aspects of O'right's green management

Year	Organization	
	Operational Boundaries	GHG emissions (metric tons of CO2equivalent per year)
2018	Green Headquarter	315.100
2019	Green Headquarter	291.378
2020	Green Headquarter	214.538
2021	Green Headquarter	We plan to calculate the greenhouse gas emissions associated with the raw material acquisition, manufacturing, sales, consumer use and disposal of our products to achieve carbon

Table 2-12 Organizational GHG emissions

We meticulously calculated the carbon footprint of our entire product portfolio to minimize our emissions.

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Table 2-13 Carbon reduction actions

Category	Actions	Achievements
1	Make the switch to electric vehicles for business use to reduce diesel consumption.	Electric cars has reduced 0.2 tons of CO2e compared to diesel models.
2	1. Use green energy generated from solar and wind power for manufacturing. 2. Equipped with a PCW system to save energy. 3. Encourage customers to install heat exchanging systems to reduce power consumption.	Solar panels generated 60,057 kWh of green energy in 2021, reducing 30.15 tons of CO2e.
3	1. Foster local organic agricultural industry and reduce shipping carbon emissions. 2. Encourage customers to follow the minimum order quantity to reduce carbon emissions generated during shipping.	Set a free shipping threshold of NT$1,500 and encourage customers to follow the minimum order quantity to reduce shipment frequency and cut carbon emissions.
4	1. Procure non-toxic, safe organic ingredients to facilitate organic farming development, foster local organic agricultural industry and reduce shipping carbon emissions. 2. Use recycled and regenerated packaging and eliminate new petroleum-based plastic materials. 3. Replace expanded polystyrene foam with eco-friendly air cushions for packing. 4. Implement water recycling systems.	The use of PCR packaging helped to reduce 122.9935 tons of CO2e in raw materials.
5	1. Develop eco-friendly easy-rinse shampoo products to decrease the amount of water used for rinsing. 2. Establish business to business to consumer (B2B2C) reverse logistics systems for waste management. 3. Set green procurement standards and use recyclable, biodegradable or regenerated packaging to reduce the emissions generated during waste management.	The use of biodegradable packaging helped to reduce 1.5967 tons of CO2e in waste treatment.

To preserve water resources and achieve more efficient water use, we developed 3 water recycling systems and conduct water footprint inventory. We also improved our foaming agents to make our shampoo easier and quicker to rinse.
In 2013, we obtained water footprint certification and adopted the Cradle to Cradle certified standard to design and make products that have a positive impact on people and the planet.

2.3.3 Organizational Greenhouse Gas Inventory and Organizational Carbon Neutrality

(1) Organizational greenhouse gas inventory

In 2020, we quantified and reported Category 3 (indirect GHG emissions from transportation, Category 4 (indirect GHG emissions from products used by the organization) and Scope 5 (indirect GHG emissions associated with the use of products from the organization) emissions within our defined reporting boundary. We chose 2018 as our base year for emissions inventory against which future emissions can be compared and tracked. We originally only included shampoos for our base year emission inventories; now we report the emissions associated with all of our products, therefore we adjusted the base year to 2020, during which we generated 14,537.446 tons of CO2e.

Over the years, O'right primarily relies on electrical power generated from fossil fuels (e.g., diesel and liquefied petroleum gas) and purchased electricity. Fossil fuels are mainly used for the emergency generator, company car and natural gas boiler. Diesel consumption in 2020 decreased significantly due to our transition to electric vehicles.

In order to reduce the environmental impact of purchased electricity, we joined RE100 in 2018 and committed to become the first company in Taiwan to use 100% renewable power by 2025. In 2019, we increased our green facilities by 27.44kW.

(2) Organizational carbon neutrality

We proposed a greenhouse gas reduction program to help move O'right Green Headquarters towards carbon neutrality. In 2018, we purchased carbon credits to offset our greenhouse gas emissions to stay on the path to reach our carbon neutral goal throughout our operations.
Furthermore, we make continued efforts to maintain our status as a certified carbon neutral company by establishing ambitious goals to reduce emissions, minimize impact and make our vision of a zero carbon, zero impact world a reality.
In 2022, we will adopt climate-friendly practices for sourcing raw materials and ingredients, manufacturing and selling products to cut greenhouse gas emissions and achieve carbon neutrality.

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Table 2-14 O'right's 7 main greenhouse gases

	CO2	CH4	N2O	HFCs	PFCs	SF6	NF3	Total GHG CO2 equivalent *	Biomass emissions
Emissions equivalent (metric tons of CO2 equivalent per year)	18,624.1895	19.4430	0.0940	25.7515	0.0000	0.0000	0.0000	18,671.611	0.0000
Percentage of gas	99.76%	0.10%	0.00%	0.14%	0.00%	0.00%	0.00%	100.00%	0.00%

Table 2-15 Total GHG CO2 equivalent

Item	CO2	CH4	N2O	HFCs	PFCs	SF6	NF3	Total GHG CO2 equivalent
Emissions equivalent (metric tons of CO2 equivalent per year)	32.8400	19.4430	0.0940	25.7515	0.0000	0.0000	0.0000	78.1285
Percentage of gas	42.03%	24.89%	0.12%	32.96%	0.00%	0.00%	0.00%	100.00%

* GHG emissions occur from a variety of sources and are calculated with the emission factors and calculation method of IPCC 2013.
* The GMP value is obtained from the fifth 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

Table 2-16 Carbon reduction actions in each scope

	Category 1				Category 2	Category 3			
Description	Stationary combustion	Processing activities	Mobile combustion (transportation)	Fugitive emission	Imported energy	Upstream / downstream transportation and distribution	Employee commuting	Business travel	Waste transportation
2020	27.8880	0.0270	4.9989	45.2024	209.7508	47.5942	N/A	N/A	N/A
2021	27.1110	0.0270	5.8164	45.1741	232.6722	127.2982	81.7674	22.7858	0.2520

	Category 4		Category 5		Category 6	Total
Description	Purchased goods and services	Waste generated in operations	Use of sold products	End of life treatment of sold products	Others	
2020	935.1694	3.9316	13245.0111	17.8727	0	14,537.4461
2021	812.1759	4.0160	17,296.2391	16.2760	0	18,671.611

* GHG inventory sets organizational boundary in accordance with operational control
* GHG emissions occur from a variety of sources and are calculated with the emission factors and calculation method of IPCC 2013.
*The GMP value is obtained from the fifth 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

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

2.1 O'right Green Headquarters GMP Cosmetics Factory

2.2 Green Products

2.3 Green Resource Recycling System

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

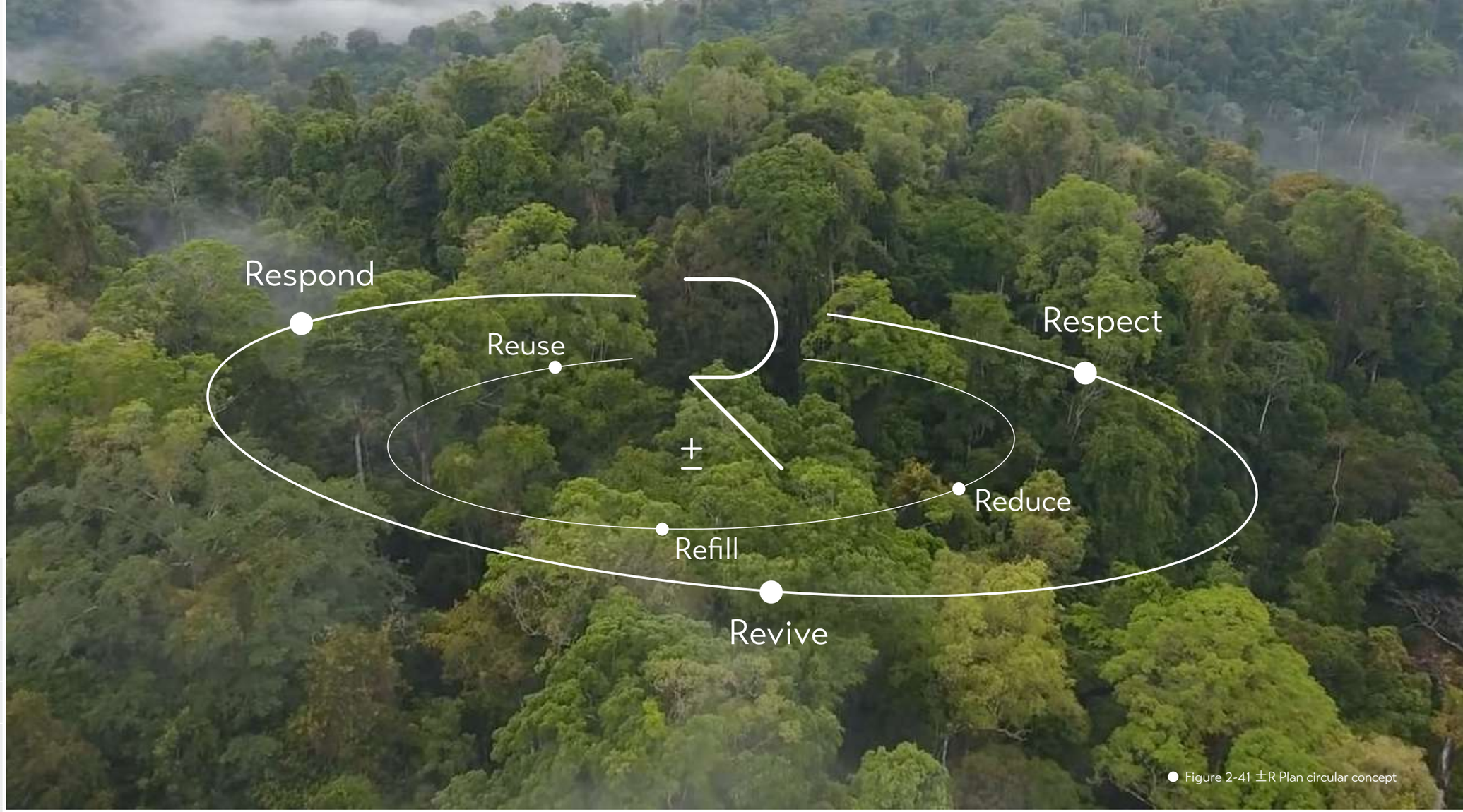


Figure 2-41 ±R Plan circular concept

2.3.4 ±R Plan

Dedicated to doing what's best for people, society and the environment, we began developing the ±R Plan, which we expect to launch in 2021. Driven by the 3R's mindset Respond, Revive, Respect, ±R is a sustainable circular design that has been conceived to enhance respect for the environment and all living things. We believe that beauty doesn't mean a compromise on the health and beauty of planet earth.

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
2.1 O'right Green Headquarters GMP Cosmetics Factory
2.2 Green Products
2.3 Green Resource Recycling System
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

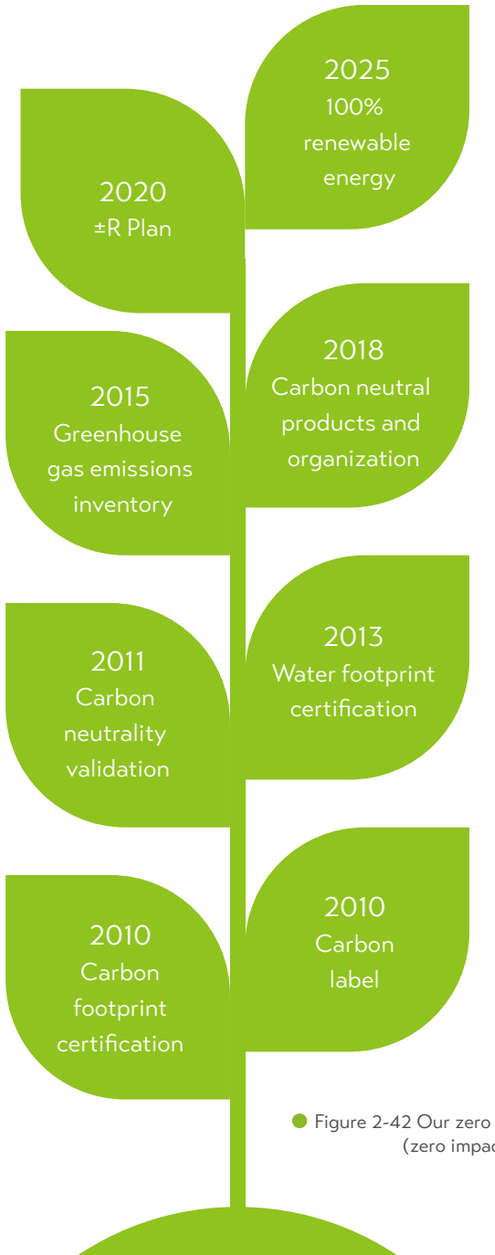


Figure 2-42 Our zero carbon (zero impact) plan



Figure 2-43 Joined RE100 to commit to 100% renewable electricity by 2025

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

03 Caring for Our Staff

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

3.1 Our Green Team

In order to build a law-abiding, effective, and responsible green team, each and every newcomer to O'right is given an employee handbook that includes pay and benefits, hours of work, retirement plans, maternity leave, rewards and punishment, health and safety at work, sexual harassment, and other guidelines and regulations employees are required to abide by to ensure orderly operations and provide the best possible work environment in the office.

