



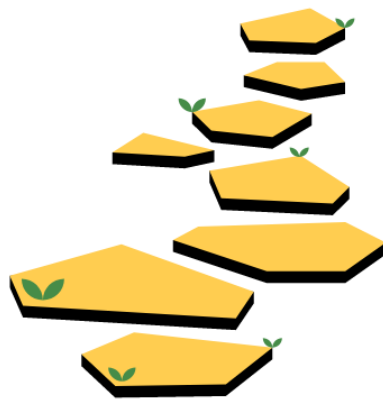
2021

SUSTAINABILITY REPORT

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ABOUT THIS REPORT



ABOUT THIS REPORT

Editorial Principles

The content structure of this Report referred to the Core Option of the GRI Sustainability Reporting Standards, GRI Standards and the SASB Standards (see Appendix III for details) and the Report was compiled with reference to the content and quality principles of GRI Sustainability Reporting Standards and the four principles of Materiality, Inclusivity, Responsiveness, and Impact of AA 1000 AccountAbility Principles, covering material topics the stakeholders concern about as much as possible and demonstrating the sustainable behavior of Jia Wei Lifestyle, Inc. in terms of business operations. The content of this Report has not been externally assured, it is still published after audited and reviewed by the executives and members of relevant units of the Company. For the GRI Standards Index Comparison Table, please refer to Appendix I.

Scope and Source of the Report

The scope of this Report covers the corporate social responsibility-related performance and results of Jia Wei Lifestyle, Inc. in its operating bases in Taiwan and manufacturing bases in China in 2021 and presents the topics of sustainable development that the stakeholders concern most about. This Report is divided into economic, social, and environmental aspects.

Major Operational Change

There were no significant operational changes, including the scale, structure, ownership, and supply chain of the Company during the reporting period. In addition, this is the very first time for Jia Wei Lifestyle, Inc. to publish its Report, and therefore, there is no data restatement or report change.

Release Schedule of the Report

This is the first Sustainability Report of Jia Wei Lifestyle, Inc., and the Company will release its Sustainability Report annually.

Current issue: Published in September, 2022

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Message from the Chairman

Jia Wei Lifestyle, Inc., (hereinafter referred to as Jia Wei Lifestyle, the Company, or we) upholds its own views and attitude toward aesthetic living that is set out from daily life, with returning to human's life attitude toward life as the main axis, creating high-quality and good household products that convey warmth between people. The design of our products focuses on creating joy in everyone's life so that design becomes a source of creativity that not only is more closely aligned with everyone's needs, but also integrates into each other's life, with every bright spot becoming worthy of savoring. In pursuit of quality excellence, we constantly make technological breakthroughs at each stage to realize the perfect presentation of aesthetics and production technology. Attaching great importance to the language of European and American fashion, our design team creates the ultimate, highest level of craftsmanship with talent and passion. With an alluring touch of design, people can not only experience the perfect housewares but also immerse themselves in the world of imagination their hearts yearn for.

Due to the increasingly serious impact of global warming and environmental pollution, Jia Wei Lifestyle dedicates itself in developing products that meet eco-friendly trends. It continues to improve its development on green materials and manufacturing technologies to fulfill its corporate social responsibility to protect our environment. Jia Wei Lifestyle also bears the destiny and belief of protecting the environment. It continues to monitor its carbon emission, sewage water production and waste production to practice environmental protection operations.

To look after our employees, the most important asset of Jia Wei Lifestyle, besides constructing a safe and zero-accident workplace, we also provide all our employees with perfect welfare, learning and growth opportunities, career development channels, protection of human rights, and equal treatment and respect.

The provision of safe and aesthetic products is the foundation of the development of Jia Wei Lifestyle. We go into communities to contribute our efforts on caring for children and underprivileged people. We dedicate ourselves in developing products that meet the environmental trend to bring about green efficiency to customers and ourselves. Jia Wei Lifestyle puts in effort in practicing the corporate responsibility of sustainability and anticipates itself in providing positive contributions to the industry, the market, its stakeholders, and the whole society while upholding its core values of "Bold innovation, aesthetic living, sustainable development".

In the future, we will continue to challenge ourselves in becoming a world-class enterprise and seek co-prosperity with this beautiful world.



Vincent Chen



2021 ESG Performance Highlights of JiaWei Lifestyle

E- Environmental aspect

There were **no violations of environmental laws and regulations**, nor were there major fines in 2021.

S- Social aspect

There were **no violations of forced labor** in 2021.

There were **no violations of forced labor** in 2021.

There were **no violations of forced labor, nor were there major occupational accidents and fatalities** in 2021.

There were **no COVID-19 confirmed cases** in the Company in 2021.

G- Governance aspect

There were **no major fines or compensations due to violations of laws and regulations** in 2021.

The **corporate governance evaluation of the Company was upgraded by one level** in 2021 (upgraded from 51%~65% to 36%~50%).

The revenues **increased by 19.71%** in 2021.

As of May, 2022, the Company possesses a total of **54 patents** globally, with another 17 pending patent applications.

As of May, 2022, the Company possesses a total of **64 valid trademarks** globally, with another 8 still under application.

99% of the shipments (HSF) **passed the third-party inspections** in 2021

CHAPTER 1

SUSTAINABLE MANAGEMENT



Chapter 1 Sustainable Management

The President's Office is in charge of specific promotion plans and implementation of relevant policies, systems, or management approaches in relation to the sustainable management strategies of the Company, and reports to the board of directors on a regular basis (annually). The release schedule of this 2021 Sustainability Report was carried out after being reported to the board of directors.

● 1.1 Stakeholders Identification and Communication

Based on the AA1000 SES (Stakeholder Engagement Standards), including Dependency, Responsibility, Influence, Diverse perspectives, and Tension, and through internal discussion among and feedback from department supervisors and employees within the Company, as well as by referring to the categories of stakeholders identified in the Sustainability Reports of the same industry, Jia Wei Lifestyle identified its major stakeholders into the following categories, including Employees, Suppliers/Contractors/Distributors, Clients/Consumers, Banks, Shareholders, and Governmental Organizations. In addition, we communicate with our stakeholders via various channels to understand their needs for immediate response.

Table of stakeholder communication channels and frequency

Stakeholders	Concerned topics	Communication channels	Communication frequency
Employees	<ul style="list-style-type: none"> Information Security Customer Health and Safety Air Pollution Supplier Environmental Assessment Employment Marketing and Labeling Training and Education Employee Diversity and Equal Opportunity 	<ul style="list-style-type: none"> Email announcements of various employee welfare affairs (health examination, etc.), information of the Welfare Committee, education and training courses, annual performance management operations and so on. 2021 distribution of employee compensation Labor-Management meetings, 4 times in total in 2021 Collecting employees' opinions via employee feedback mailboxes 	<ul style="list-style-type: none"> Irregularly (immediately) Annually/ every 6 months Quarterly Irregularly (immediately)
Suppliers/ Contractors/ Distributors	<ul style="list-style-type: none"> Marketing and Labeling Supplier Environmental Assessment Customer Health and Safety Supplier Social Assessment Economic Performance Anti-corruption 	<ul style="list-style-type: none"> Adoption of a win-win strategy with suppliers in terms of the tag prices of bulk raw materials and maintaining immediate (or better than industry) payment terms to gain the price advantage Our top 10 major suppliers signed the Supplier Corporate Social Responsibility Commitment Letter (10 in total), with 100% signing rate. Set up dedicated personnel as the contact window to maintain good interaction with suppliers. 	<ul style="list-style-type: none"> Irregularly (immediately)

Stakeholders	Concerned topics	Communication channels	Communication frequency
Clients/Consumers	<ul style="list-style-type: none"> Customer Health and Safety Economic Performance Innovative Products and Technologies 	<ul style="list-style-type: none"> Email and telephone exchanges The sales team is close to customers, providing local services Online showroom Housewares shows Convene management and business meetings and establish a mechanism for customer communication 	<ul style="list-style-type: none"> Immediately Immediately Immediately Annually in general, subject to the epidemic situation. Every two weeks
Banks	<ul style="list-style-type: none"> Risk Management Economic Performance Environmental Compliance Tax Innovative Products and Technologies Intellectual Property Management Corporate Governance Air Pollution Customer Health and Safety Task Force on Climate-related Financial Disclosures (TCFD) 	<ul style="list-style-type: none"> A dedicated department keeps close contact with the banks for the application for the limits needed for operation and other related affairs. Provide the company financial information on a regular basis. Arrange factory visits for two-way communication with the management team. 	<ul style="list-style-type: none"> Immediately Quarterly Irregularly
Shareholders	<ul style="list-style-type: none"> Raw Materials Renewable Energy Environmental Compliance Innovative Products and Technologies Customer Service Management Customer Health and Safety Economic Performance Socioeconomic Compliance Corporate Governance Task Force on Climate-related Financial Disclosures (TCFD) 	<ul style="list-style-type: none"> Release major information and announcements as prescribed by law, such as board resolutions, operational performance, and other relevant information the shareholders and investors are concerned about. Organize the shareholders' meetings and publish the Annual Report in both English and Chinese Hold investor conferences Set up a contact window for investor relations for two-way communication. Receive analysts from domestic and foreign corporations. Distribute cash dividends. 	<ul style="list-style-type: none"> Immediately At least once a year At least once a year Immediately Irregularly Every 6 months

Stakeholders	Concerned topics	Communication channels	Communication frequency
Governmental Organizations	<ul style="list-style-type: none"> Customer Health and Safety Socioeconomic Compliance Occupational Health and Safety 	<ul style="list-style-type: none"> Conferences held by competent authorities, such as investor conferences and publicity sessions Cooperate in the promotion of corporate governance and completion of corporate governance assessment work. Disclose company-related information on MOPs, the Company's official website, and in the annual reports. Assign designated personnel as the contact window to maintain good interaction with the competent authorities. Official correspondence and visits. Invited to participate in the investor conference organized by MasterLink Securities Corp. in 2021. Care for social culture, improve the quality of all the people, fulfil the social responsibility as a good legal person, and support charities with actions- donations to child welfare. 	<ul style="list-style-type: none"> Irregularly Immediately/ Every year Immediately/ every year Immediately Irregularly At least once a year Irregularly/ Monthly

● 1.2 Identification of Material Topics

The Company listens and responds to the issues of the stakeholders' concern and hopes to identify the sustainable issues the stakeholders concern about through a systematic analysis model as the reference basis for the information disclosure of this Report to facilitate effective communication with all our stakeholders. The analysis of the major topics of this Report was divided into the following four steps.