3.1.1 Composition

In 2021, O'right has a total of 270 employees (including 2 female customer service specialists working the night shift), among which 63% of staff work at the Green Headquarters located in Longtan District. As beauty products mostly target a female audience, 73% of employees are women. Data on temporary workers has not yet been archived; they are expected to be included in the human resource system in the second half of the year and disclosed in the 2022 Corporate Sustainability Report.

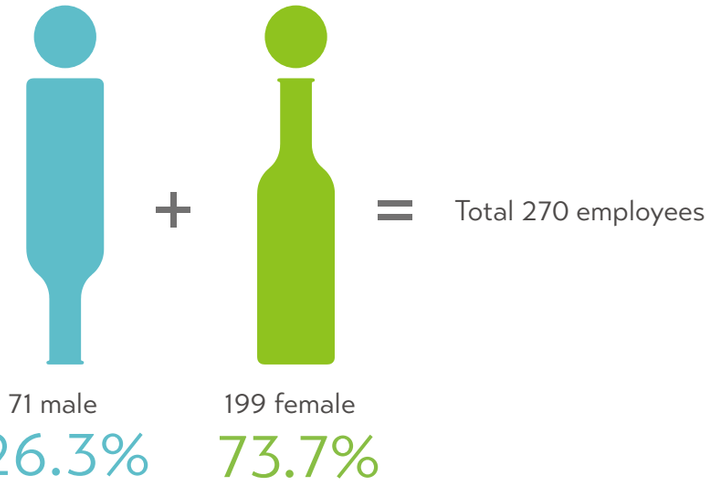


Figure 3-1 Employee composition by gender

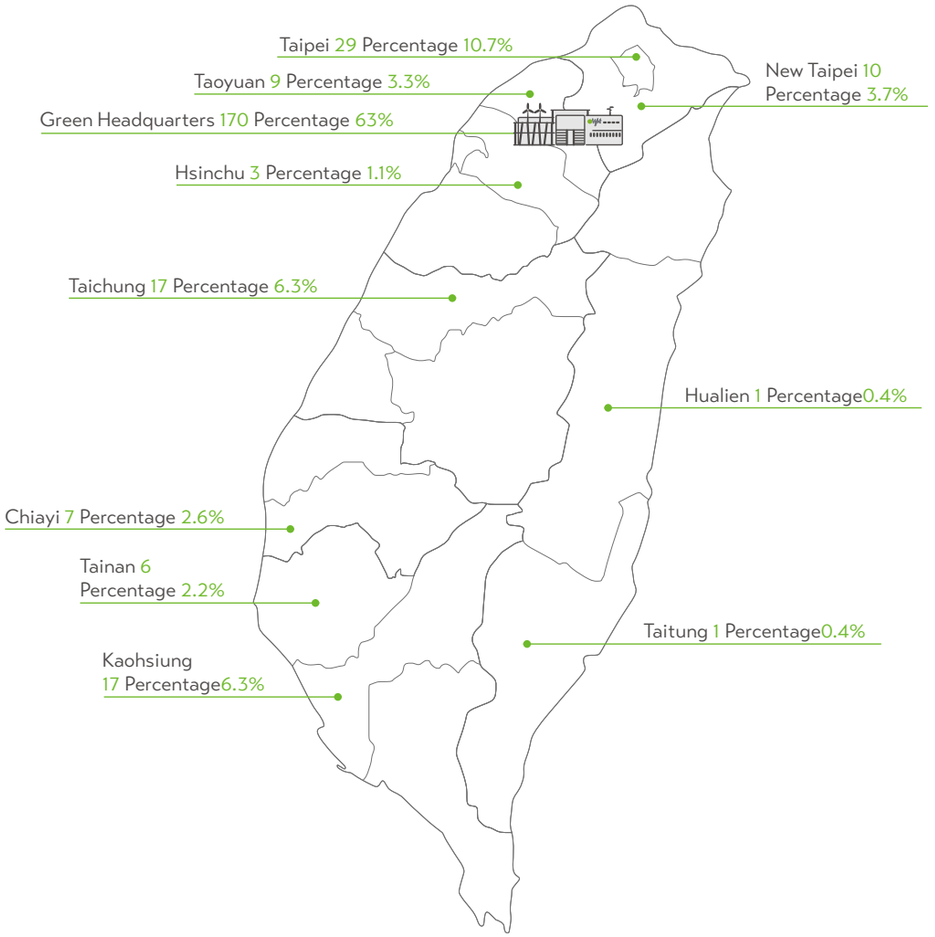


Figure 3-2 Employee composition by region

Note: The number of employees was 270(as of December 31, 2021)

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

All 270 were permanent employees (71 male and 199 female); no temporary employees. See Figures 3-3 & 3-4 for employment distribution by position, education and age.

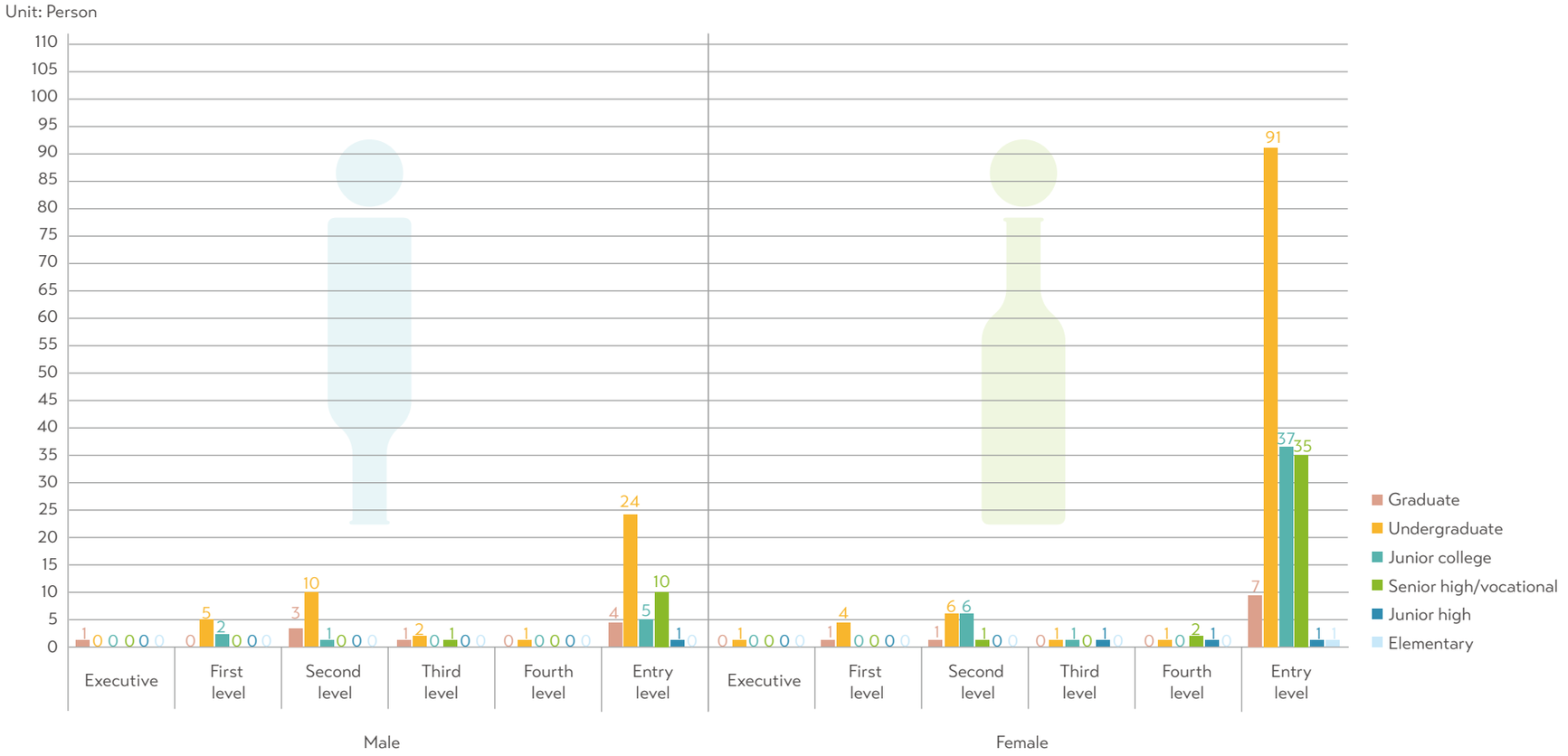


Figure 3-3 Employee composition by education

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

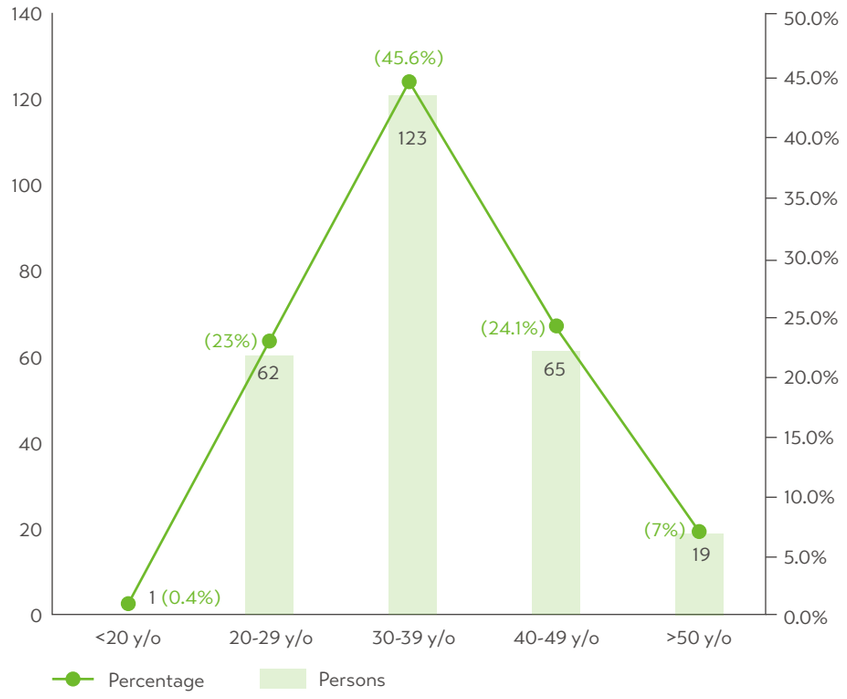


Figure 3-4 Employee composition by age

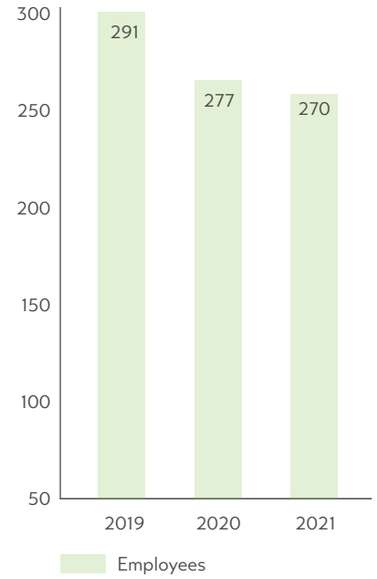


Figure 3-5 Number of employees in the last three years

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

● Table 3-1 New and departed employee composition by gender, age and region

Among the 89 new employees we welcomed in 2021, 70.7% were female and 65.1% (58) were from Taoyuan City. New employees accounted for 32.9% of the total number of employees.

Category	Age	Northern				Central				Southern				Total			
		Male		Female		Male		Female		Male		Female		Male		Female	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
New	<20 y/o	0	-	3	5.3%	0	-	0	-	0	-	0	-	0	-	3	4.8%
	20-29 y/o	7	28.0%	24	42.1%	0	-	0	-	1	100%	2	100%	8	30.8%	26	41.3%
	30-39 y/o	14	56.0%	19	33.3%	0	-	3	75%	0	-	0	-	14	53.8%	22	34.9%
	40-49 y/o	3	12.0%	10	17.5%	0	-	1	25.0%	0	-	0	-	3	11.5%	11	17.5%
	>50 y/o	1	4.0%	1	1.8%	0	-	0	-	0	-	0	-	1	3.8%	1	1.6%
	Total	25	-	57	-	0	-	4	-	1	-	2	-	26	-	63	-
Departed	<20 y/o	1	3.4%	2	3.2%	0	-	0	-	0	-	0	-	1	3.4%	2	3.0%
	20-29 y/o	11	37.9%	23	37.1%	0	-	1	50%	0	-	2	100%	11	37.9%	26	39.4%
	30-39 y/o	12	41.4%	23	37.1%	0	-	1	50%	0	-	0	-	12	41.4%	24	36.4%
	40-49 y/o	4	13.8%	11	17.7%	0	-	0	-	0	-	0	-	4	13.8%	11	16.7%
	>50 y/o	1	3.4%	3	4.8%	0	-	0	-	0	-	0	-	1	3.4%	3	4.5%
	Total	29	-	62	-	0	-	2	-	0	-	2	-	29	-	66	

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)Region：

a. Northern: Taipei, New Taipei, Keelung, Taoyuan, Hsinchu, Miaoli, Yilan, Hualien, Taitung

b. Central: Taichung, Changhua, Nantou

c. Southern: Yunlin, Chiayi, Tainan, Kaohsiung, Pingtung

(3) New employees÷Current employees (according to age and gender groups)

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

● Table 3-2 New and departed employees in the past 3 years

New hire turnover is common, especially during the 3 month probationary period. Male and female employees who resigned in less than 3 months accounted for 6.3% and 21%, respectively.

Year	Number of existing employees	Number of new employees	Employment rate per month	Number of departed employees	Turnover rate per month
2019	282	109	3.27%	91	2.73%
2020	277	67	1.94%	80	2.31%
2021	270	89	2.7%	95	2.8%

Monthly employment rate = Number of new employees / Number of existing employees / 12
Monthly turnover rate = Number of departed employees / Number of existing employees / 12

● Table3-3 Absence from work

Total working days	Number of employees	Total working hours	Number of days absent	Absence rate
66,960	270	535,680	526	0.79%
Total days worked throughout the year × No. of employees	(insured)	Total days worked throughout the year × No. of employees × Hours of work per day	Sick leave, occupational sick leave, personal leave or absence without official leave	No. of days absent ÷ Total days worked

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

3.1.2 Codes of Practice on Recruitment and Selection

In order to offer more job opportunities to local residents, job openings are posted to the public with the help of the local chief of the village. We also actively participate in regional job fairs and recruiting events with the hope of welcoming more potential talents to the O'right family.

All new employees of O'right are required to sign an employment contract to protect the rights of the employer and employee. The contract is formulated in accordance with the Labor Standards Act.

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.

In order to prevent corruption in the workplace, new employees are requested to provide a guarantor 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. We also offer customers a credit card payment solution as well as credit card promotions and offers to minimize the risks of corruption.

Additionally, we formulated the Green Living Guidelines to promote sustainable living and eco-friendly practices in the workplace (see Chapter 4.4).

3.2 Employee Benefits

Employees are the most valuable assets an organization has. 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. This chapter details the attendance, salary, employee performance appraisal and complaint policies.

Table 3-4 Staff attendance

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

3.2.1 Staff Attendance and Leave Policy

(1) Flexible Attendance

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.
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).

As customer service personnel in the Salon Business Division have to meet with hair salon customers frequently, mobile offices make it much more convenient for them to do so. Not only does this save space, it also saves electricity as there is no dormant office present.

Mobile offices also reduce time spent commuting, which in turn mitigates carbon footprint. From 2015 to 2021, we saved up to 177,657 kg commuting emissions, which is equivalent to planting 16,151 trees a year.

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(2) Absence

In 2021, a total of 5 employees took maternity leaves and 2 took paternity leaves. Among the 17 employees (4 male and 13 female) who were eligible, 5 female employees took parental leaves without pay.

In order to encourage employees to do something for our planet and engage in green practices, O'right began offering paid volunteer leave in 2014 for employees who take part in charitable activities organized by the company or other organizations. In 2021, 86 hours of volunteer leave was granted to 40 employees.

3.2.2 Salary and Wages

Employees are important assets in a company. Education, professional knowledge and skills, professional experience and past performance are all considered to determine an employee's final value. Employees are evaluated without regard to sex, race, religion, political view and marital status. For more information, please refer to Table3-6.

In terms of pension plans, the entire staff adopts the new labor pension system, among which 3 employees are covered by the old and new pension systems. According to Article 56 of the Labor Standards Act, employers shall appropriate labor pension reserve funds ranging between 2% and 15% of the total monthly wages of their employees and deposit

3.2.3 Employee Performance Appraisal System

We have a performance appraisal system in which employee job performance is rated by a direct manager once a year in accordance with the Codes of Practice. Employees are evaluated fairly and objectively based on their competency, knowledge and skills, productivity, performance quality, behavior, attitude and ethics and integrity in the workplace of the previous year. Managers and employees discuss the past year's goals, review accomplishments and make future plans in order to reach the annual goal of the company.

In 2021, the performance appraisal was performed on 246 employees whose date of employment was before June 30, 2021 based on their overall performance from January 1 to December 31, 2021. Of the 246 eligible employees, 242 participated in the annual performance review, indicating a participation rate of 98.37%.

● Table 3-5 Unpaid parental leave

Items	Total
Employees who were entitled to unpaid parental leave in 2021 (A)	17
Employees who took unpaid parental leave in 2021 (B)	9
Percentage of employees on unpaid parental leave in 2021 (B/A)	52.94%
Percentage of employees on unpaid parental leave in 2021 (B/A)	3
Employees who returned to work after leave in 2021 (D)	3
Percentage of employees who returned to work after leave in 2021 (D/C)	100%
Employees who returned to work after leave in 2020 (E)	2
Employees who continued to work for one year after leave in 2020 (F)	2
Employee retention rate after unpaid parental leave in 2020 (F/E)	66.67%

● Table 3-6 Salary comparison between male and female employees in 2021(based on insurance salary & minimum wage)

Gender	Minimum wage	Average salary at O'right	Average salary/ minimum wage
Male	24,000	45,430	1.89
Female	24,000	35,787	1.49
Average	24,000	38,323	1.60

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

3.2.4 Employee Complaints and Communication Channels

O'right offers a channel for the reporting of sexual harassment, misconduct or any inappropriate behavior in the workplace by or against employees. The Labor Relations Committee established in 2014 plays a central role in managing activities related to labor relations and facilitating employee-management communication. The committee currently consists of 5 labor representatives and 5 management representatives. Meetings are convened once every 3 months to discuss issues on labor rights protection and ways to facilitate employee-management cooperation and increase work efficiency. We make it our priority to listen to employees and take their complaints seriously as we believe that it is the easiest and most important step to improving employee satisfaction.

We take problems and suggestions provided by staff very seriously. We have a complete system for employees to put forward their comments or feedback in the most efficient way possible. We encourage staff to communicate via social media platforms such as Skype, Line or Facebook in the workplace.

3.2.5 Benefits

We believe that it is important to cultivate the soil to nurture a healthy workplace environment and culture that helps employees develop and grow. We initiated the Sowing the Seeds program where a new employee is assigned an onboarding buddy during his/her first 3 months of employment (also known as the probationary period). The purpose of this project is for the buddy ("gardener") to help welcome new employees ("green seeds") and reaffirm their decision to join the team. The "gardener" is primarily responsible for offering advice and guidance regarding the daily aspects of working at O'right. The "gardener" helps bring the "green seeds" up to speed with our work environment, workflow process and general rules such as the Green Living Guidelines. Assigning new employees to a workplace buddy enhances their overall onboarding experience and reduces new hire turnover rate.

We use electric vehicles as company cars instead of traditional fuel/gas vehicles to lessen negative environmental impacts and encourage staff to live more sustainably. We also established parking spaces specifically for electric motorcycles to promote electric mobility.

Since 70% of the staff is female, we also set up reserved parking spaces specially designated for expectant mothers or O'right offers a comprehensive employee benefits package to meet a variety of their needs (Table 3-7). Additionally, the Chairman also occasionally pays visits to employees' homes to bring the company closer to staff members and use the opportunity to share our green concepts.

On Mother's Day and Father's Day each year, we give each employee a card and gift to express our gratitude for their support. Employees are also given a birthday card filled with wishes from the entire staff on their birthdays.



Figure 3-6 Electric vehicles as company cars

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Table 3-7 Overview of employee benefits

Benefits	Permanent employees	Temporary employees
A comprehensive employee promotion plan	√	√
Year-end bonus (depending on company and individual performance)	√	
Profit-based bonus and sales bonus	√	
Training (new employee orientation, professional training, management training, talent development)	√	√
Annual year-open party	√	√
Occasional brand events	√	√
Incentive trips for top-performing employees	√	
Employee health check *	√	
Group insurance (accident insurance and occupational accident insurance)	√	√
Maternity allowances	√	
Marriage and funeral allowances	√	
Emergency allowances	√	
Employee purchase discount	√	√
Birthday benefits	√	
Dragon Boat Festival benefits	√	
Moon Festival benefits	√	
Free organic meals, fair trade coffee and soup provided in the Organic Vegetable Cafeteria	√	√
Overtime meals	√	√
Mother's Day gift	√	
Father's Day gift	√	

Note: * No temporary employees in 2021.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 3-7 Coffee grounds used as green manure

3.2.6 Organic Vegetable Cafeteria

(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.

A. Organic meals

Free fruit, vegetable salad and bread are provided in the cafeteria during lunch on workdays. All fruit and vegetables are produced from local organic farms nearby; only in the event of low production do we purchase elsewhere.

B. Prepare our own food

Every day at 12:00, staff members take turns washing fresh food and preparing salad for colleagues before lunch. The cost is high, but we believe that by doing so employees can learn to cherish food and be aware of their responsibility to the environment. The value created is something that cannot be bought or measured with money. Most employees don't help out in the kitchen at home. For them, their first time washing fruits and vegetables is at O'right. Our eco-friendly practices and services constantly receive praise from visitors as this kind of work environment is truly one-of-a-kind.

C. An eco-friendly cup of coffee

Employees can enjoy a cup of UTZ certified fair trade coffee from the coffee machine in the cafeteria. The coffee grounds leftover from brewing coffee is available for staff members to take and use as green manure to plant vanilla and potatoes, etc.

D. Soup

In 2015, we began providing soup for staff as a way to encourage them to bring their own lunch meals and reduce plastic waste.

[1] UTZ is a non-profit organization whose mission is to promote sustainable farming in a world where farmers implement good agricultural practices and manage their farms profitably with respect for people and planet. UTZ Certified is the largest sustainability program in the world for coffee.

3.2.7 Employee Health Check

The entire staff receives a health check once every 3 years while BSL-2 laboratory staff receives a checkup every year. The next workplace health check is expected to take place next year in 2020. In 2020, employees over 38 years of age, low-level managers and above and 2 laboratory employees working in the Organic Plant Extraction R&D Center received a health assessment.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

3.3 Personnel Training

O'right recognizes the importance of employee training and development and even believes that it is more important than working. In order to cultivate green leaders and talents and improve the professional skills of staff, we use a professional competency inventory to assess employee strengths and skills and help them develop training plan. For more information, please refer to Table 3-8.