1. Collecting sustainable issues and summarizing topics

The collection of issues was based on the 34 topics of GRI Standards, and the internationally concerned issues and standards were included and summarized into a list of issues of concern. The stakeholder representatives then screened these topics into a preliminary list.

2. Understanding the issues of concern

The issues the stakeholders concerned about were surveyed via the questionnaire. A total of 340 copies of questionnaire on issues of stakeholders' concern and 25 copies of questionnaire on level of impact filled by high-level executives of the Company for the evaluation of the level of impact of each issue on the Company's operation were returned.

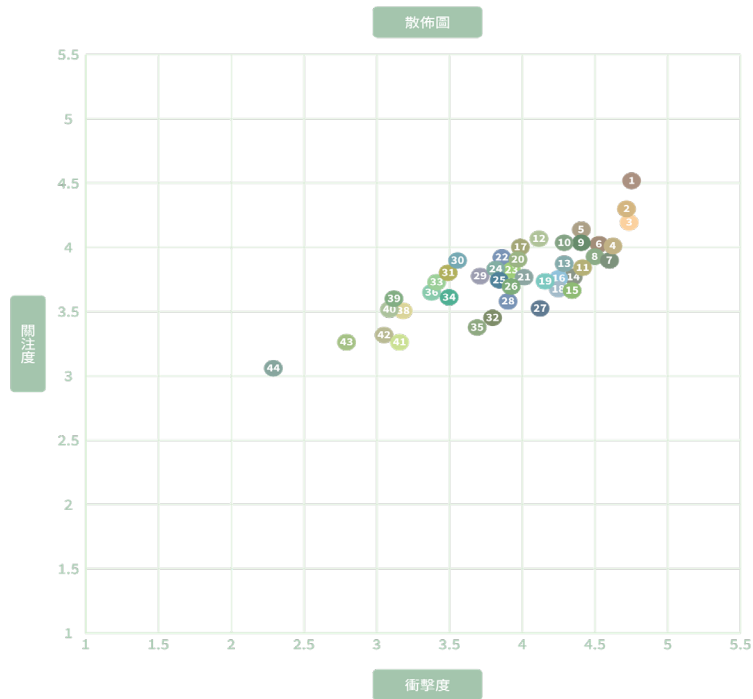
3. Identification of material topics

The results of questionnaires on issues of concern and level of impact on corporate operations were analyzed and the topics were prioritized. Finally, the material topics of this Report were finalized after internal discussions with high-level executives.

4. Review and discussions

Management approaches are disclosed in accordance with the material topics identified this year. Jia Wei Lifestyle will continue to strengthen the management and disclose relevant information in the sustainability report.

Analysis chart of material aspects



Matrix analysis of material topics

1. Customer Health and Safety	2. Economic Performance	3. Corporate Governance	4. Integrity Management	5. Customer Service Management
6. Cyber Security	7. Innovative Products and Technologies	8. Risk Management	9. Intellectual Property Management	10. Training and Education
Secondary Topics				
11. Marketing and Labeling	12. Air Pollution	13. Materials	14. Supplier Environmental Assessment	15. Local Communities
16. Employment	17. Renewable Energy	18. Supplier Social Assessment	19. Energy	20. Employee Diversity and Equal Opportunity
21. Tax	22. Socioeconomic Compliance	23. Waste	24. GHG Emissions	25. Task Force on Climate-related Financial Disclosures (TCFD)
26. Environmental Compliance	27. Anti-corruption	28. Water and Effluents	29. Occupational Health and Safety	30. Security Practices
31. Customer Privacy	32. Labor-Management Relations	33. Market Presence	34. Indirect Economic Impacts	35. Procurement Practices
36. Anti-Competitive Behavior	37. Non-Discrimination	38. Child Labor	39. Forced or Compulsory Labor	40. Biodiversity
41. Freedom of Association and Collective Bargaining	42. Human Rights Assessment	43. Rights of Indigenous Peoples	44. Public Policies	

Value Chain Boundary of Material Topics

Material topics	Corresponding GRI Standards/ Custom Topics	Management approach disclosure chapter	Impact boundary of value chain				
			Internal		External		
			Jia Wei Lifestyle	Subsidiaries	Suppliers	Clients	General Public
Customer Health and Safety	GRI 416	Ch4 Industrial Chain Management	■	■	□	□	○
Economic	GRI 201	Ch3 Corporate Governance	■	■	-	-	○
Corporate	Custom topic	Ch3 Corporate Governance	■	■	-	-	○
Integrity	Custom topic	Ch3 Corporate Governance	■	■	-	-	○
Customer Service	Custom topic	Ch4 Industrial Chain Management	■	■	-	□	-
Cyber Security	Custom topic	Ch4 Industrial Chain Management	■	■	□	□	-
Innovative Products and	Custom topic	Ch4 Industrial Chain Management	■	■	-	□	-
Risk	Custom topic	Ch3 Corporate Governance	■	■	□	□	○
Intellectual Property	Custom topic	Ch3 Corporate Governance	■	■	-	-	-
Training and Education	GRI 404	Ch6 A Friendly Workplace	■	■	-	-	-

■ : direct impact ; □ : impact of business behavior ; ○ : contributing impact

CHAPTER 2

ABOUT JIA WEI LIFESTYLE, INC.



Chapter 2 About Jia Wei Lifestyle, Inc.

● 2.1 Company Overview

Jia Wei Lifestyle was established on April 21, 2005, with the capital exceeding NT\$ 800 million. On February 27, 2008, Jia Wei Lifestyle was listed on TPEx. The Company was originally an excellent manufacturer and supplier of professional optical products. To enhance the Company's competitiveness and step toward a new milestone, it successfully switched to the houseware industry in 2019.

Jia Wei Lifestyle, Inc. designs and manufactures top-quality, timeless housewares with classic designs. Inspired by the visions of international designers with different horizons, our creations underscore designs with simple lines and warm styles. Practical, aesthetically appealing, and durable, the housewares we produce are the absolutely ideal choice for creating a warm, comfortable, and beautiful home environment. With a strong emphasis on exquisite craftsmanship and attention to detail, we have created housewares that are of high quality and with a sense of design, so that everyone can enjoy a cozy life, experience a warm attitude and the philosophy of life.

With the transformation of the global economy that has gradually switched from industrial economy to service economy, knowledge economy creative economy, and even to experience economy, the competitive advantages of industries are not merely land, capital, or labor but integration of multiple elements of knowledge, creativity,

culture, and characteristics, making design not just design itself but an object connecting life and culture. The imagination between design and life also become more complex and diverse, leading to the changes in the meaning of life and value of consumption.

The houseware industry is an industry connecting population, economy, and life culture. We hope to improve housewares with wonderful visual and tactile sensations that is incorporated with a comfortable and elegant home and delicate. Wonderful, and hedonic life attitude. Jia Wei Lifestyle is dedicated to grasping fashion trends and elements to perfectly connect design with products. In the pursuit of the perfect state of zero time difference, we leverage our competitive edge as a leader that serves as a one-stop provider, ranging from design to manufacturing, in the industry to provide the most innovative and unique products in the market. At Jia Wei Lifestyle, we offer excellent business capabilities and technical services while making sense of customer demand with a thoughtful attitude so as to achieve the honorable goal of serving customers. Innovation never comes accidentally. We build a new value benchmark primarily around aesthetic sensitivity by realizing new ideas, techniques, and attitudes. Jia Wei Lifestyle looks forward to spreading the beauty of life in the future based on the core concepts of "Life", "Design", "Innovation", and "Aesthetics".

Company Profile	
Company Name	Jia Wei Lifestyle, Inc.
Date of Establishment	2005-04-21
Market	Stock Market Exchange
Ticker	3557
Type of Industry	Others
Listing Date	2008-02-27
Main Products	Design, manufacturing, and sales of various tableware, kitchenware, and other housewares

Company Profile	
Chairman of the Board	Vincent Chen
President	David Wu
Number of Employees	1,081
Operating Bases	<p>Taipei Headquarters: 14F-4, No. 296, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City, Taiwan (R.O.C.)</p> <p>Tainan (Branch Office): Rende Dist., Tainan City, Taiwan (R.O.C.)</p> <p>Factory: Heyuan City, Guangdong Province</p> <p>Dongguan Business Office: Dongguan City, Guangdong Province</p> <p>New York: Madison Ave., NY</p> <p>Freshlink (Prepara) : Forest Street Montclair, NJ</p> <p>Arkansas: Central Ave., AR</p> <p>Texas warehouse: West Service Rd Northlake, TX</p>
Capital (NT\$ thousand)	803,004
Turnover (NT\$ thousand)	5,301,547

Headquarters



Table of Shareholding Structure						
Shareholder structure	Government agencies	Financial institutions	Other institutions	Individuals	Foreign institutions and individuals	Total
Number						
Number of shareholders	-	1	137	14,921	36	15,095
Total shares owned (shares)	-	92	28,646,615	36,611,165	15,042,543	80,300,415
Holding percentage (%)	-	0.00%	35.67%	45.60%	18.73%	100%

Company History

April, 2005	Jia Wei Lifestyle (originally named Gamma Optical) was founded.
March, 2007	Authorized to issue stocks publicly.
April, 2007	Stocks registered as emerging stocks.
October, 2007	Permitted by MOEA Industrial Development Bureau to be listed in the stock market as technology enterprise.
February, 2008	Listed in the Taipei Exchange.
September, 2016	Privately placed 72,000,000 common shares and introduced new investors.
October, 2016	Board of directors and independent directors were thoroughly reelected as new management team was introduced.
July, 2018	Started to practice international trade in housewares.
May, 2019	It was resolved in the shareholders' meeting to relocate the company from Kaohsiung Nanzih Export Processing Zone to "14F-4, NO. 296, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City".
August, 2019	<p>We merged Golden Star Ocean Ltd. and Achieve Goal Limited, both of which are the leading manufacturers in the houseware industry. Both companies possess the capacity of designing, marketing and manufacturing housewares products. Both of them have more than 30 years of customer relationship. By merging them, we greatly improved our profit and competitiveness, thus achieving the goal of enterprise transition.</p> <p>We also merged Prepara from USA, which possesses brand image, design patents and international channel. By doing so, we started to practice brand operation and stipulate the mid- and long-term strategy of our enterprise.</p>
October, 2019	It was resolved in the shareholders' meeting to change the name of enterprise to "Jia Wei Lifestyle Inc."
December, 2020	Given that we have gained profit for six straight seasons after merging, greatly enhanced the rights and privileges of our shareholders, and presented outstanding efficacy, Jia Wei Lifestyle received the "M&A 2020 Award" presented by MAPECT and Business Today. In addition, USA kitchenware brand Prepara was awarded by the Chicago Athenaeum with "Good Design Awards 2020" in which four products received the honor of "Good Design."
August, 2021	<p>Completed the IPO after the M&A, and the paid-in capital after the capital increase exceeded NT\$ 800 million.</p> <p>Obtained support and recognition from all sectors and professional and forward-looking institutional investors for the operating results and future prospects of Jia Wei Lifestyle.</p>

● 2.2 Scope of Operations and Performance

Our major customers are large chain retailers, such as Walmart, Target, Costco, Amazon, and Williams Sonoma, which have held a relatively important position in the houseware market. The products produced at the Company are all compliant with the laws and regulations. There were no major penalties or major fines due to violations of laws and regulations, nor were there cases of sale of prohibited or controversial products or violations of marketing communications laws and regulations in the market during the reporting period.