Figure 3-8 Educational training program

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

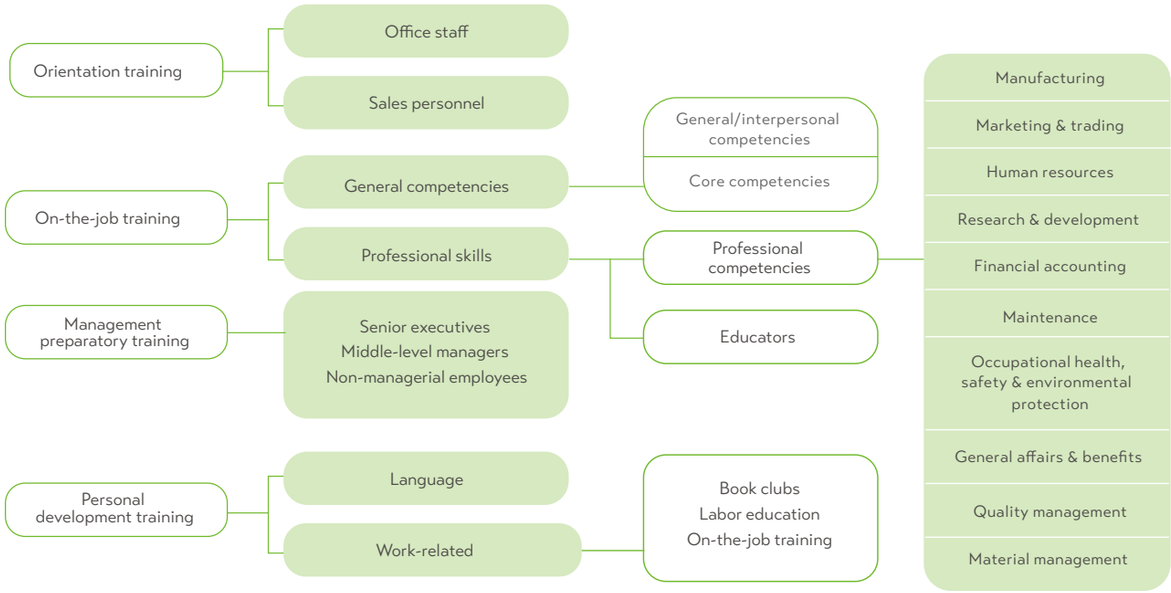


Figure 3-9 O'right educational training framework

Table 3-8 Employee training hours

Training hours	Top level	Second level	Third level	Fourth level	Decision-making level	Entry-level	Total
Male	222	311.5	18	0	16	1,413.5	1,981
Female	232	306	52	8	16	4,108.5	4,722.5
Total	454	617.5	70	8	32	5,522	6,703.5

Note: The number of employees in 2021 was 270 (71 male and 199 female)

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

3.4 Occupational Health and Safety

3.4.1 Management System

(1) Occupational Health and Safety Management System

O'right believes that employees are our company's greatest asset. We treat our employees like family by building a family-friendly workplace. Since we became certified to OHSAS 18001 (Occupational Health and Safety Assessment Series) in 2014, we have taken the initiative to promote an occupational health and safety management plan every year to continue on our path to improve our management systems. In 2019, we made the transition from OHSAS 18001 to ISO 45001:2018. Our management system encompasses office and field staff, raw material suppliers and equipment maintenance suppliers to guarantee a safe and healthy workplace for employees based at O'right Green Headquarters.

Note:1.Office staff refers to staff working on-site (Green Headquarters)
2.Field staff refers to staff working off-site (salespersons)

(2) Occupational Health and Safety Management Organization

To maintain workplace health and safety, we established an Occupational Safety and Health Office and Occupational Health and Safety Committee. The committee was established in accordance with the Occupational Safety and Health Act and consists of 10 members (among which 4 are employees) with the vice president serving as the chairman. Meetings are convened once every quarter to formulate policies and improve workplace health and safety practices.The Occupational Safety and Health Office is responsible for increasing the level of awareness in workplace safety and taking precautionary measures to ensure the health of workers. They also arrange for the general manager to visit employees' homes to offer any help and support they need (see Chapter 4.4 for details).

(3) Risk Identification and Precautionary Measures

To prevent work-related injuries and ensure a safe environment, we educate factory employees on safety practices and establish a system to identify hazards and manage risks. Although no serious, high risk hazards are shown to be present in the manufacturing workplace, the Occupational Health and Safety Committee came to the conclusion to reinforce safety training regarding protection against falling objects and electrical shock and to get new employees properly trained on workplace safety through new employee orientation to prevent harm and minimize risks. We strive to create a workplace free from recognized hazards including chemical, physical, ergonomic, biological and psychosocial and consult with health professionals to provide the best solution for a healthy work environment.

(4) Health Management

The entire staff receives a health check once every 3 years while BSL-2 laboratory staff receives a checkup every year. The next workplace health check is expected to take place next year in 2022. In 2020, 120 employees over 38 years of age, low-level managers and above and 2 laboratory employees working in the Organic Plant Extraction R&D Center received a health assessment.

We make workplace wellness and employee wellbeing a priority. We provide employees with on-site health services delivered by registered nurses 4 times a month and licensed physicians once a season. These professional healthcare consultants help offer advice, guidance and follow-up care to employees using the health management grading system (grades of 4). Workers with underlying medical conditions are required to receive one-on-one consulting sessions.

In addition, there is an app that enables employees to manage their personal health data and get access to wellness information.

Healthcare grading	Results	Number of people who received health consultance in 2021
Number of people in Grade 1	18	0
Number of people in Grade 2	65	3
Number of people in Grade 3	52	37
Number of people in Grade 4	19	19

Table 3-9 The process for conducting an accident investigation

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Figure 3-11 Self-defense firefighting drill



(5) Occupational Accident and Incident Investigation

We investigate all incidents and identify and implement corrective actions necessary to prevent future accidents.



● Figure 3-10 The process for conducting an accident investigation

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Figure 3-12 Health and wellness lectures



3.4.2 Management Performance

(1) Education and Training

Occupational health and safety specialists take on a variety of duties to ensure an optimum environment for staff. We require such employees and those in need to receive necessary safety and healthy training in order to provide staff with relevant fire safety training, spill training and drills and other emergencies, conduct robust employee health screenings as required by regulations and design health promotion programs such as health care seminars and yoga and cardio dance classes, etc.

● Table 3-10 Occupational Safety Training in the past 3 years

Healthcare grading	Results	Number of people who received health consultance in 2021
Number of people in Grade 1	18	0
Number of people in Grade 2	65	3
Number of people in Grade 3	52	37

● Table 3-11 Occupational health and safety courses in the past 3 years

Year	Course
2019	• Office syndrome prevention and healthy diet promotion • Acupressure massage for stress
2020	• Reducing the negative effects 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 • Office stretching

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

3.1 Our Green Team
3.2 Employee Benefits
3.3 Personnel Training
3.4 Occupational Health and Safety

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(2) Management of Occupational Injuries

In terms of occupational injury and disabling injury, we adopted a new formula and eliminated non-work related injuries from travel, transport or road traffic accidents (injuries that occur when employees are traveling to and from the workplace) and short-term disabilities in 2018 and 2019. There has been no cases of work-related injuries since 2018. Refer to Table 3-11 for the total number of occupational injury and absence rate in the past 3 years. As for non-employees (e.g., security guard), relative data has not yet been compiled and will be disclosed in our 2022 Corporate Sustainability Report.

● Table 3-12 Occupational injuries and lost workdays in the past 3 years

Item	2019	2020	2021
Number of disabling injuries throughout the year	0	0	0
Number of lost workdays throughout the year	0	0	0
Number of man-hours worked	566,808	521,856	544,016
Disabling Injury Frequency Rate (DIFR)	0	0	0
Disabling Injury Severity Rate (DISR)	0	0	0
Frequency-Severity Indicator (FSI)	0	0	0

DIFR = No. of disabling injuries × 1,000,000/No. of man-hours worked throughout the year)
DISR = No. of lost workdays due to disabling injuries ×1,000,000/ No. of man-hours worked throughout the year FSI = $\sqrt{}$ ((SR ×FR)/1000)

3.4.3 2021 COVID-19 Control & Prevention

Since 2019, the COVID-19 pandemic has presented an unprecedented challenge to the economy and people's livelihood and shows no signs of slowing down. The impacts have been felt everywhere, with no one, no company and no country spared. When the pandemic first broke out, our Chairman called several emergency meetings with executives to address the issue and develop effective strategies such as remote working and employee health management.

To prevent and reduce transmission among employees, we ask employees about their personal travel history, conduct temperature screening and sanitize and disinfect the workplace. Employees are required to wear a mask when entering the office and establish social distancing in their workspaces to ensure our workplace is COVID-secure.

The pandemic has taken lives and changed our everyday life in an unprecedented way, but it has also made us significantly more health conscious. Our comprehensive prevention measures and social responsibility activities help produce a shared sense of connection and cohesion among employees and put everyone's minds at ease during this difficult time. We endeavor to make public health and safety an essential part of our company and culture. By being stronger and healthier, we can build a more resilient, sustainable future together.

● Figure 3-13 Outdoor socially distanced meetings



Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

- 4.1 Green Supply Chain
- 4.2 Geeen Suppliers
- 4.3 Green Salons
- 4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

04 Green Supply Chain

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

4.1 Green Supply Chain

Global climate change is not going away and we all have to do something about it right now. Being a sustainable business on the inside is not enough; we have to think about creating a sustainable supply chain as well to make sure that our green influence is being felt everywhere. We set strict green procurement standards and engage suppliers in sustainability, even requiring them to sign the Supplier Declaration on Corporate Social Responsibility Code of Conduct as our mutual promise to corporate social responsibility.

4.1.1 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. Our procurement of green ingredients and raw materials significantly increased from 44.3% in 2011 to 70.21% in 2021.

In terms of green raw materials, they accounted for over 45% of total procurement of raw materials and further went on to reach 62.36% in 2021. Since we began developing the renewable (post-consumer recycled) plastic bottles and renewable plastic pumps made of 100% household recycled containers, the percentage of regenerated raw materials saw a growth of 36.99%.

We firmly believe in the use of sustainably source raw materials that are supported by third party certification, such as Ecocert, USDA Certified Biobased Product and FSC, to ensure the quality of our products. Environmental certifications attesting to product sustainability are lacking in Taiwan, therefore locally sourced materials accounted to 5.89% in 2019.

Nevertheless, in order to reduce the shipping carbon footprint of ingredients and raw materials, we endeavor to develop ingredients and raw materials locally sourced in Taiwan by searching for ingredients that meet national standards and purchasing plant extraction equipment. Through years of searching, developing and innovating, our team converted agricultural waste such as coffee grounds, coffee husks, pineapple skin and goji berry root, obtaining their active ingredients to create new value and give natural, healthy products for consumers. Furthermore, we are also fostering the development of the organic agricultural sector while unearthing new value in agricultural waste. As such, we strive to earn the USDA Certified Biobased Product Label to optimize our green products while fostering the development of the organic agricultural sector and unearthing new value in agricultural waste.

In terms of raw materials, we collaborate with suppliers in Taiwan for the development of numerous eco-friendly bottles, namely our 100% biodegradable Tree in the Bottle, 100% renewable plastic bottle and the world's first renewable plastic pump. Our innovations in raw materials and bottles have gained us countless international certifications. In 2019, we switched all our shampoo and body wash product bottles and pumps into renewable ones.



Figure 4-1 Replacing chemicals with agricultural waste

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

● Table 4-1 Procurement of green ingredients and raw materials

	Green ingredients[1]				Green raw materials[2]			
	Total quantity procured (kg)	Green ingredient procured (%)	Green ingredients procured (kg)		Total quantity procured (pc)	Green raw materials procured (%)	Green raw materials procured (pc)	
2019	54,568,024	54.02%	Imported	26,790,183 (90.88%)	42,605,947	86.73%	Biodegradable	8,212,224 (22.22%)
			Taiwan	2,689,300 (9.12%)			Recyclable	16,757,188 (45.35%)
				29,479,483			Recovered	11,982,914 (32.43%)
								36,952,326
2020	75,638,936	57.70%	Imported	39,832,669 (91.27%)	47,991,557	84.74%	Biodegradable	7,368,058 (18.12%)
			Taiwan	3,808,743 (8.73%)			Recyclable	18,257,630 (44.89%)
				43,641,412			Recovered	15,044,707 (36.99%)
								40,670,395
2021	75,814,797	56.46%	Imported	41,659,280 (97.32%)	53,232,542	89.06%	Biodegradable	7,611,105 (16.05%)
			Taiwan	1,147,300 (2.68%)			Recyclable	24,067,793 (50.76%)
				42,806,580			Recovered	15,732,447 (33.18%)
								47,411,345

Note:
[1]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 from organic or plant sources.

[2]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).

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Table 4-2 Procurement of green ingredients and raw materials in Taiwan

	Green ingredients			Green raw materials			Total		
	Total procured (NT$)			Total procured (NT$)			Total procured (NT$)		
2019	Imported	51,354,624 (94.11%)	54,568,024	Imported	7,437,701 (17.46%)	42,605,947	Imported	58,792,325 (60.50%)	97,173,971
	Taiwan	3,213,400 (5.89%)		Taiwan	35,168,246 (82.54%)		Taiwan	38,381,646 (39.50%)	
2020	Total procured (NT$)			Total procured (NT$)			Total procured (NT$)		
	Imported	71,289,093 (94.25%)	75,638,936	Imported	10,791,520 (22.49%)	47,991,557	Imported	82,080,613 (66.40%)	123,630,493
	Taiwan	4,349,843 (5.75%)		Taiwan	37,200,037 (77.51%)		Taiwan	41,549,880 (33.60%)	
2021	Total procured (NT$)			Total procured (NT$)			Total procured (NT$)		
	Imported	74,143,597 (97.80%)	75,814,797	Imported	9,590,640 (18.02%)	53,232,542	Imported	83,734,237 (64.89%)	129,047,339
	Taiwan	1,671,200 (2.20%)		Taiwan	43,641,902 (81.98%)		Taiwan	45,313,102 (35.11%)	

Natural green ingredients

Natural products contain ingredients derived from organic or inorganic chemicals to change its physical properties and achieve desired effects. For example, lye (sodium hydroxide) is a necessary component in handmade soap. Our natural ingredients contain over 80% of naturally-sourced components.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

4.2 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 incorporate suppliers into our green supply chain, an investigation must be carried out before officially forming a partnership between each department and suppliers. Investigation should cover technical skills, supplier capacity and quality assurance. In 2014, social and environmental aspects were added, which meant that anything related to workers, environmental protection and corporate social responsibility should be investigated.

4.2.1 Supplier Declaration on Corporate Social Responsibility Code of Conduct

Starting from 2015, new suppliers are required to sign a Supplier Declaration on Corporate Social Responsibility Code of Conduct, inviting them to be a part of the sustainable industry and our green supply chain. By the end of 2021, 103 Declarations were signed by raw material suppliers.

Regarding our supplier management process, for first-time partners, we propose a Supplier Assessment Form, which focuses on aspects such as environmental protection, compliance with labor laws, social engagement/involvement and corporate social responsibility practices. Suppliers are assessed based on the above aspects by the development, product quality assurance and procurement departments to determine whether they meet our company requirements. They are also evaluated each year on quality, delivery time, price and service. If a supplier is deemed unqualified, we will terminate our partnership.

Suppliers that we work with can take action for our planet and demonstrate the economic benefits of green business opportunities.

Note:
We urge suppliers to be firmly against the use of child labor and discrimination, follow working time and salary standards, promote occupational safety, public health, sewage and waste treatment, harmful substance control, energy-efficient resources, fair commercial activities and set ethical management practices and information disclosure protocol. The Declaration covers human rights, occupational safety, public safety, anti-corruption and energy saving and carbon reduction issues. By signing a mutual agreement with suppliers and the Green E-commerce Alliance, we are making a promise of sustainability to consumers and the public. We encourage suppliers to create a green supply chain that allows society and land to coexist in harmony for a vision of a better and brighter tomorrow.



● Figure 4-2 Beauty Ferment Hand Cream, a hand cream made from locally-grown agricultural products

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

4.2.2 Green Suppliers Development

Green ingredient and green raw material suppliers account for 85.43%, among which 81.40% are green ingredient suppliers and 89.47% are green raw material suppliers. We will continue to work with our suppliers to become greener together.

4.2.3 Suppliers' CSR Engagement

Since 2016, in addition to signing the Supplier Declaration on Corporate Social Responsibility Code of Conduct, we have invited our suppliers to take part in our Coastal Cleanup and Earth Hour events. By personally picking up trash and seeing the city go dark to put a spotlight on nature, we spark awareness and action for a healthy planet while commuting our commitment to sustainability.

In 2019, 18 suppliers attended our Coastal Cleanup and 36 suppliers showed their support for Earth Hour. Every year the number of people increase, which is proof that we are gradually motivating them toward sustainability and inspiring them with our sustainable values and efforts.

Year	Green ingredient suppliers	Green raw material suppliers	Green ingredient & raw material suppliers
2019	80.43%	87.8%	83.91%
2020	82.98%	88.68%	86.00%
2021	81.40%	89.47%	85.43%

Table 4-3 O'right green suppliers



Figure 4-3 Earth Hour

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

4.3 Green Salons

Hair salons are the most important customers of O'right. We call them "green angels" due to their roles as green ambassadors.

Since 2011, we have been promoting green salons and environmental wellness in the beauty and hair industry. We have also aligned the same green values with our international distributors.

4.3.1 Taiwan Green Salons

(1) Green Headquarters Tours

Hair salons are spaces curated specially for beauty and fashion. They boost confidence and give customers a beautiful new look. For O'right, hair salons are also green ambassadors that help to spread our message and visions for a greener tomorrow.

We regularly invite salon customers to visit our Green Headquarters for free to articulate and spread our values through green product design and green production.

From 2011, we have engaged salon hairdressers in CSR activities such as Earth Hour, Plant a Tree and Coastal Cleanup, encouraging them to take action, connect with nature and live green to make sustainability happen. Sustainability is not just our responsibility, but our customers as well, who in turn communicate the same concepts to their customers. The hair and beauty industry is our green ambassador, our green angel and the person behind our success.

In 2018, we began to promote the use of mobile payment in traditional salons, which not only helps to save energy and carbon, but also improves the payment process and reduces risks. Also, customers are able to check their order history and status, greatly reducing the paper consumption and postage costs. Since then, we have had 32,000 payments made through convenience stores.



● Figure 4-4 Green salon hair and scalp event

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

4.3.2 International Green Salons

(1) Global Distributor Conference

At O'right, we work to accelerate efforts to create a greener tomorrow on a global scale by engaging in close communication with international distributors and green salons worldwide. Each year, our global partners organize Earth Hour, tree planting and coastal cleanup events. They also take voluntary action and carry out their responsibility as green citizens by holding local events and offering green services. Europe, in particular, is known for playing an active role in environmental protection. It is also one of our largest and most important international markets. We make it our priority to attend Cosmoprof Worldwide Bologna, the leading beauty trade show that provides participants around the globe with opportunities to engage and do business face-to-face. It provides the perfect platform for us to connect with distributors on a personal level and showcase our new products and brand strategies.

The COVID-19 pandemic has caused mass cancellations or postponements of events around the world, including the most important beauty trade show Cosmoprof Worldwide Bologna. In 2020, we chose to host a virtual global conference, bringing together our partners from around the world including Switzerland, Sweden, Finland, the Netherlands, Austria, Poland, Russia, Ukraine, Belarus, Slovenia, Saudi Arabia, Japan, Belgium, South Korea and Hong Kong.

We may not be fluent in English, but we spoke the language of sustainability, with which we successfully communicated our values, articulated product benefits and convince our international distributors that they are making the right choice investing in O'right. As the earth's citizens, we are all feeling the impacts of climate change and facing unprecedented challenges. It has got us thinking about what kind of earth we want our future generations to inherit. It doesn't matter where we are from, we are united by a shared, common goal of zero carbon, zero impact. During our green journey and 19 years of commitment, we introduced the world's first 100% renewable plastic bottle and pump, earning us numerous international accolades and recognition and putting us on the world map as a sustainable pioneer. We showed and proved to consumers around the world that we can achieve beauty that blossoms from the inside out—for both people and the earth.



Figure 4-5 Global distributor conference



Figure 4-6 Online conference

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

(二) Green Actions

(1) Belarus:

Russia is known for its abundant apple orchards. In 2015, O'right Chairman Steven Ko and Russian distributors planted apple trees and continued caring for them over the years. In 2019, our partners harvested and picked the apples from the trees and gifted them to an orphanage, sharing their love for the earth with children.

(2) The Netherlands:

Esther Hairstudio and ThirtyOne Haircare, both located in the Netherlands, adhere to green concepts for the well-being and beauty of customers while communicating their commitment to sustainability to motivate and inspire sustainable living. In 2019, we wrote a feature article titled "A Green Nation: The Netherlands Demonstrates the Purest Beauty" on the Dutch green salons.

(3) Russia:

Our Russian distributor is based in Moscow. The brand manager, Natalia, is a passionate and creative person. She discovered that while most of the beaches by Moscow are clean, the rivers are polluted. This motivated Natalia to organize a riverside and forest cleanup to restore nature's health and beauty.

(4) Singapore & Malaysia:

Our green partners from Singapore and Malaysia organized the World Forest Day in Mount Jerai to connect with nature and experience the beauty and resources nature has bestowed upon us.



Figure 4-7 Green actions worldwide

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

Our international market and influence are also some of our main focuses. In addition to our annual Earth Hour, Plant a Tree and Coastal Cleanup events, our international distributors have also begun following in our green footsteps.

Table 4-4 The green actions of international distributors

International distributors	Green actions		
Italy	*Support child welfare institutions	*Support local art performances	
Poland	*Implement the Cradle to Cradle philosophy in its business strategy *Use FSC certified tissue paper and printing paper *Use second-hand facilities	*Install LED lighting *Separate and classify wastes *Establish a minimum order quantity policy	*Work with delivery companies certified by ISO 14001: 2015 *Hold one-day styling events for female cancer patients *Recycle the aluminum tubes used in salons
Lithuania	*Install energy-efficient lighting		
Austria	*Implement the Cradle to Cradle philosophy in its business strategy *Provide fair trade coffee, organic food and eco-friendly office stationery *Use FSC certified tissue paper *Use eco-friendly detergents and cosmetic products *Install LED lighting and do not use air conditioning systems	*Use water saving devices *Participate in tree planting events and encourage hair salons to build vertical gardens *Separate and classify wastes for recycling and reuse *Create a green association with hairdressers and consumers to promote environmental protection	*Establish a minimum delivery quantity and use biofuel cars for shipping *Join Earth Hour *Support local environmental events such as urban farming, community gardening, and The Children's Garden and promote environmental education, sustainable practices, and environmental protection
Denmark	*Support children's cancer activities		
Belarus	*Take part in the United Nations Children's Fund charity event *Continue to care for the apple tree planted in 2015 *Donate apple seeds and plant more trees		
Netherlands	*Support children's cancer activities	*Recycle the aluminum tubes used in salons	
Belgium	*Participate in Christmas charity hair cutting events		
Bulgaria	*Promote sustainability concepts with decorations		

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4

International distributors	Green actions	
Canada	*Promote the sustainability concepts of O'right	
Japan	*Promote sustainability concepts at beauty schools *Promote green hair care at fashion exhibitions *Take public transporation	
Sweden	*90% of stores are installed with LED lights to reduce energy consumption *Lyko stores, offices and warehouses produces 100% of electricity from hydropower *Lyko strives to reduce plastic bags and pollution by promoting the sustainable use of resources *Joined the One Bag Habit initiative *Use sustainable plastic bags *Use packaging made from 100% renewable fibers *Lyko offers multiple logistics service provider options *Provide customers with low carbon transports and logistics solutions	
Estonia	*Promote the sustainable use of resources and live a more eco-friendly lifestyle	
Finland	*Provide green salon services and promote green values *Use eco-friendly shopping bags, Separate and classify wastes	
Russia	*Clean riversides	*Install LED lighting *Use biodegradable trash bags and eco-friendly shipping boxes *Use environmentally-friendly stationary *Green up the office and educational training center with plants
Romania	*Promote sustainability concepts with decorations	*nstall LED lighting *Use biodegradable trash bags and eco-friendly shipping boxes *Use environmentally-friendly stationary *Green up the office and educational training center with plants
Saudi Arabia	*Plants trees in deserts	*Open an O'right Concept Store

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener

05 Green Impacts

Appendix 1

Appendix 2

Appendix 3

Appendix 4

Appendix 5

4.4 TogetherGreener

For staff, we also view green practices for the body and soul as motivations in the workplace. The fruitful benefits cannot be measured in money. As such, we follow the Green Living Guidelines and organize green activities, uniting everyone to engage in sustainability.