Items of products or services	Sales Regions	Sales volume (NT\$ thousand)
Housewares	America	4,713,815
	Asia	386,846
	Europe	181,350
	Others	19,536

In 2021, due to the increased vaccination rate and that people's life started to get back to the right track in our major market, the U.S., the economic recovery boosted the demands for inventory replenishment from the end customers. Furthermore, benefited from the low mortgage rate, the booms in the housing market also stimulated the needs for household products, resulting in a new high in our revenues. Despite the unreasonable rise in global raw materials and freight, the Company's profit in 2021 remained at a certain level. The financial and employee wages related information is shown as follows.

Item/ Year	2020	2021
Operating Revenue (NT\$ thousand)	4,428,573	5,301,547
Gross Profit from Operations (NT\$ thousand)	1,789,961	1,873,027
Operating Income/ Loss (NT\$ thousand)	781,522	628,122
Non-Operating Income and Expenses (NT\$ thousand)	-29,140	-24,273
Net Profit Before Tax (NT\$ thousand)	752,382	603,849
Net Profit after tax for the period (NT\$ thousand)	723,887	582,581
Total Comprehensive Income for the period (NT\$ thousand)	696,777	569,546
Earnings per share (NT\$)	10.01	7.74
dividends (NT\$)	6	6
Employee Wages and Benefits (NT\$ thousand)	496,859	532,019
Payments to Providers of Capital (NT\$ thousand)	27,653	704,985
Payments to Government (NT\$ thousand)	29,335	36,751
Community Investments (NT\$ thousand)	100	600

Note:

- Payment to Providers of Capital refers to the dividends paid to all shareholders, along with interest payments made to providers of loans. This includes interest on all forms of debt and borrowings and also arrears of dividends due to preferred shareholders.
- Payment to Government refers to all taxes (including business tax, income tax, property tax), and penalties.
- Community Investments refers to voluntary donations and investment.

Community Investments		
Name of Public Welfare Activity	Amount (NT\$)	Description
Child Welfare League Foundation	600,000	Community Engagement- Voluntary donations

The list of entities prepared in the 2021 annual consolidated financial report is as follows.

Affiliated Enterprises in the Consolidated Financial Reports		
Name of Subsidiary	Region	Note
G amma Optical Investment (Samoa) Co., Ltd.	-	The liquidation and dissolution procedure was completed on September 7, 2021
Golden Star Ocean Ltd.	Seychelles	-
Widely Watched Limited	-	The liquidation and dissolution procedure was completed on November 29, 2021
Bright Wing Global CO., Ltd.	-	
Tzeng Shyng Industries Corp.	Seychelles	-
First Design Global, Inc.	USA	-
Achieve Goal Limited	USA	-
Tzeng Shyng Industries (He Yuan) Co., Ltd. (TSP)	Heyuan City, Guangdong Province, China	-
Tzeng Shyng Industries (He Yuan) Co., Ltd. (TSM)	Heyuan City, Guangdong Province, China	-
Freshlink Product Development, LLCDBA PREPARA	USA	-

Financial subsidies received from governmental units during the reporting period are as follows.

Item	Unit	Subsidy amount (RMB: Yuan)
2020 Special Fund for Large Key Enterprises in Heyuan National High-tech Zone	Investment Promotion Bureau of Heyuan High-tech Development Zone Management Committee	8,027,210
2021 Provincial-level special funds for technological transformation of enterprises to promote high-quality economic development	Finance Bureau of Heyuan High-tech Development Zone Management Committee	454,500
Total		8,481,710

CHAPTER 3

CORPORATE GOVERNANCE



Chapter 3 Corporate Governance

Management Approaches

Material topics: Economic Performance, Corporate Governance, Integrity Management	
Reporting requirement	Sustainable Management Approach
** Reason for significance of the topics	Jia Wei Lifestyle is dedicated to the implementation of its responsibility as a sustainable corporate, aiming at bringing positive contributions to its stakeholders and the whole society. In terms of the economic performance, the integrated synergy improves the operating performance and strengthens the Company's competitiveness. The profits are returned to the shareholders. At the same time, the Company complies with the laws and regulations, adheres to integrity management, implements corporate governance, and reduces possible risks to achieve sustainable development of the Company.
** Purpose of management of the topics	To make effective management of operations and operational opportunities and risks to bring positive contributions to the stakeholders and the whole society so as to achieve sustainable development of the Company.
*iii. Strategies/ Goals and Objectives	<p>Strategies:</p> <p>Adhere to the business principle of integrity and stability and pursue sustainable management</p> <p>Focus on the core business and innovate the value of the enterprise</p> <p>Create the shareholder and employee value to the maximum</p> <p>Goals and Objectives</p> <p>To continue revenue growth and stable dividend distribution policy to protect shareholders' interests and rights and treat shareholders equally</p> <p>To continue create and design fashionable and aesthetic housewares and kitchen utensils with functions, delight, and ingenuity</p> <p>To continue the development of eco-friendly products, stress on green design to accelerate the development of circular economy, and fulfill social responsibility for the sound development of corporate sustainability</p> <p>Improvement in corporate governance evaluation</p> <p>To continue moral training and publicity to the employees and implement the integrity management policy to establish a corporate culture of integrity management</p>

Material topics: Economic Performance, Corporate Governance, Integrity Management	
Reporting requirement	Sustainable Management Approach
*iv. Department in charge/ Invested resources/ Specific action plans	<p>Department in charge</p> <ul style="list-style-type: none"> For the economic performance, the president is in charge of coordinating all departments for the implementation of the operational decisions of the Company and reports to the board of directors. The Corporate Governance Department and the President's Office are in charge of corporate governance and integrity management respectively, and both units report to the board of directors on a regular basis. <p>Invested resources</p> <ul style="list-style-type: none"> Invested NT\$ 112,586 thousand in R&D in 2021, accounting for 2.12% of the revenues Invested NT\$154 thousand in training in 2021 Invested NT\$653 thousand to strengthen English information disclosure in 2021 2021 directors' remuneration and business execution expenses amounted to NT\$ 4,120 thousand. 2021 Shareholders' Meeting related expenses amounted to NT\$ 543 thousand. 2021 investor Conference related expenses reached NT\$ 314 thousand. <p>Specific action plans:</p> <ul style="list-style-type: none"> Track and review sales, production and development of new products through regular management meetings Regularly convene board meetings and Audit Committee meetings to report and make resolutions on major operational matters Implement structural diversity and independence of the board of directors Strengthen the disclosure of information concerning the operations of each functional committee (Audit Committee and Remuneration Committee) A full-time Corporate Governance Senior Officer is set up to be in charge of corporate governance related affairs and making full disclosure of the operation and implementation status. Disclose or release company information in both Chinese and English on the MOPs (Market Observation Post System) and the official website of the Company. Continue to organize compliance education and training for directors, managers, and employees. Report to the board of directors the implementation status of corporate governance and integrity management at least once a year.
	<ul style="list-style-type: none"> Hold shareholders' meetings and investor conferences to disclose the financial and operational status of the Company Set up an investor relations window and dedicated personnel to respond to investors and the media, and continue to collect relevant opinions to provide to the management team as a reference for decision-making. To ensure sustainable development of the Company, encourage the report of any illegal behavior. The Company has set up a reporting system, reporting mailbox, a dedicated unit, procedures, and respond methods. It is clearly stipulated that the whistleblower's identity and anonymous complaints are kept confidential.

Material topics: Economic Performance, Corporate Governance, Integrity Management	
Reporting requirement	Sustainable Management Approach
**Management Evaluation Mechanism	<ul style="list-style-type: none"> Each department reports the operation situation and takes necessary management measures to ensure the achievement of economic performance through regular management meetings. The internal audit supervisor reports to the Audit Committee members the internal audit and internal control implementation status on a regular basis as well as major abnormal events in a timely manner. In addition, the internal audit supervisor submits monthly audit reports and follow-up reports to the Audit Committee members for review. Follow up improvements or evaluate future promotion plans for existing and new indicators of corporate governance evaluation.
** Performance and Adjustment	<ul style="list-style-type: none"> The 2021 revenue increased by 19.71%. The cash dividends for 2020 and 2021 were both NT\$ 6, with an average distribution ratio of 60~70%. The 2021 R&D expenses increased by NT\$ 46,238 thousand compared with the previous year, from accounting for 1.5% of the revenue to 2.12%. In the 8th Corporate Governance Evaluation in 2021, the Company was upgraded by one level (upgraded from 51%~65% to 36%~50%). There were no penalties from competent authorities for violations of securities regulations, integrity management, anti-competitive monopoly, and corruption-related laws and regulations in 2021.