(1) Green Living Guidelines

Upholding a brand philosophy of Natural, Pure and Eco-friendly, we apply our core values to our everyday business. While we use the earth's natural resources, we believe in giving back to nature. Therefore, we are committed to playing our part as a leading green brand in creating a greener and better world by reducing greenhouse gas emissions and having as little impact on earth as possible.

In order to promote sustainability in the workplace, we build a sense of teamwork and create a sense of respect among staff members as well as develop a self-managed workplace. As such, we established the Green Living Guidelines in hopes of creating a healthy, eco-friendly workplace environment.

(2)Organic meals:

Our Organic Vegetable Cafeteria provides staff with fresh seasonal fruit and vegetables picked from local farms, toast and bread made from local bakeries and delicious soup to enjoy (see 2.4.3). Staff is divided into groups that take turns preparing the food and washing the dishes every day.

(3)Cleaning:

Every Friday the entire staff at Green Headquarters is divided into groups, each responsible for cleaning up a certain area. Our aim is for employees to develop good habits in the workplace and subsequently do the same at home or in local communities.



Figure 4-8 Staff take turns to prepare organic vegetable meals for everyone

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
4.1 Green Supply Chain
4.2 Geeen Suppliers
4.3 Green Salons
4.4 TogetherGreener
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4
Appendix 5



Figure 4-9 O'right family day



Figure 4-10 Family visits





Figure 4-11 Fun activity

(4) Family visits: Chairman Steven Ko also arranges for visits to employees' homes to thank their parents while not forgetting to promote our green concepts, further spreading our green impact to more people.

(5) Environmental events: Every year we hold or co-host environmental events, inviting employees to join at their will as a means to encourage them to go green in their daily life. Employees who take part in charity events are granted a volunteer day off as a show of gratitude (see 1.3.5).

(6) Family day: We hold annual family days where we invite family members and friends of employees to visit our Green Headquarters and have fun. In 2018, we established a committee responsible for planning such events. On family day in 2021, visitors were taken on a tour around our green building and also engaged in a fun game we designed for the whole family to increase parent-child bonding time while also raising environmental awareness. At O'right, we believe in doing the right thing and committing to it while bringing more people together to create a bigger impact.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

05 Green Impacts

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Green Impacts

5.1 Green Charity Engagements

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.

We take action for the SDGs and make efforts to organize Plant a Tree, Earth Hour and Coastal Cleanup events. Due to the COVID-19 pandemic in 2021, instead of holding a physical on-the-ground event like we have done for so many years before, we mobilized the public to join the livestream as Earth Hour went digital in solidarity with the planet and people from 190 countries and territories. Our annual Coastal Cleanup was also put on hold in 2021 because of the pandemic. Despite the disruptions, we continue to make strides towards one milestone after another, building a technical cycle-based system that recirculates recycled and regenerated packaging materials, thereby closing the loop on circularity once and for all.

In 2012, we also made our Green Headquarters open to the public, welcoming enterprises and schools as well as communities, distributors, salon customers and family of staff to experience the green of O'right.

We also hire interns to work at our company to give promising young students the opportunity to get to know this green hair care brand from Taiwan and get a better understanding of what is involved in running a business. So far, we have welcomed students majoring in cosmetics, business management, marketing, business administration and product design from National Taiwan University, National Tsing Hua University, Kaohsiung Medical University, National Taiwan University of Science and Technology, Hungkuang University, I-shou University, Ming Chuan University and Kainan University to do their internship at O'right.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.1 World Biodiversity Summit at COP15

Organizer of the World Biodiversity Summit, the World Climate Foundation said that evidence of biodiversity loss is everywhere and climate change is contributing to this loss. But, biodiversity loss does not only refer to the loss of plants and animals, it threatens all life on our planet. The state of the natural environment is directly linked to our ability to adapt, mitigate and solve the challenges that our planet is facing nowadays. By convening leaders from government, business, international organizations, academia and civil society, the World Biodiversity Summit offers a dedicated opportunity for the conservation of the world's ecosystems and is poised to channel needed investment into restoring planetary health.

HRH Prince Charles of Wales, who gave the welcoming remarks, said: "Building on my Sustainable Markets Initiatives, I am launching Terra Carta as the basis of a recovery plan for nature, people and planet. At this historic tipping point, with the lives, livelihood of present and future generations in mind, the Terra Carta aims to provide a roadmap for acceleration towards an ambitious and sustainable future – one that will harness the power of nature combined with the transformative power, innovation and resources of the private sector. For nearly every problem we face, nature, with the benefit of billions of years of evolution, has already provided us with the solutions."

This year, an Asian SME with a zero carbon mindset, unveiled the ±R Plan, an innovative circular design that comprises products and services that see things from the perspectives of consumers and nature. ±R Plan breaks through the technical cycle-based barriers of Reuse, Refill, Reduce and takes things to the next level by exploring the biological concept of Respond, Revive, Respect. Building a vision for zero carbon consumption, ±R Plan has been conceived to enhance respect for nature and lessen the burden on human health and the environment.

All eyes are on big brands when it comes to protecting biodiversity and zero carbon issues. But, according to the World Bank, SMEs represent 90% of businesses worldwide. Despite being an SME, we embarked on a mission to achieve sustainability way back in 2006, delivering products and services that not only cater to customer needs, but also benefits the environment and society.

As the world's first zero carbon beauty company, we stress that the manufacturing sector should take action to reduce emissions. If an SME like O'right can make it possible, so can everyone else. "Sustainability is more than just a corporate responsibility. It offers new opportunities," Steven said. "For innovators and early adopters, it builds competitive advantage. For the late majority, it is a necessity for survival."



Figure 5-1 World Biodiversity Summit live-streaming at O'right Green Headquarters

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.2 World Climate Summit at COP26

In 2021, we were invited to the World Climate Summit and World Biodiversity Summit. On the topic of addressing climate change, representatives and businesses discussed their ideas and views and their 2030 net zero targets. Steven could not contain his enthusiasm on the subject and shared his ultimate solution to zero carbon and sustainability.

Closing the Loop on the Circular Economy Through Recycling and Regenerating

To become more sustainable and reduce carbon emissions, companies need to go from a linear business model to circular ones where biological and technical "nutrients" circulate in infinite production cycles. During the panel session Circularity & Life Cycle – Optimising Business & Policy to Achieve a Circular Economy, we found that most governments haven't gone the extra mile to achieve a circular economy. Nations encourage recycling, but rarely emphasize the importance of repurposing or regenerating. You can be rewarded for recycling, but there aren't any incentives or reward programs for regenerating. Without incentives, less people are willing to make the move, and eventually, all of the recycled materials become waste and end up in incinerators. In the end, all efforts are in vain and the ultimate goal of reducing carbon emissions becomes futile. We pride ourselves in making the decision to build a PCR-based green supply chain to develop rPE, rPP, rPET and rPETG packaging with no mixed materials and electroplating. Our packaging materials can be recirculated back into the system for infinity. Since 2017, we have stopped 5,000,000 plastic bottles from going into the oceans, proving that our efforts have not been in vain.

Restore Biodiversity, Eliminate Petrochemicals

Humans are destroying the forests, which accelerates climate change and endangers biodiversity. The loss of biodiversity aggravates the transmission of infectious diseases spread by animals to humans. We are relieved to see nations putting a stop to deforestation, and we believe that the most companies can do is to fully move towards biobased standards and eliminate fossil fuels, which, in our opinion, is the key to restoring biodiversity.

The USDA BioPreferred program aims to reduce our reliance on petroleum, increase the purchase and use of biobased products and renewable agricultural resources, ultimately contributing to reducing the adverse environmental and health impacts.

In the panel discussion on Sustainable and Regenerative Agriculture at the Center of Development Strategies – Challenges and Opportunities, we shared our experience in converting agricultural waste and by-products locally-grown in Taiwan such as coffee grounds, sorghum (spent grains) and goji berry root into value-added beauty ingredients to keep materials in use, thereby reducing the use of virgin plastic (petrochemicals) and preventing carbon buried underground from being sent into the atmosphere.

We should look at things from a biological perspective by showing more respect for nature and lessening the burden on human health and the environment, shifting our mindset from Reuse, Refill, Reduce of the technical cycle to the biological level – Respond, Revive, Respect. In order to live in harmony with nature, we should listen to nature's silent cries and needs.

As nations and companies are still exchanging views and discussing strategies, O'right is already on the road to zero, undoubtedly inspiring and empowering many attendees, and fueling their determination to accelerate their actions towards sustainable development.
The deafening alarm on climate change has sounded. We must reconsider the meaning and value of life and redefine what it means to truly succeed. It's not about succeeding as a business, but rather to succeed as one.



Figure 5-2 2021 World Climate Summit at Glasgow

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.3 Climate Leader

"Climate change is real and it's happening." We believe that children have the power to create change for the world. In 2019, we teamed up with Taiwan Youth Climate Coalition (TWYCC), who are also advocates of the earth and campaigners of climate justice, to initiate the Climate Leader program, which aims to encourage a new generation of green ambassadors and cultivate environmental awareness among students in Taiwan.

In 2019, we teamed up with Taiwan Youth Climate Coalition (TWYCC) and created the Climate Leader program, where we began visiting various elementary, junior high and senior high schools across Taiwan in hopes of bringing climate issues to campus and raising awareness among teachers and students. Through the Climate Leader program, we inspire the children to think of ways to help protect the earth and use their power to create change and secure a sustainable future for themselves.

We visited various elementary, junior high and senior high schools across Taiwan in hopes of bringing climate issues to Ministry of Education-approved sustainable campuses and empowering teachers and students to become climate leaders. In 2021, a total of 455 students completed the program, which focused on issues including greenhouse gases, lifestyle carbon footprint, youth-led climate actions, renewable energy, low carbon transportation, eco-friendly plant-based diet, water resource management and carbon taxes.

By incorporating climate issues into board games, interactive games, group discussions and Q&A challenges, the program inspires children to think of ways to help protect the earth and use their power to create change and secure a sustainable future for themselves. We hope to open the eyes of the world to the impacts of climate change so that civil society can be prepared to face the impending climate crisis.

Figure 5-3 Climate Leader program



Figure 5-4 Climate Leader courses



Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.4 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. On 27 March 2021, Earth Hour in Taiwan took place at the Civic Plaza of the New Taipei City Hall and was livestreamed so that people can join in on the lights-off event from their homes. Earth Hour 2021 was another record-breaking moment for Taiwan, as the hour saved 125,000 kWh of electricity, equivalent to 63,625 kg of CO2 emissions reduced. Earth Hour was a moment of solidarity, where people from 192 countries and territories came together in support of people and our planet, and more than 18,000 landmarks around the world went dark to send a powerful message about environmental awareness and action.

Speak Up for Nature, Switch Off for Love

For 11 years as the organizer of Earth Hour in Taiwan, we have dedicated ourselves to empowering, inspiring and mobilizing governments, businesses and individuals to take action and drive change. This year, together with New Taipei City as partner and New Taipei City as supervisor, we mobilized hundreds of celebrities, 2,137 businesses, green partners from over 16 countries, green suppliers and thousands of green salons across Taiwan to lend their support for the planet and play a major role in shaping our future and helping Earth Hour break records. Long-time supporter of Earth Hour, Taiwanese celebrity Mickey Huang wrote the theme song Switch Off for Love, demonstrating Taiwan's collective efforts to one of the world's largest grassroots movements for the environment.

TogetherGreener, Together Possible

More than 10 shopping malls and office buildings turned off non-essential lights, including world-renowned landmark Taipei 101, National Taichung Theater, Kaohsiung National Stadium, and the Office of the President. The six heads of governments in Taiwan also voiced their support for Earth Hour and shine a light on the worsening climate change. Collective action is needed to speak up for nature and truly make an impact. When it comes to protecting the earth, we are all in this together. Change starts with you. Your small actions can bring about monumental change for the future.



Figure 5-5 Earth Hour

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4



Figure 5-6 Connecting with nature

5.1.3 Plant a Tree

We have been championing forest protection since 2011, adopting forest land and planting trees to maintain ecological balance and fulfill our corporate social responsibility and ignite hope for a greener tomorrow for our children.

So far, we have adopted 3.6 hectares of forest land and 2,660 trees, which has helped cut 189,244 kg of carbon dioxide in the atmosphere. Over the years, we are proud to see what were once seedlings grow into trees that now stand 10 meters tall.

This project aims to not only increase coverage of forest land, but also to protect existing forests and reverse degraded and damaged forest ecosystems. Forests are important natural resources and home to some of the world's most diverse ecosystems. Forests store carbon, filter the air and improve soil fertility. They curb climate change by removing carbon dioxide from the atmosphere.

In addition to planting trees, we also do the following to help the environment.
1.Encourage the use of electronic forms to create a digital, paperless office.
2.Use 80% recycled paper, FSC certified paper and FSC certified tissue paper to achieve sustainable forest management.
3.Plant 60 cherry trees, maple trees, bald cypress trees and other tree varieties and 600 shrubs.

Protecting forests is more than just planting trees. Walk into the forest and engage your five senses in the wonders of nature. Most importantly, embrace this mindset and always show nature kindness.

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.5 Coastal Cleanup

Ocean plastic is growing relentlessly and it is impacting the earth so much more than we imagined. They are deadly attractions for marine animals; seabirds are getting trapped in plastic bags and sea turtles are found with straws up their nostrils. It's heartbreaking. The increasing extinction threat from ocean plastic pollution is causing all living things on the planet to become disconnected. How can we stop this problem before it gets to the point of no return? The ocean is choking. How can we undo the damage and let the ocean breathe to restore our beautiful blue planet?

Start a Cleanup for a Breathable Ocean

Small actions can make a big difference on the environment. Since 2011, we have organized the Coastal Cleanup event, galvanizing our green suppliers, green salon hairdressers as well as employees and families to rid the beaches of the trash polluting our oceans, making coasts cleaner and the ocean healthier. From 2015 to 2019, we have picked up 1,940 kg of trash, reducing 3,996 kg of emissions and equal to planting 363 20-year-old trees on earth. But these large numbers are not something to be proud of, nor does it give us a reason to celebrate; these numbers just remind us of the harsh reality that this plastic problem is only getting worse.

A Beacon of Hope for a Blue Planet

Our annual tradition of collecting trash from the coastlines came to a halt when the COVID-19 hit in 2020. However, we did not stray from our promise to protect the ocean. In 2017, we built a technical cycle-based circular system that allows packaging materials to be recycled, reused and recirculated. Together with bottle manufacturers and recycling stations, we developed PCR plastic bottles, reducing carbon emissions by 80% and closing the loop on circularity. Since then, we have prevented 5,000,000 plastic bottles and pumps from flowing into the waterways, oceans or landfills.

Like the message our slogan #TogetherGreener embodies, we want zero carbon to be our common goal with our consumers. We want consumers to respect nature with us, take action with us, and adopt a sustainable mindset with us. Together, we can restore the natural beauty of the ocean and its rich biodiversity.



Figure 5-7 Coastal cleanup

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.1.7 Before the Flood

O'right CEO Steven Ko said: "We are the first generation to be hit with the worst impacts of climate change, and we could also be the last"

Long-time advocate for the earth and the climate, we sponsored the climate change documentary Before the Flood presented by National Geographic in 2021, featuring Leonardo DiCaprio on a journey as the UN Messenger of Peace as he travels around the globe to witness firsthand the devastating effects of climate change and what can be done to solve the climate crisis.

O'right collaborated with National Geographic Channel in hopes to open the eyes of the public on global warming and its effects, and to make the world realize that addressing the climate crisis and protecting our only planet should be our lifelong mission.

5.1.8 Charity Project-Sow the Seeds of Reading

In 2021, with the support of the National Innovation and Entrepreneurship Association, we joined hands with Global Views Educational Foundation for the Sow the Seeds of Reading charity project with the aim to provide children with free reading resources and materials, give back to society and create a better learning environment in Taiwan. Reading builds self-esteem, develops confidence and encourages a growth mindset. The project benefited 600 kids, 35 classes and 4 schools in Taoyuan, Taiwan.



● Figure 5-8 Sow the Seeds of Reading charity project

捐贈企業：歐萊德國際股份有限公司

受贈雜誌：■ 未來少年 □ 未來兒童

學校： 高原國小

學生閱讀『未來兒童』『未來少年』印象最深刻的內容或心得感想：

我印象最深刻的是未來少年裡的歡樂動動腦，因為裡面有好笑故事、笑話；和有趣的謎語例如：天神上課中　點石成金，這是一個好笑又有趣的故事，還有特別企劃裡的不失敗寒假計畫，裡面有許多有趣的知識和計畫內容可以寫或畫什麼。這些未來少年裡教了我許多知識，及一些可愛的小文章。

我要跟捐贈雜誌的叔叔/阿姨說：

我要謝謝捐贈雜誌的叔叔和阿姨，謝謝你讓我們有更多有趣、好笑的故事可以讀，你們的故事都很有趣，謝謝您的捐贈。

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption
Appendix 1
Appendix 2
Appendix 3
Appendix 4



Plant a Tree

From 2011 to 2021, 2,660 trees have been adopted and a total of 189,244 kg of carbon emissions have been reduced.

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 Affairs)
Note: Carbon emissions vary according to the year, scope and duration of the trees planted.



Earth Hour

In 2021, Earth Hour saved 125,000 kWh of power and achieved 63,625 kg of carbon reduction on the night, equal to planting 5,784 trees.

From 2011 to 2021, a total of 985,000 kWh of power has been saved and 522,050 kg of carbon has been reduced on the night of Earth Hour, equal to 47,459 trees planted.

1. Statistics provided by Taiwan Power Company
2. Based on the electricity emission factor of Taiwan from 2011 to 2021 (0.509 kg). (Source: Bureau of Energy, Ministry of Economic Affairs)
3. 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: International Forest Management Carbon Sequestration Efficacy Assessment Report)



Coastal Cleanup

*Due to the impacts of COVID-19, we did not host a beach cleanup in 2020. The data shown below are from the year 2019.

From 2015 to 2019, 1,940 kg of litter has been picked up from the beach, which helped to reduce 3,996.4 kg of carbon emissions and plant 363 20-year-old trees.

1. A reasonable resource recycling rate can help greatly reduce the amount of trash. Every kg of trash reduced is 2.06 kg less of carbon emissions released. (Source: Recycling Fund Management Board)
2. 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 Affairs)

● Figure 5-9 Carbon achievements through green charity engagements in 2021

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

5.2 An Educational Facility for All

O'right Green Headquarters is not your typical factory. Equipped with rainwater harvesting, solar and wind power systems and built to be naturally ventilated, it is a building well-integrated with nature that aims to co-exist with the environment.

Our Green Headquarters is not just a green building, but also an educational facility for all. We are well-prepared for anyone who is interested in getting to know our building. For example, we have a presentation giving people a brief introduction about our headquarters and give a guided tour around our premises. Manager staff regularly receives professional training in environmental education to help review and amend the presentation or guided tour for an enhanced experience for everyone.

Since its completion in June 2012, the Green Headquarters has welcomed numerous visitors from well-known enterprises, organizations, universities and environmental groups. We also encourage nearby communities, salons and family members of staff to visit and experience the green of O'right.

From October 2018, in order to maximize our green impacts, we encourage the groups and organizations that visited our Green Headquarters to make the promise to support the SDGs with us. Our aim is to bring our values and global trends in sustainable development to more parts of the world.

In 2021, we welcomed 1,145 people to our green building. Since the establishment of our headquarters, a total of 27,517 people have visited (see Table 5-1).



Figure 5-10 O'right invites all guests to support the SDGs

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption
Appendix 1
Appendix 2
Appendix 3
Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

● Table 5-1 Visitors of O'right Green Headquarters

Type	2019	2020	2021	2012-2021
Enterprises	306	535	803	9,540
Salons	221	66	0	5,539
Governmental units	64	239	15	1,574
Associations	108	9	12	1,008
Academic institutes	1,081	519	253	8,839
Media	16	29	0	105
Communities	0	36	62	912
Total	1,796	1,433	1,145	27,517

Note： *From June 2012 to December 2021
*The data recorded for 2021 does not include spontaneous visitors and VIP guests.

During the 3-hour tour, visitors are taken on an enriching tour of our headquarters and are provided with the latest environmental news and introduced to various eco-friendly facilities and practices. Through this educational experience, we hope to raise environmental awareness as well as make an impact on more people.

At O'right, sustainability is at the heart of everything we do, and our green building is no exception. In 2019, we took sustainability and creativity to the next level and unveiled the brand new sections of our Green Headquarters —Green Education Hall, Re Office and Green Immersion Hall, which features a gorgeous glass skywalk that extends over the edge of the building as if you are connecting to nature. Along with our wind and solar energy powered factory site and Low Carbon Office, O'right Green Headquarters is truly the epitome of green, sustainability and innovation

The Green Education Hall has always been a dream of O'right's. It is not like your typical place for learning, rather a visual feast that opens your eyes to the world today and the issues it faces that you were probably never aware of before visiting O'right. In face of worsening climate change, reducing our carbon emissions has become a global and corporate responsibility. We take from the society, so it makes perfect sense for us to give back to the society in return. We hope that our green building, now with even more eco-friendly features, can raise greater environmental awareness and inspire more people who visit to join us on our mission to protect our planet.

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.3.1 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.

5.3.2 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.

5.3.3 Facebook Page

We have 2 official Facebook pages: the brand-centered O'right, an important communication channel used to emphasize the importance of environmental production and engage consumers via daily posts, and O'right Shop, an e-commerce website for consumers to shop and buy our green products.



Figure 5-11 From Salons to the United Nations

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.4 Green Consumption

5.4.1 Product Service

To offer innovative green product services to customers, in addition to ensuring compliance with the Cosmetic Hygiene and Safety Act and that product packaging and labels provide consumers with accurate information, each product is also given a unique identification by implementing a barcode traceability system to prevent counterfeiting and acts of tampering. Three barcode labels are created for and printed on each product for identification purposes and quality assurance.

1.Barcode:
A means for customers and consumers to identify products and see if a product is authentic and learn its country of origin. For example, Tea Tree Shampoo 400mL carries a 16-digit barcode; the first digit "T" is the country code, the 6 digits "1AA036" is the part number, the 4 digits "4131" is the batch number and the last 5 digits "00035" is the serial number.

2.QR Code:
Users can use their smart phones to scan the image of the QR code to display additional information about the product, company profile and other helpful information.

3.International Article Number (EAN):
A barcode used in point of sale (POS) system that manages purchase, sale and inventory of products.

O'right also labels products with additional information including the percentage of sustainable ingredients, certified organic ingredients, the use of clean energy for manufacturing and FSC certified boxes. We educate and encourage consumers to avoid counterfeits and pirated goods by purchasing O'right products from proper authorized channels. Any tampering or obscuring of security labels is considered illegal. We cannot guarantee the origin and quality of such product and its ingredients. Clear, transparent labels and information on packaging are crucial to giving consumers a better understanding towards product quality and also differentiate O'right's products from competitors.



1 Barcode ● International Article Number ● QR Code(product information)

● Figure 5-12 A complete product traceability system

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

5.1 Green Chairity Engagements
5.2 An Educational Facility for All
5.3 Green Publication
5.4 Green Consumption

Appendix 1

Appendix 2

Appendix 3

Appendix 4

© 2020 Corporate Sustainability Report of Hair O'right

5.4.2 Green Marketing

"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!" – Steven Ko

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.
O'right understands that consumers need to be influenced from the following aspects to increase consumer awareness of green products and cultivate green consumers.

(1)Products: We create eco-friendly designs such as Tree in the Bottle, Moso bamboo caps and FSC certified paper boxes as well as develop eco-friendly formulas such as 8 Free. We extract coffee oil from spent coffee grounds, upcycle coffee husks, give sorghum new life and turn agricultural waste goji berry root extract into a golden skin care ingredient. The greener the products consumers get, the higher the possibility of raising their green awareness.
(2)User experience: O'right products have been proven to be easy to rinse, easy to blow dry, water and energy efficient. The efficacy and results our products deliver can be felt with each use. In 2018, we tracked our company's greenhouse gas emissions in order to find solutions to reduce carbon, which earned us the carbon neutral validation for 9 of our products and for our company. In 2019 and 2020, we achieved carbon neutrality for 77 products. In 2021, we achieved carbon neutrality across our entire product portfolio, from raw material acquisition, manufacturing, sales, consumer use to eventual disposal.
(3)Events: O'right holds or co-hosts major environmental events every year including: (1) Earth Hour; (2) Coastal Cleanup; and (3) Plant a Tree.