Material topics: Risk Management	
Reporting requirement	Sustainable Management Approach
** Reason for the significance of the topic	<ul style="list-style-type: none"> In the process of sustainable management and development, a corporation may face actual and potential risks. Through risk management, the risks are integrated into the countermeasures and measures for the sustainable operation of the Company, turning risks into opportunities for sustainable development.
** Purpose of management of the topic	<ul style="list-style-type: none"> Integrate risk management and business strategies to ensure consistent risk management and business objectives for the risk control mechanism to function effectively.
*iii. Strategies/ Goals and Objectives	<p>Strategies:</p> <ul style="list-style-type: none"> Pursue the balanced development of profit growth and business risks to create the maximum shareholder value. Establish standards that can be applied to all members of the Group for them to identify, measure, control, bear, and manage risks accordingly, increase the effectiveness of decision-making and enhance corporate value so as to achieve the goal of maximizing shareholder value. <p>Goals and Objectives</p> <ul style="list-style-type: none"> Reduce the impact of risks on operations; improve risk management operation efficiency

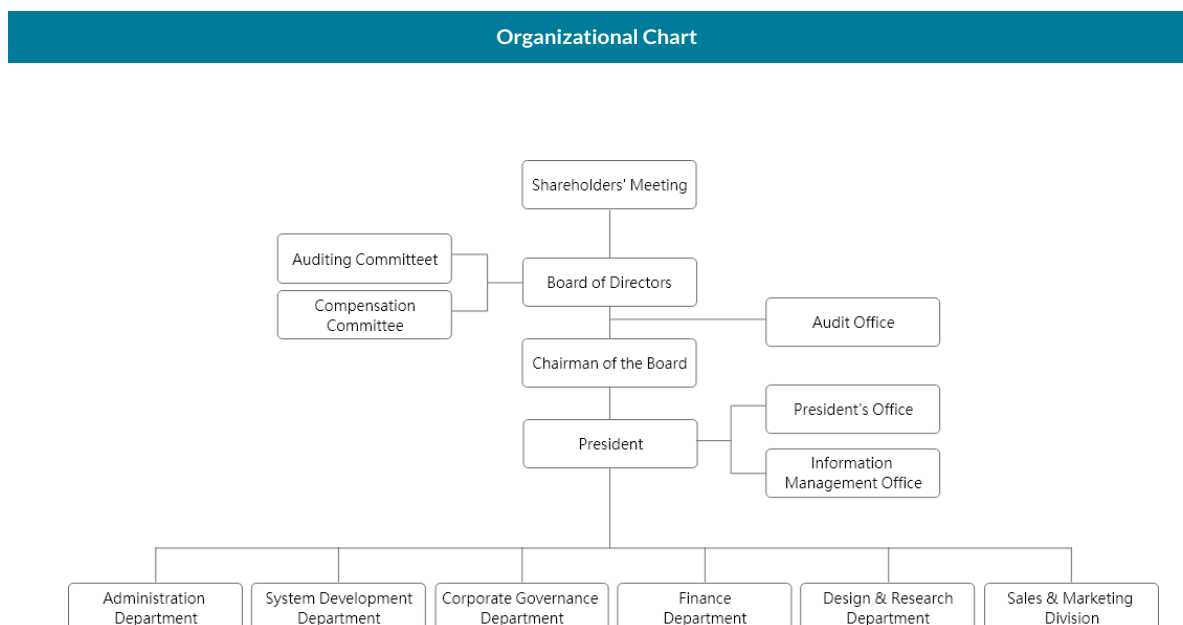
Material topics: Risk Management	
Reporting requirement	Sustainable Management Approach
*iv. Department in charge/ Invested resources/ Specific action plans	<p>Department in charge</p> <ul style="list-style-type: none"> President's Office <p>Invested resources</p> <ul style="list-style-type: none"> Each execution unit conducts identification and management of risks in daily business, and the Audit Office is in charge of performing back-end risk control.
** Management Evaluation Mechanism	<ul style="list-style-type: none"> After the high-level executives confirm the risk assessment, risk mitigation plans are drawn for high-risk and high-impact projects, and continuous monitoring as well as improvement are carried out, and the audit unit will incorporate important plans into the audit plans for regular inspections. Corporate governance evaluation is used as an evaluation mechanism Convene regular goal management meetings to track and review goal attainment status and take necessary measures
** Performance and Adjustment	<ul style="list-style-type: none"> Submit audit reports on a regular basis

Material topic: Intellectual Property Management		
Reporting requirement	Sustainable Management Approach	
** Reason for the significance of the topics	<ul style="list-style-type: none">R&D of products is the driving force of the Company's sustainable development. Only by making patent layout management can the Company's products be competitive globally. Effective management can only be achieved by taking regular inventory of patents and trademarks.	
** Purpose of management of the topic	<ul style="list-style-type: none">Effective protection of the R&D results and the intellectual property rights (IPR)	
*iii. Strategies /Goals and Objectives	Strategies: <ul style="list-style-type: none">Respect and protect IPR, and do not disclose copyright materials to others.Promise to comply with regulations stipulated in Intellectual Property Law and Civil Law in various countries.	
	Goals and Objectives	
	Short-term	Medium- and Long-term
	Invent new products based on the market trends to meet customers' needs	Continue to improve the R&D capabilities to expand the global patents of Jia Wei Lifestyle

Material topic: Intellectual Property Management	
Reporting requirement	Sustainable Management Approach
*iv. Department in charge/ Invested resources/ Specific action plans	<p>Department in charge</p> <ul style="list-style-type: none"> President's Office <p>Invested resources</p> <ul style="list-style-type: none"> In addition to the legal unit of the Company that is in charge of the management, we also cooperate with domestic and foreign patent firms for the assistance from profession engineers. <p>Specific action plans:</p> <ul style="list-style-type: none"> Intellectual Property Management Measures of Jia Wei Lifestyle was passed in 2020. In the contract of new employees, the confidentiality clauses and affidavit of use of safe network for information security are clearly specified.
	<p>*vi. Grievance Mechanism</p> <ul style="list-style-type: none"> Complaints can be made orally, via email, telephone, or communication software, and the case will be filed for management.
	<p>** Management Evaluation Mechanism</p> <ul style="list-style-type: none"> Internal audit is carried out on a regular basis in accordance with ISO standards. The Company's patents and trademark application status are regularly reviewed in accordance with the Company's Intellectual Property Management Measures
** Performance and Adjustment	<ul style="list-style-type: none"> As of May, 2022, the Company possesses a total of 54 patents globally, with another 17 pending patent applications. As of May, 2022, the Company possesses a total of 64 valid trademarks globally, with another 8 still under application.

● 3.1 Operational Structure

The organizational structure and the responsibilities of each department are as follows.



Responsibilities of major departments	
Audit Office	<ul style="list-style-type: none"> Assess internal control system, file auditing reports, evaluate business efficiency, and provide timely improvement suggestions to ensure the persistence and effective practice of internal control system and assist executives in practicing their responsibilities.
President's Office	<ul style="list-style-type: none"> Stipulate business strategies, promote projects, and investigate & gather industrial information. To pay attention to the sustainable operation and the goal of Jia Wei's corporate social responsibility. The management and supervision of legal and intellectual property affairs.
Information Management Office	<ul style="list-style-type: none"> The management and maintenance of information equipment, internet system and information security.
Sales & Marketing Division	<ul style="list-style-type: none"> Integrate the product demand and trends of the global market to stipulate marketing, pricing and supply chain management strategies in order to satisfy customer demand and achieve the enterprise's profit goals. Deploy and plan new customers and market expansion. Establishment and assessment of customer profile & credit limits and management of accounts receivables.
Design & Research Department	<ul style="list-style-type: none"> The gathering and analysis of global fashion and aesthetic trends and creation of household products that are functional, fun and with ingenuity. Set and execute the annual product designing elements and series. The designing and development of new materials and molds.
Finance Department	<ul style="list-style-type: none"> Enterprise budget planning and controlling, promotion of the accounting system, making financial reports and business management graphs, statistics & analysis, coordination of capital planning and application, tax affairs, and the promotion of related projects.
Corporate Governance Department	<ul style="list-style-type: none"> Coordinate and plan corporate governance affairs. Assist with the meeting procedures and compliance issues of resolutions in board meetings and shareholders' meetings Maintain investor relationship and stock related affairs.
System Development Department	<ul style="list-style-type: none"> Establish and integrate the corporate information management system, trouble shooting, upgrade information integration, and related education and training.
Administration Department	<ul style="list-style-type: none"> Human resources, establishment and implementation of the management systems, employee education and training, and performance evaluation.

● 3.2 Board of Directors

The board of directors serves as the highest governance unit and the center of major business decisions. Its responsibilities include appointing and supervising the management level of the Company, supervising business performance, preventing conflicts of interest, ensuring the Company's compliance status of various laws and regulations and the articles stipulated in the Articles of Association, and exercising its functions and powers for the resolutions of the shareholders' meetings, as well as striving for the maximization of the shareholders' interests and rights.

The list of directors reelected in the general shareholders' meeting on May 31, 2022

Title	Name	Gender	Date of first appointment	Major experience and educational background	Concurrent position(s) in the Company or other companies
Chairman	Vincent Chen	M	2016.10.19	<ul style="list-style-type: none"> Master's Degree, Department of Economics, National Dong Hwa University Bachelor of Department of Economics, College of Law and Business, National Chung Hsing University Supervisor Specialist, Investment and Management Research Office, Acer Inc. Investment Manager, iD SoftCapital Consultancy Service of iD SoftCapital Group Executive Director and Financial General Director, Acer Inc. Tung Kai Technology Engineering Co., Ltd. Executive Director and Financial General Director, ADDA Corporation President, Jia Wei Lifestyle Inc. President, Taiwan Alpha Electronic Co., Ltd. 	<ul style="list-style-type: none"> Legal Representative and Director of Aker Technology Co., Ltd. Chairman of Rexen Asset Management Ltd. Director of Achieve Goal Limited Director of Golden Star Ocean Ltd. Legal Representative and Director of Tzeng Shyng Industries Corp. Freshlink Product Development, LLC Member(representative for Jia Wei Lifestyle, Inc.) Partnership Representative of Star Limited Partnership Representative of Chang-Hsin Capital LLP Chairman of You-Hsiang Investment Co., Ltd. Chairman of Hsu-Huang Investment Co., Ltd. Legal Representative and Director of Taiwan Alpha Electronic Co., Ltd. Legal Representative and Director of Alpha International (B.V.I.) Capital Ltd. Director of Hong Kong Alpha Company Ltd. Director of Dongguan Shihua Electronic Co., Ltd. Director of Dongguan Alpha Electronic Co. Ltd. Chairman of Taiwan Alpha Technology Co., Ltd.