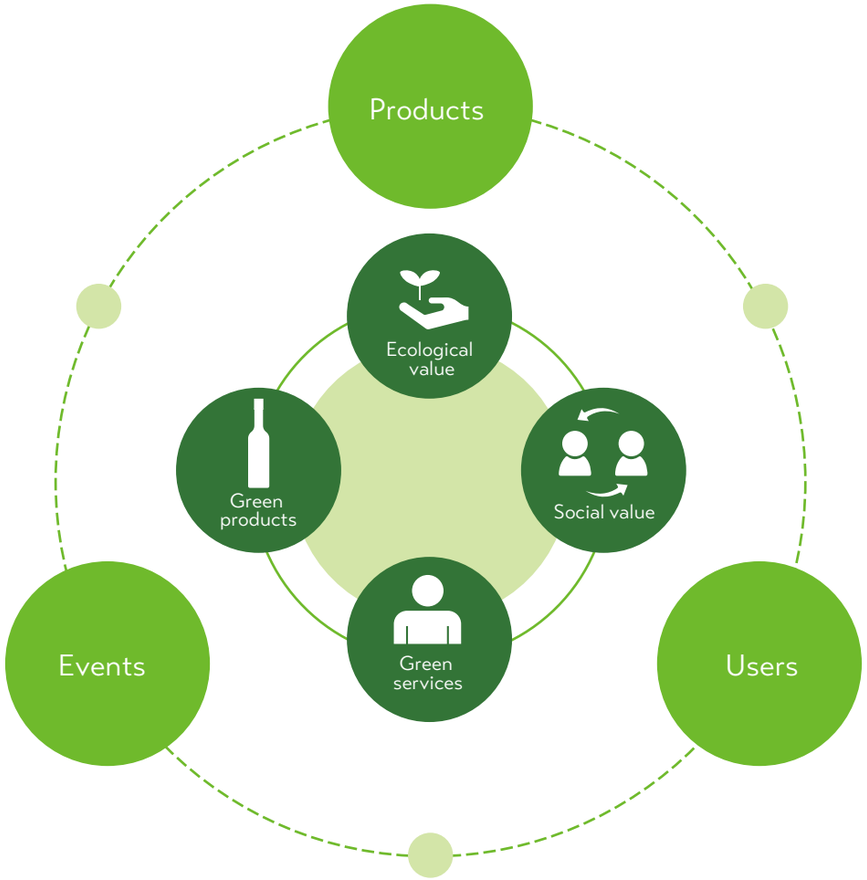


Figure 5-13 Cultivating green awareness in consumers

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

Appendix 1 GRI Standards Index

* Represent disclosure of material issues in 2021

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
101(2016)		Foundation			
102(2016)		General disclosures			
Organizational profile					
102-1		Name of the organization	1.1	P5	
102-2		Activities, brands, products, and services	1.1	P5	
102-3		Location of headquarters	1.1	P5	
102-4		Location of operations	1.1	P5	
102-5		Ownership and legal form	1.4	P22	
102-6		Markets served	1.4	P31	
102-7		Scale of the organization	1.4,3.1	P28,P31,P84	
102-8		Information on employees and other workers	3.1	P84	
102-9		Supply chain	4.2	P104	
102-10		Significant changes to the organization and its supply chain	2.2	P70	Adoption of mono-material renewable shampoo refill packs
102-11		Precautionary Principle or approach	1.4	P25	
102-12		External initiatives	2.3	P82	
102-13		Membership of associations	1.1	P7	
Strategy					
102-14		Statement from senior decision-maker	Letter from the Founder	P3	
102-15		Key impacts, risks, and opportunities	1.4	P26	

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
Ethics and integrity					
102-16		Values, principles, standards, and norms of behavior	1.2, 1.3	P13,P18	
Governance					
102-18		Governance structure	1.4	P22	
102-2	Stakeholder engagement				
102-40		List of stakeholder groups	1.1	P12	
102-41		Collective bargaining agreements	N/A	N/A	O'right does not have unions and therefore has no collective agreements
102-42		Identifying and selecting stakeholders	1.1	P12	
102-43		Approach to stakeholder engagement	1.1	P12	
102-44		Key topics and concerns raised	1.1	P12	
Reporting practice					
102-45		Entities included in the consolidated financial statements	1.4	P27	Consolidated financial statements include Japan and Shanghai subsidiaries, but they are not covered in this Report due to the fact that most events occurred in Taiwan
102-46		Defining report content and topic Boundaries	About Our Corporate Sustainability Report	P2,P9	
102-47		List of material topics	1.1	P10	
102-48		Restatements of information	N/A	N/A	No restatements of information
102-49		Changes in reporting	1.1	P10	
102-50		Reporting period	About Our Corporate Sustainability Report	P2	
102-51		Date of most recent report	About Our Corporate Sustainability Report	P2	
102-52		Reporting cycle	About Our Corporate Sustainability Report	P2	
102-53		Contact point for questions regarding the report	About Our Corporate Sustainability Report	P2	

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
Reporting practice					
102-54		Claims of reporting in accordance with the GRI Standards	About Our Corporate ustainability Report	P2	
102-55		GRI content index	Appendix 1	P128	
102-56		External assurance	Appendix 2	P132	
Management approach					
103-1		Explanation of the material topic and its Boundary	1.1	P10	
103-2		The management approach and its components	1.1	P10	
103-3		Evaluation of the management approach	1.1	P10	
Specific disclosures					
*201		Economic performance			
	201-1	Direct economic value generated and distributed	1.4	P27	
	201-2	Financial implications and other risks and opportunities due to climate change	1.4	P25	Costs of actions taken to manage risks or opportunities are expected to be integrated and quantified in 2022
	201-4	Financial assistance received from government	1.4	P27	
*203		Indirect economic impacts			
	203-2	Significant indirect economic impacts	2.2	P67	
*204		Procurement practices			
	204-1	Proportion of spending on local suppliers	4.1	P102	Due to the variety of packaging, only the total procurement amount can be provided
*206		Anti-competitive behavior			
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A	N/A	No non-compliance with laws during the reporting period

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
*301		Materials			
	301-2	Recycled input materials used	2.2, 4.1	P69,P101	
*302		Energy			
	302-1	Energy consumption within the organization	2.1	P48	
	302-4	Reduction of energy consumption	2.1	P48	
*303		Water and effluents			
	303-1	Interactions with water as a shared resource	2.1	P49	
	303-2	Management of water discharge-related impacts	2.1	P49	
	303-3	Water withdrawal	2.1	P49	
*304		Biodiversity			
	304-2	Significant impacts of activities, products, and services on biodiversity	2.2	P.50	
*305		Emissions			
	305-1	Direct (Scope 1) GHG emissions	2.3	P80	
	305-2	Energy indirect (Scope 2) GHG emissions	2.3	P80	
	305-5	Reduction of GHG emissions	2.3	P79	
306		Effluents and waste			
	306-1	Water discharge by quality and destination	2.1	P60	
	306-2	Waste by type and disposal method	2.1	P60	
307		Environmental compliance	4.2		
	307-1	Non-compliance with environmental laws and regulations	1.4	P.45	No non-compliance with environmental laws and regulations occurred
308					
	308-1	New suppliers that were screened using environmental criteria	4.2	P.103	

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
401		Employment			
	401-1	New employee hires and employee turnover	3.1	P87	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.2	P89	
	401-3	Parental leave	3.2	P90	
403		Occupational health and safety			
	403-1	Occupational health and safety management system	3.4	P96	
	403-2	Hazard identification, risk assessment, and incident investigation	3.4	P96	
	403-3	Occupational health services	3.4	P96	
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.4	P96	
	403-5	Worker training on occupational health and safety	3.4	P97	
	403-6	Promotion of worker health	3.4	P97	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.4	P97 P98	
	403-9	Work-related injuries	3.4	P98	
404		Training and education			
	404-1	Average hours of training per year per employee	3.3	P95	
416		Customer health and safety			
	416-1	Assessment of the health and safety impacts of product and service categories	2.2	P61	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	1.4	P45	No non-compliance with laws during the reporting period

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
GRI Standards Index
Appendix 2
Appendix 3
Appendix 4

GRI	Topic-specific	Disclosure Title	Chapter	Page No.	Explanation
417		Marketing and labeling			
	417-1	for product and service information and labeling	5.4	P124	
	417-2	Incidents of non-compliance concerning product and service information and labeling	N/A	N/A	No non-compliance with laws during the reporting period
	417-3	ncidents of non-compliance concerning marketing communications	N/A	N/A	No non-compliance with laws during the reporting period
418		Customer privacy			
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A	N/A	No breaches of customer privacy and losses of customer data occurred
419		Socioeconomic compliance			
	419-1	Non-compliance with laws and regulations in the social and economic area	N/A	N/A	No non-compliance with laws during the reporting period

© 2020 Corporate Sustainability Report of Hair O'right

Contents

About Our Corporate Sustainability Report

Letter from the Chairman

01 A Sustainable Business

02 Green Innovative Manufacturing

03 Caring for Our Staff

04 Green Supply Chain

05 Green Impacts

Appendix 1

Appendix 2

Third Party Guarantee Declaration

Appendix 3

Appendix 4

Appendix 2 Third Party Guarantee Declaration

SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE HAIR O'RIGHT INTERNATIONAL CORP.'S CORPORATE SUSTAINABILITY REPORT FOR 2021

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Hair O'right International Corp. (hereinafter referred to as O'right) to conduct an independent assurance of the Corporate Sustainability Report for 2021 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification (2022/06/22~2022/07/15). 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 the 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 text, data, graphs and statements 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, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

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

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

TWLPP5008 Issue 2207

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

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

- evaluation of content veracity of the sustainability performance information based on the materiality determination 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 Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

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 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 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, 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.

TWLPP5008 Issue 2207

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 Corporate Sustainability Report of 2021, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, establishing a more systematic and efficient system or process in data collecting is encouraged. Furthermore, while organizing a quality report, O'right should preserve supporting documents, especially for key performances.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000
Licensed Report
000-8/V3-H38UK

Stephen Pao
Knowledge Deputy General Manager
Taipei, Taiwan
18 October, 2022
WWW.SGS.COM

TWLPP5008 Issue 2207

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Green Management System
Appendix 4

Appendix 3 Management System

Content
(1)ISO 9001 Quality Management Systems:
Natural, pure and eco-friendly
(2)ISO 22716 Cosmetics GMP:
Strengthen education and training, prevent equipment contamination, manage production, quality assurance and warehousing, enhance product manufacturing quality
(3)ISO 50001 Energy Management Systems:
Reduce energy consumption, constantly increase our energy efficiency, continue to invest in resources to achieve our goals, comply with laws and other energy-related requirements, improve energy performance in the design and maintenance of equipment and procure and use high energy-efficient products and services
(4)Taiwan Intellectual Property Management Systems (TIPS):
Taiwan Intellectual Property Management Systems (TIPS): Promote innovation development and avoid intellectual property infringement and strengthen organizational intellectual right perceptions and capabilities
(5)ISO 14001 Environmental Managemet System:
Environmental protection, employee engagement, energy saving and carbon reduction, green innovation and sustainability
(6)ISO 45001 Occupational Health and Safety Management Systems:
Healthy and safety risks, legal compliance, hazard prevention, constant improvement and propaganda and communication
(7)ISO 17025 General Requirements for the Competence of Testing and Calibration Laboratories:
Employee engagement, quality enhancement, constant improvement and customer satisfac-tion



© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4
Green Footprint

Appendix 4 Green Footprint

2008-2009

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

2010

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

2011

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



2012

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

2013

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

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4
Green Footprint

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)

© 2020 Corporate Sustainability Report of Hair O'right

Contents
About Our Corporate Sustainability Report
Letter from the Chairman
01 A Sustainable Business
02 Green Innovative Manufacturing
03 Caring for Our Staff
04 Green Supply Chain
05 Green Impacts
Appendix 1
Appendix 2
Appendix 3
Appendix 4
Green Footprint

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

© 2020 Corporate Sustainability Report of Hair O'right