Title	Name	Gender	Date of first appointment	Major experience and educational background	Concurrent position(s) in the Company or other companies
Director	David Wu	M	2016.10.19	<ul style="list-style-type: none"> Studied at Chinese Culture University President of Widely Watched Limited 	<ul style="list-style-type: none"> President of Jia Weil Lifestyle, Inc. Director of Achieve Goal Limited Freshlink Product Development, LLC Manager Director of Digital Solution Investments Limited Director and Secretary of Smart Wealth Corp. Representative of Smart Investment Company
Director	Li-Hua Wu	F	2016.10.19	<ul style="list-style-type: none"> Nan-Ying Vocational High School Design Director of Widely Watched Limited 	<ul style="list-style-type: none"> Design Director of Jia Wei Lifestyle, Inc Director of Super Domain Investments Limited Director of Mega Service Inc. Representative of Ou-Mei-Chia Investment Company Representative of Joyful Luck Investment Limited
Director	Ray Hou	M	2016.10.19	<ul style="list-style-type: none"> Graduate Institute of Accountancy, National Cheng Kung University Partner of EY Taiwan (Director of Kaohsiung Institute) 	<ul style="list-style-type: none"> Principal of Ray Hou Accountants Legal Representative and Director of Sheh Fung Screws Co., Ltd. Independent Director of Jiyuan Packaging Holdings Limited, British Cayman Islands Independent Director of T.Y.C. Brother Industrial Co., Ltd. Independent Director of United Fiber Optic Communication Inc. Legal Representative and Director of E&R Engineering Corp. Representative and Director of Family Tree Limited

Title	Name	Gender	Date of first appointment	Major experience and educational background	Concurrent position(s) in the Company or other companies
Independent Director	Shou-Te Hsu	M	2022.05.31	<ul style="list-style-type: none"> • Professor, Dean of the Department of Finance, Associate Dean of the College of Management, and Dean of Students Affairs , National Sun Yat-Sen University • President of Takming University of Science and Technology • The 9th President of the Association of Private Universities of Colleges • Director of the Staff Retirement Pension and • Retirement Severance Fund Management Committee of Private Universities of Colleges • Vice President of Kaohsiung • Red Cross 	<ul style="list-style-type: none"> • Independent Director of Wah Lee Industrial Corp • Independent Director of Soft-World International Corporation • Independent Director of Myson Century, Inc.

Title	Name	Gender	Date of first appointment	Major experience and educational background	Concurrent position(s) in the Company or other companies
Independent Director	Chin-Chou Hsu	M	2022.05.31	<ul style="list-style-type: none"> Section Chief and Group Leader of Financial Bureau, Ministry of Finance Vice General Manager of Hua Chiao Commercial Bank Counselor, Ministry of Finance and Deputy Executive Secretary, Development Fund, Executive Yuan Director, FSC Comprehensive Planning Division Deputy Director, FSC Insurance Bureau Director, International Business Division, FSC Chairman of SinoPac Venture Capital Co., Ltd. Director of Taiwan Semiconductor Manufacturing Co., Ltd. Director of Vanguard International Semiconductor Corporation Director of Powerchip Technology Corporation Director of ScinoPharm Taiwan, Ltd. Director of Polaris Group Director of Foci Fiber Optic Communications, Inc. 	<ul style="list-style-type: none"> Independent Director of Allied Circuit Co., Ltd. Independent Director of South China Insurance Co., Ltd.
Independent Director	Jacky Huang	M	2018.10.16	<ul style="list-style-type: none"> Graduated from International Trade Department of Feng Chia University General manager of Han Ying Co., Ltd. General Manager of Boqi Craft Co. 	<ul style="list-style-type: none"> None

Note:

One board member is in the age group between 30~50, and 6 are 50 years of age and above.

Nomination and Conflict of Interest Avoidance

In accordance with Article 192-1 of the Company Act and Article 13 of the Company's Articles of Incorporation, the election of directors of the Company adopts a candidate nomination system, and the board of directors shall be elected from the list of candidates for directors in the shareholders' meeting. Any shareholder holding 1% or more of the total number of outstanding shares issued by the company may submit to the company in writing a roster of director candidates, provided that the total number of director candidates so nominated shall not exceed the quota of the directors to be elected. This restrictive condition shall also be applicable to the roster of director candidates nominated by the board of directors of the company.

The Company has established a clear system for the recusal of directors' interests. In addition to matters that must be avoided stipulated in relevant laws and regulations, matters the directors shall avoid by themselves are also specified to prioritize the interests of the Company and ensure fair dealing principles so as to avoid opportunities for personal gain. Directors should uphold a high degree of self-discipline, and if any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter. Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item. The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights. The aforesaid matters and regulations regarding the recusal of directors' interest are specified in the Company's Rules of Procedure for the Board of Directors and the Corporate Governance Best Practice Principles.

Status of Continuing Education

To encourage our directors to enrich and update their knowledge to enhance their professional expertise and legal knowledge, develop their exceptional qualities and decision-making abilities, step up exchanges of their experience and mutual communication and interaction, and promote the effective implementation of the corporate governance system, the board members are advised to continue their participation in continuing education courses when being newly appointed or during the term of office in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. They shall also instruct employees at all levels to strengthen professional and legal knowledge.

Continuing professional education (CPE) hours for directors and supervisors of TWSE or TPEX listed companies are as follows:

1. It is advisable for a newly appointed person to complete a minimum of 12 CPE hours in the year the person is appointed, and a minimum of 6 hours per year in each following year.
2. It is advisable for a re-appointed person to complete a minimum of 6 CPE hours per year during the term of appointment. However, if during the given year, the person has served as an instructor teaching any continuing education course recognized under these Directions and has met the requirement under the preceding subparagraph of completing 12 CPE hours in the year the person was newly appointed, then 1 hour may be deducted each time the person teaches a course; the total number of hours deducted shall be limited to 3 hours.

Directors' continuing education status in 2021

Name	Hours	Title of Course	Advised CPE hours	Actual CPE hours
Vincent Chen	3	Ways to prevent and respond to insider trading	6	7
	2	2021 Sustainability Through ESG		
	2	2021 Sustainability Through ESG		
David Wu	3	2021 Insider Trading Prevention Promotion Meeting	12	12
	3	Analysis of practices of business secret protection and fraud detection and prevention		
	3	Case study of fraud in corporate financial statements		
	3	Directors lead the way for enterprises to respond in the rapidly changing environment of technology		
Li-Hua Wu	3	2021 Compliance Publicity Briefing on Insider Equity Trades	12	12
	3	2021 Insider Trading Prevention Promotion Meeting		
	3	Analysis of practices of business secret protection and fraud detection and prevention		
	3	Case study of fraud in corporate financial statements		
Ray Hou	3	Directors' Responsibilities- On Corporate Governance from KY Cases	6	6
	3	Analysis of Corporate Governance and Insider Trading		
Hou-Min Chu (Note 1)	3	Climate Mitigation and Adaptation - Advancing Sustainable Competitiveness	6	3 (Note 1)
Chien-Yang Li (Note 2)	3	Driving transformation to achieve SDGs	6	6
	3	On Taiwanese business operation and M&A strategy from the perspective of global political and economic situation		
Jacky Huang	3	Responsibilities of Directors and Supervisors and Key Points of Amendment to Liability Insurance Act	6	6
	3	Full penetration? On the actual strategy of business secret attack and defense		

Note 1: Resigned on September 16, 2021

Note 2: Left office after the comprehensive reelection in the shareholders' meeting on May 31, 2022

Performance and Evaluation

The board of directors revised the Rules for Performance Evaluation of Board of Directors on August 12, 2020 and established a performance evaluation system for the board of directors to enhance the functioning of the BOD. The performance evaluation of the board of directors is carried out at least once a year, and the self-assessment of directors is conducted in the first quarter of the following year, and the results are submitted to the board of directors for review and improvement. The aspects covered in the evaluation include participation in the operation of the company, awareness of the duties, the director's professionalism and continuing education, and internal control. The evaluation is conducted by questionnaire. In addition to the overall board of directors and individual directors, all functional committees are also included in the evaluation.

The performance evaluation of the board of directors and functional committees in 2021 will be conducted in 2022 and will be submitted to the board of directors on March 14, 2022.

2021 BOD evaluation implementation status				
Evaluation frequency	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content
Once a year	Jan. 1 – Dec. 31, 2021	Board of directors Individual board members Functional committees	Internal self-assessment of the board of directors Board member self-assessment or Corporate Governance Results	<ul style="list-style-type: none"> The criteria for evaluating the performance of board of directors performance includes participation in the operation of the company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors, and internal control. The criteria for evaluating the performance of individual board members includes alignment of the goals and missions of the company, awareness of the duties of a director, participation in the operation of the company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control. The criteria for evaluating the performance of functional committees include participation in the operation of the company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, makeup of the functional committee and election of its members and internal control.

Remuneration Committee

To improve corporate governance and strengthen the functions of the board of directors, Jia Wei Lifestyle has set up the Remuneration Committee and the Remuneration Committee Charter on December 27, 2011. The Remuneration Committee is designed to assist the BOD with the implementation and evaluation of the overall remuneration and benefit policies as well as the remuneration of directors and managers. The Committee convenes at least twice a year, and the reasons for the convening shall be stated.

The duties of the Remuneration Committee are as follows.

1. Regularly review the Remuneration Committee Charter and propose amendments.
2. Set up and regularly review the policies, systems, standards, and structures regarding the annual and long-term performance goals and salary and remuneration of Jia Wei board members, functional committee members and managers.
3. Regularly evaluate the performance achieving situation of Jia Wei board members, functional committee members and managers to set the content and amount of their individual salary and remuneration.

For the Remuneration Committee Charter, please check the Company's website and the website of MOPs.

2021 Remuneration Committee members:

Name	Remuneration Committee
Jacky Huang (Independent Director)	✓ (Chairman)
Chien-Yang Li (Independent Director)	✓ (Note 1)
Chin-Chou Hsu	✓ (Note 2)
Hou-Min Chu (Independent Director)	✓ (Note 3)

Note 1: Left office after the comprehensive reelection in the shareholders' meeting on May 31, 2022.

Note 2: Appointed as the 5th term Remuneration Committee member by the board of directors on November 5, 2021; newly elected as the independent director of the Company after the comprehensive reelection in the shareholders' meeting on May 31, 2022 and left office of the 5th term Remuneration Committee member; on June 20, 2022, appointed by the board of directors as the 6th term Remuneration Committee member.

Note 3: Resigned on September 16, 2021.

● 3.3 Risk Management

Jia Wei Lifestyle has been upholding the business philosophy of professionalism, integrity, and service. Our management team makes cautious and conscientious moves and grasps the pulse of home life. We make good identification and management of risks accordingly in the face of current environment so as to reduce the operational risk for the enterprise.

To effectively implement the risk management mechanism, all units make positive management of risks that may occur in the operations process and control the risks according to the level of authority. In addition, through risk transfer, process improvement, and the audit system, possible losses can be prevented within the range of bearable risks. All the units conduct identification, assessment, countermeasures, and others in accordance with the "Risk Management Policies and Procedures for the Internal Control System" to ensure that the business objectives are reached.

Risk management includes benefit analysis of level of impact and opportunities in the aspects of governance, environment, and society for the establishment and implementation of response plans.

Governance

Risk	Focus	Countermeasures	Responsible Department
Strategic Risk	Uncertainties in the future leads to changes of corporate development strategies and operating models.	<ul style="list-style-type: none">Establish corporate values, principles, and major operating principles, and confirm the priority of resources.	President's Office
Interest Rate Risk	The Interest Rate Risk of the Company mainly comes from the fixed-rate and floating-rate borrowings.	<ul style="list-style-type: none">Pay attention to the changes of interest rates at any time, and continue to invest in ESG resources to enhance the competitiveness of the Company so as to obtain more favorable interest rates from the financial institutions to reduce the capital costs.Take necessary countermeasures or make good use of various financing tools to reduce the impact of the interest changes on the profit and loss of the Company.	Finance Department

Risk	Focus	Countermeasures	Responsible Department
Foreign Exchange Risk	The Company engages in cross-border operations, and the relevant foreign exchange risk comes from future business transactions.	<ul style="list-style-type: none"> Collect exchange rate related information at any time to grasp the exchange rate trends. Keep close contacts with the foreign exchange department of the correspondent banks to have full grasp of market information to decide the appropriate currency exchange timing depending on the demands for funds and fluctuations of exchange rates, and conduct currency exchange in multiple batches to reduce exchange risk. The creditor's rights and debts of foreign currency accounts receivable arising from sales and foreign currency accounts payable arising from purchase of materials can be offset to produce a natural hedging effect. The foreign exchange rate changes are reflected on the product quotations to reduce foreign exchange risk. 	Finance Department
Concentration Risk	The sales of the Company are more concentrated in multinational chain retailers.	<ul style="list-style-type: none"> We will continue to make active efforts to get orders from other top 100 multinational chain retailers to effectively reduce the dependence on one single customer. 	Sales & Marketing Division
Information Security Risk	Avoid the leakage of important secrets internally and prevent the system from being attacked externally.	<ul style="list-style-type: none"> Set up information security management regulations in compliance with laws and regulations. Make regular assessment of the impact of various man-made and natural disasters on the information security of the Company, and formulate disaster response plans and recovery plans for important information assets and key businesses. Supervise the implementation of information security protection work of the employees. It is required that all employees and manufacturers using or connecting with the Company's computer system follow the information security-related regulations of the Company. 	Information Management Office/ System Development Department
Compliance Risk	Socioeconomic compliance	<ul style="list-style-type: none"> By setting up a governance organization and implementing the internal control mechanism to ensure that all the personnel and operations of the Company are compliant with relevant laws and regulations. Apply for patents or trademarks to protect the rights and interests of the Company. 	President's Office

Environment

Risk	Focus	Countermeasures	Responsible Department
Environmental Impact and Management	Emission status in the Group's factory environment	<ul style="list-style-type: none"> The Company implements the process safety management and institutionalized management cycle to effectively reduce the environmental impact of pollution emissions. Plan annual internal audit plan and conduct relevant audits. 	President's Office/ Factories in China/Audit Office
Climate change risk	Understand disaster potential of the factory through natural disaster simulation.	<ul style="list-style-type: none"> Introduce natural disaster simulation analysis to facilitate subsequent establishment of relevant countermeasures. Continue to carry out GHG inventory. 	President's Office/ Factories in China

Society

Risk	Focus	Countermeasures	Responsible Department
Occupational Safety Risk	Occupational safety of employees	<ul style="list-style-type: none"> Access control security: Strict access control and monitoring system are in place. Security personnel and gate guards control the entry and exit of personnel. Disaster prevention measures and response: Set up disaster prevention measures and notification process such as the "Safety and Health Work Rules" and carry out drills. Physiological Hygiene: Set up "Safety and Health Work Rules" and perform health examination. Insurance: Provide employees with labor insurance, health insurance, and employee group insurance. 	Administration Department
Product risk	Product safety	<ul style="list-style-type: none"> Make strict tests of all products and make timely response to customer needs. Take out product liability insurance. 	Sales & Marketing Division

Other Risks

As the COVID-19 epidemic rapidly spreads to every corner of the world, the Company has cooperated with the government and promoted various epidemic prevention measures to prevent the epidemic from spreading. The epidemic prevention measures include wearing masks at work, maintaining proper social distancing, monitoring body temperature, alcohol disinfection, zoning control of entry and exit in the workplace, and the initiation of working from home. Before the epidemic spread, we reduced overseas business trips and physical meetings by using video conferences to ensure the continuous operation. In addition, we have also established an epidemic prevention notification channel to enable the supervisors and employees to understand the epidemic prevention policies so as to keep abreast of the epidemic status.

Internal Control and Internal Audit Mechanism

Plan the audit plans every year in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies and carry out relevant inspections according to risk assessment while providing suggestions for improvement in a timely manner to ensure the continuous implementation of the internal control system. In addition, the self-assessment report of each unit and subsidiary of the Company are reviewed every year as prescribed. The internal audit results and improvement status mentioned above as well as the self-assessment results are reported to the board of directors by the Audit Committee for the management level to understand the situation to reach the purpose of management.

The Audit Office assists the management level with the supervision of various internal systems and processes, actually implements annual audit plans and continuous monitoring of related operating systems, and provides suggestions for improvement in a timely manner. In addition, it also responds to environmental changes to adjust the design and implementation of the internal control system to enable effective implementation of the internal system, the monitoring mechanism, and various risk management.

Climate Change Risk

In response to the extreme weather caused by global warming and the rising awareness of environmental protection, energy conservation, safety and health and conservation in recent years, the Company should fulfill its corporate social responsibility by making assessment of climate change risks and opportunities to cope with the impacts brought by climate change from the perspectives of governance, strategy, risk management and indicators and objectives. The management strategies are therefore established based on the assessment results in hope of reducing energy consumption and carbon emissions and improving carbon reduction management performance to reach the goal of sustainable development of the Company.

The following table shows the climate change risks the Company may face in the future and the countermeasures.

Climate Change Risk	
Governance	<ul style="list-style-type: none"> The President's Office serves as the responsible unit to gather risks and opportunities related to climate change in each unit and sets up goals and development strategies, systems or management approaches as well as specific promotion plans or countermeasures, and regularly reports to the BOD (once a year). The BOD will give suggestions and make adjustment of the management team when necessary.
Strategies	<ul style="list-style-type: none"> Identify short-, medium-, and long-term climate risks and opportunities. Make assessment of the potential impacts on operations and finances brought by major climate risks and opportunities. Investigate, simulate, and analyze climate risks during production and operations, establish climate change strategies and related mitigation measures, and fulfill the responsibility as a social citizen.
Risk management	<ul style="list-style-type: none"> Make use of the risk management system and the annual internal audit plans to establish climate-related risk identification process. Set up and carry out corresponding projects in accordance with the climate risk identification and prioritization results.
Indicators and objectives	<p>Set climate change related management indicators, review the target achievement and performance.</p> <p>Review the impacts on the Company's operations through ISO 14064-1 inventory and disclosure of GHG emissions, and assess the GHG emission risks and the mitigation strategies.</p>

● 3.4 Integrity and Compliance

The President's Office serves as the dedicated unit for the promotion of the Company's integrity management. It is in charge of promoting the establishment and supervising the implementation of the integrity management policy and prevention plan for dishonest behavior, and reports to the board of directors at least once a year. The board of directors fulfills the duty of care of a good manager, supervises the Company to prevent dishonest behavior, and ensures the implementation of the integrity management policy.

In addition, an effective internal control system is established, and educational training is held annually for employees. New employees sign the Labor Contract and are given training on work rules and the management system so that they are clearly informed of the due rights and obligations of employees.

Any business behavior involving receiving various forms of bribery is clearly prohibited in the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct. In addition, suppliers are evaluated in accordance with the Supplier Evaluation Management Regulations. The qualifications of suppliers not meeting standards or having bad reputations may be revoked, and our business relationships with them will be terminated.

Directors should uphold a high degree of self-discipline, and if any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

To ensure sustainable development of the Company, it is encouraged to report any illegal behavior. The Company has set up a reporting system, reporting mailbox, a dedicated unit, procedures, and respond methods. It is clearly stipulated that the whistleblower's identity and anonymous complaints are kept confidential.

The Company has adhered to the principle of integrity and honesty, complied with government laws and regulations, been devoted to the compliance with social and economic policies, and fulfilled its corporate social responsibility. There were no incidents of fines for violating relevant social and environmental regulations or product regulations, nor were there any legal actions involving anti-competitive behavior, anti-trust, and monopoly behavior.

Tax Policy

To comply with tax regulations of local governments, stipulate tax management process, and reduce tax risks, the Financial Assets Department is responsible for direct supervision and management of the tax work of TSP and TSM, the subsidiaries of the Company, and dedicated tax management positions and full-time (or part-time) tax personnel are set up. If there are major tax-related business, tax-related risk, or tax inspection, the tax officers will report to the Financial Assets Department. All statutory tax returns and internal tax management reports are bound into books by month with covers of these documents made, and are properly filed and kept.

Anti-Discrimination

To fulfill the corporate social responsibility and protect the basic human rights of all employees, the Company follows the principles revealed and basic human rights recognized in international human rights conventions, including Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, the United Nations

Global Compact, and the International Labour Organization. In addition, we also comply with the local labor-related laws and regulations where our global operating bases are located. Jia Weil Lifestyle has established human rights policy management methods and treated as well as respected all the employees. The items and specific implementation status are as follows. Grievance channels are also provided. So far, no human rights complaints have been received.

Item	Specific actions	2021 Implementation status
Diversity inclusion and equal opportunity	Hire employees in accordance with the recruitment policy and operational needs, and make regular review of the wages and benefits	Provide equal and diverse work environment, prohibit harassment, respect privacy rights, and implement non-discriminatory employment policies.
Prohibition of forced labor and the use of child labor	The recruitment policy has been clearly formulated	Since the beginning of the recruitment process, the Company has prohibited forced labor and the use of child labor in accordance with the recruitment policy.
Provide fair and reasonable wages and working conditions	Compliant with or even better than the basic wages and working conditions stipulated in the local labor related regulations where the global operating bases are located.	The wages of employees and the statutory working hours are compliant with or even better than the local labor-related regulations where the operating bases are located.
Reasonable working hours	Implemented in accordance with the Attendance Management Regulations	There was no overtime for employees in 2021.
Provide safe, hygienic, and healthy workplace	Continue to construct a safe and zero-disaster working environment	In 2021, there were no occupational accidents, and the employee health examination was conducted.
Respect employees' freedom of assembly and association	Election of labor representatives	The incumbent labor representative election was held on April 17, 2018, with a term of 4 years.
Labor-management consultation	Convene the labor-management meeting	A total of 4 labor-management meetings were convened in 2021.
Grievance channel for human rights incidents	Establish employee opinion mailbox, or express opinions through labor-management meetings and the Welfare Committee meetings	No human rights complaints were reported via the employee opinion mailbox, labor-management meeting, and Welfare Committee meetings in 2021.

Grievance Channels	
Handling Unit	<ul style="list-style-type: none"> Report to the President's Office for matters involving general employees Report to the Audit Office for matters involving assistant manager level and directors
Address	14F-4, No. 296, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City
Telephone	02-7733-5368
Email	services@jiaweils.com

Anti-Corruption System

Jia Wei Lifestyle strictly prohibits any acts of corruption, bribery, and extortion. To guide our employees to be compliant with ethical standards, it is stipulated that the employees should speak and act cautiously, be honest and upright, and shall not take advantage of their position to engage in fraud or accept gifts from others, and the employee education and training will continue to be strengthened.

We have established the Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Guidelines for the Adoption of Codes of Ethical Conduct. The content of anti-corruption related training is as follows. There were 66 trainees in total in 2021, with a total of 132 training

hours. There were no corruption incidents in 2021.

1. Sustainable development for enterprises
2. The choice between public interests and personal interests
3. Integrity management and business ethics (including United Nations Convention against Corruption, key points of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Insider Trading)
4. Business ethics (including bribery, smuggling, and exchange of interests)

CHAPTER 4

INDUSTRIAL CHAIN MANAGEMENT



Chapter 4 Industrial Chain Management

Management Approaches

Material topic: Cyber Security	
Reporting requirement	Sustainable Management Approach
** Reason for the significance of the topic	<ul style="list-style-type: none"> All the business contents of the Company are transmitted in digital forms for use, and we also cooperate with the regulations for listed companies set by competent authorities. Jia Wei Lifestyle will continue to improve the cyber security management and prevention measures to carry out relevant business in a safe and reliable manner.
** Purpose of management of the topic	<ul style="list-style-type: none"> Set relevant cyber security management regulations as prescribed in laws and regulations to provide proper protection measures for the information assets of the Company so as to ensure the confidentiality, integrity, availability, and compliance.
*iii. Strategies /Goals and Objectives	<p>Strategies:</p> <ul style="list-style-type: none"> Continue to pay attention to the trends of change in the communication and communication environment, refer to technical information and cyber security regulations, and set up and revise the protection mechanism and plan for cyber security.
*vi. Grievance Mechanism	<ul style="list-style-type: none"> Email mailbox, Investors Area service hotline, or in writing
** Management Evaluation Mechanism	<ul style="list-style-type: none"> The Company conducts daily management in accordance with the Computer-based Information System Management Regulations and reviews the management measures of each unit and the deficiencies in cyber security on a regular basis to continue the reinforcement of cyber security protection.
** Performance and Adjustment	<ul style="list-style-type: none"> The remote backup installation is scheduled to be completed in 2022 to reduce the risk of failure of daily operation caused by a single point of failure (SPOF).

Material topics: Customer Health and Safety, Innovative Products and Technologies, Customer Service Management	
Reporting requirement	Sustainable Management Approach
** Reason for the significance of the topics	<ul style="list-style-type: none"> The Company attaches great importance to customers' health and safety. If the customers are not satisfied with the product quality or when the products cause harm, it will damage a company's image and reputation in the market. Therefore, we have a comprehensive inspection and supplier management system to effectively monitor the reliability and safety of products from raw materials to finished products. We also actively develop green products and technologies to increase our competitive advantage in market differentiation to satisfy our customers and gradually establish a sustainable and trustworthy customer relationship for the brand and implement the important part of fulfilling our social responsibility management.
** Purpose of management of the topics	<ul style="list-style-type: none"> To provide customers with safe products, understand customer needs, maintain corporate image, and enhance corporate competitiveness.
*iii. Strategies /Goals and Objectives	<p>Strategies:</p> <ul style="list-style-type: none"> Make active improvement of quality and seek innovation and breakthroughs for the creation of value <p>Goals and Objectives</p> <ul style="list-style-type: none"> More than 95% of the shipment is free of hazardous substances (HSF) Quality allowance accounts for less than 3% of the total revenue Suppliers sign the Suppliers' Declaration, and more than 95% of materials used is free of hazardous substances (HSF) Conduct annual supplier evaluation, and carry out evaluation of all the raw material manufacturers (100%) New raw material development projects

Material topics: Customer Health and Safety, Innovative Products and Technologies, Customer Service Management	
Reporting requirement	Sustainable Management Approach
*iv. Department in charge/ Invested resources/ Specific action plans	<p>Department in charge</p> <ul style="list-style-type: none"> Administration Department, Design & Research Department, Audit Office, and production and quality control related units of the factory <p>Invested resources</p> <ul style="list-style-type: none"> The Company introduced the document management system. Established quality testing standards and testing equipment to monitor product quality <p>Specific action plans:</p> <ul style="list-style-type: none"> Review and improve major quality problems and report to the management-level meeting A third-party inspection unit will test whether the products contain harmful substances before mass production. The products will be put into mass production after compliance with FDA regulations is confirmed. Suppliers have to conduct evaluations and provide declarations and inspection reports to ensure the safety of raw materials. Reviews and improvement of the development and trial production of eco-friendly materials are conducted and reported to the management meeting.
*vi. Grievance Mechanism	<ul style="list-style-type: none"> Customer area: Po-Jen, Cheng, Sales VP/ 02-7733-5368 Supplier area: Xun-Fang, Jiang, Senior Specialist/02-7733-5368 #129
** Management Evaluation Mechanism	<ul style="list-style-type: none"> The Company draws up the audit plans and conducts audits in accordance with the plans. Make regular reviews of the objectives in the management meetings.
** Performance and Adjustment	<ul style="list-style-type: none"> More than 99% of the shipment is free of hazardous substances (HSF) in 2021. Quality allowance account for less than 0.01% of the total revenue in 2021 In 2021, 100% of the suppliers signed the Suppliers' Declaration and provided the third-party inspection reports. Conducted annual supplier evaluation in 2021, and 100% of the raw material manufacturers conducted the evaluation The project of developing new raw material of recyclable PET in 2020 has been officially mass-produced and shipped in 2021.

● 4.1 Quality Assurance

All the materials of the products are clearly marked in the packaging as prescribed by law, and all the products of the Company are compliant with FDA's food grade inspection standards. Therefore, during the reporting period, none of the products produced by Jia Wei Lifestyle violated relevant laws and regulations regarding information and labelling of products and services, no major penalties or fines were imposed, and no incidents of penalties for violating Marketing Communication related laws and regulations occurred.

FDA stands for U.S. Food and Drug Administration, which is a regulatory agency for international medical review authorized by U.S. Congress, namely the federal government, serving as the highest law enforcement agency specializing in food and drug management. FDA is a government health regulation monitoring agency composed of professionals such as doctors, lawyers, microbiologists, pharmacologists, chemists, and statisticians who are dedicated to protecting, promoting, and enhancing national health.

Foods, drugs, cosmetics, and medical devices certified by FDA are safe and effective for human bodies. In about 100 countries such as the U.S., materials, devices, and technologies can be used for commercial clinical application only when being approved by FDA.

Customer Service and Relations

Housewares focus on safety and environmental performance, and the future development trend will step toward “quality” and “health”. Housewares that can show quality life and help achieve healthy life are getting more popular. Driven by customer demand, Jia Wei Lifestyle pays more attention to the design, material, and quality of the products and has developed healthier, more eco-friendly, more delicate, and more fashionable household products.

The design team of the Company has accumulated decades of development energy, and keenly grasps the trend of home life industry globally every year. The design team combines aesthetics and consumers' participation experience to design high-quality products and services with the lifestyle taste and current fashion elements serving as the axis and life playing an important role to enhance taste and sensation in life. In addition, the diversified business structure has also set market segmentations to provide customers with a comprehensive product line. Moreover, to strengthen mold design, after making use of 3D modeling, digital printers are used for the development of new products instead of making use of manual mold in the past, enhancing the development efficiency and diversity. We grow with our customers and maintain long-term and good cooperative relations with them.

To cope with the new global trend of ESG net zero, the Company will continue to develop eco-friendly products, focusing on the reuse of waste materials and the development of recyclable materials, stressing on green design to accelerate the development of circular economy. Furthermore, we are even dedicated to the R&D of completely decomposable materials that will not only be eco-friendly to the environment but also make the living environment more beautiful to fulfill our social responsibility and sustainable development.

We have cultivated long-term customer relationship. Our major customers are large chain retailers such as Walmart, Target, Costco, and so on, and we have been well recognized by our customers. In 2022, Walmart rated us as a supplier with sales growth while Target rated us as high-performance supplier.

● 4.2 Information Security and Customer Privacy

The collection, processing, and use of personal data collected of the Company are all in strict compliance with Personal Data Protection Act to ensure the personal data security of the employees and customers with a rigorous management mechanism. Therefore, we have established the Computer-based Information System Management Regulations and a cyber security management framework to comply and implement personal data protection. There were no customer privacy violations during the reporting period.

To improve information security management, the Company assigns the Information Management Office as the responsible unit for information security management and the cross-departmental information security management department for the governance, planning, supervision, and promotion of implementation in the Company and its subsidiaries. In addition, based on the organization unit planning, the president serves as the highest-level supervisor for cyber security, while the director of the Information Management Office serves as the representative of cyber security. All units assign their cyber security representatives to review cyber security development directions and strategies in the Information Security Representative Meeting to enable the cyber security inspection system to be continuously implemented. Cyber Security Governance Report and results are reported to the board of directors from time to time.

Information Security Policy

1. Set relevant cyber security management regulations as prescribed in laws and regulations to provide proper protection measures for the information assets of the Company so as to ensure the confidentiality, integrity, availability, and compliance.
2. Make regular assessment of the impact of various man-made and natural disasters on the information security of the Company, and formulate disaster response plans and recovery plans for important information assets and key businesses to ensure continuous operations of company business.
3. Supervise the implementation of information security protection work of the employees. Establish the concept of “everyone is accountable for cyber security” to enhance the awareness of cyber security among the business departments and personnel.
4. It is required that all employees and manufacturers using or connecting with the Company’s computer system follow the information security-related regulations of the Company. For any violation, punishments will be imposed depending on the situation in accordance with the Company’s regulations or the contract. For serious cases, the violators will be prosecuted by relevant laws.

Management Plans

For operational assets such as Enterprise Resource Planning (ERP) system, network equipment, servers and other information equipment, the Company signs Electronic Equipment Insurance with our contractors. The security monitoring and environmental monitoring system are utilized to avoid equipment from being stolen or malicious damage. To cope with the challenges in cyber security we are facing, such as Advanced Persistent Threat (APT), distributed denial-of-service (DDoS) attack, ransomware, social engineering attacks, theft of information and other cyber security issues, Jia Wei Lifestyle adopts the following strategies.

Measures to cope with external threats

1. Establish network firewall and enable the automatic cyber security attribute code to prevent attacks and penetration to the intranet externally.
2. Provide an application server for external network connection and set it in a separate intranet segment, and assign dedicated personnel and computer equipment for the access for connection and maintenance.
3. Entrust the circuit service provider to enable network risk prevention service to avoid possible losses caused by external network.

Internal management measures

1. Examine whether the risk of single-point failure exists in the framework of relevant measures and the maintenance mechanism, conduct risk analysis for the suitability of continuous business operation, and present the results of and propose the recommendations for the information and communication structure.
2. Examine whether the access records of the network, cyber security equipment and servers, the granting of the account authority and the monitoring mechanism are compliant with the internal control operation regulations; check the account authority and access record of the devices to identify abnormal records and confirm the warning mechanism.
3. Examine the server (such as Active Directory) for the principles concerning password setting and the account lockout and check whether the setting of the domain security policy is compliant with the internal control regulations through instrumental analysis and manual operations.
4. Install protection programs on the terminal computer equipment to avoid the possibility of penetration.

Resources Invested

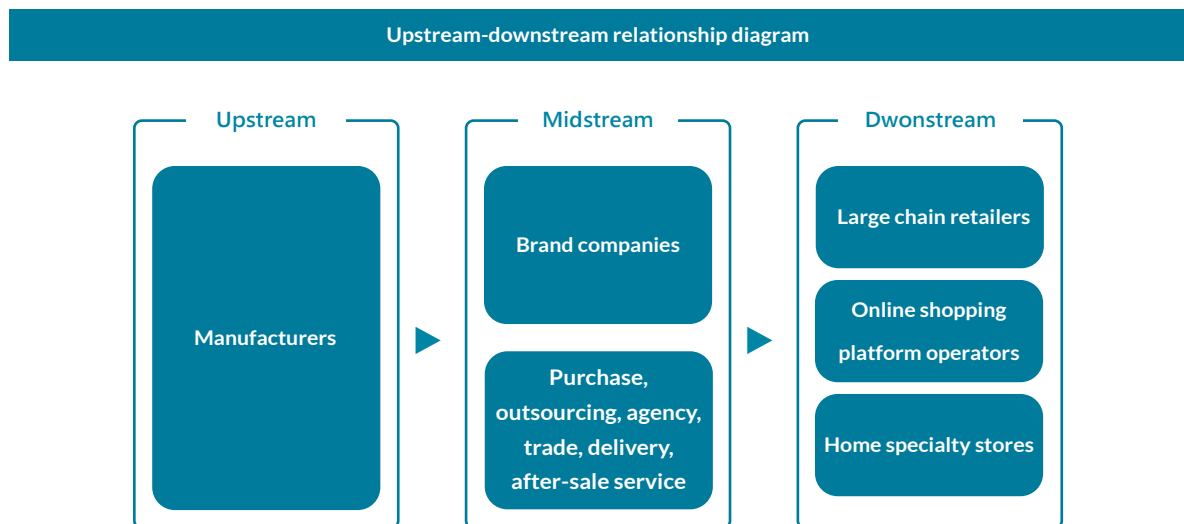
Through the promotion and investment in the following aspects, we strengthen our associates' abilities to respond to information security crisis and related handling capabilities, expecting to prevent the risks in advance and effectively detect and prevent it from spreading at earliest possible.

1. **Policy** : Continue to pay attention to the trends of change in the information and communication environment, refer to technical information and cyber security regulations, and set up and revise the protection mechanism and plans for cyber security.
2. **Training/Advocacy** : Arrange education and training for relevant personnel and advocacy of cyber security for employees
3. **Equipment/Technology** : maintenance of the Windows AD Domain Services, authorized purchase of SOPHOS antivirus software, distributed installation of the Groups' file servers, firewall updates and hardware maintenance, off-site backup and server resource monitoring system construction.
4. **External resources** : Join TWCERT/CC, a cybersecurity organization, participate in education and training courses and related publicity and exchange meetings.
5. **Evaluation construction** : Users-end connection management, cyber insurance

There have been no major losses caused by major cyber security incidents so far.

● 4.3 Supply Chain

The Company regards suppliers as our important partners to jointly create value and work together to serve customers in the hope of influencing the supplier chain to fulfill the business ethics and social responsibility to further reduce the consumption and impact on environmental resources, increase the ability to create value for the overall economy, society, and environment, and create a promising and sustainable growth for the industry.



The Company mainly purchases household products materials and packaging materials and has purchase transaction records with 152 suppliers in total, mainly from suppliers in Asia and America. The proportions of the purchase of each item are detailed in the table below.

Summary of suppliers							
Item		2020			2021		
		Number	Amount	Proportion (%)	Number	Amount	Proportion (%)
Labor (contract/service)	Domestic	10	10,314	0.54	9	10,904	0.37
	Foreign	41	6,152	0.32	40	7,124	0.24
Property (raw materials)	Domestic	7	68,152	3.54	6	164,886	5.65
	Foreign	61	1,823,492	94.82	73	2,686,476	91.99
Engineering (equipment)	Domestic	11	14,921	0.78	6	888	0.03
	Foreign	0	0	0	18	50,056	1.72
Total		130	1,923,031	100.0	152	2,920,334	100.0

Supply Chain Management

The procurement unit of the Company conducts assessment of the raw material suppliers and other manufacturers needed to be controlled depending on the situation in accordance with the Supplier Assessment Form at least once a year. The items for assessment include the quality of products, delivery time, price, and services provided. Relevant departments can also refer to the suppliers' previous service experience and products for the manufacturers' service capabilities and quality.

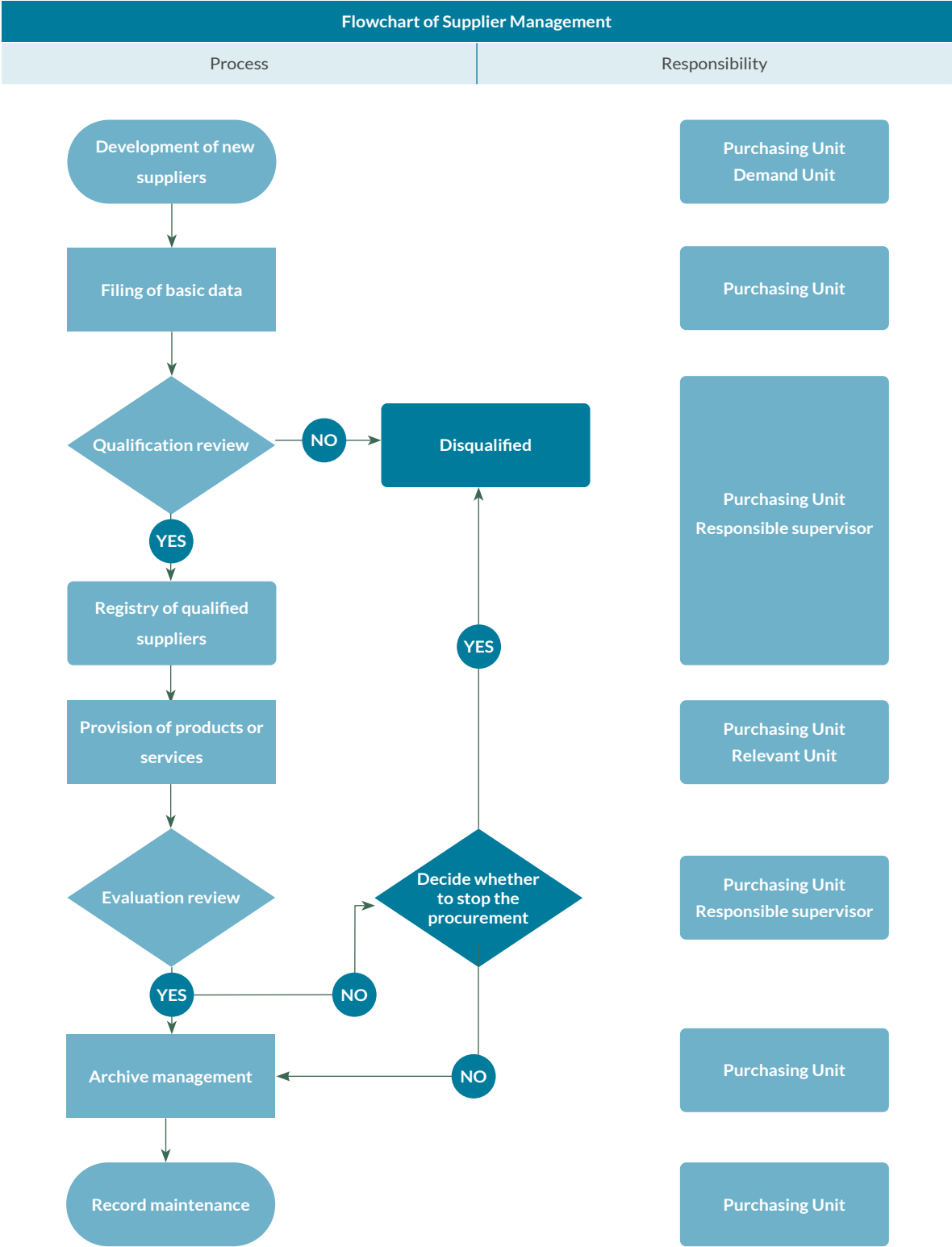
The handling of the supplier assessment is as follows.

Calculation of scores: The rating of the suppliers is conducted by the procurement unit, and the rating ratios are listed below.

Rating ratio		
Scoring	50%	Quality
	30%	Prices, services
	20%	Delivery date

Classification of Suppliers		
Level A	90 points and above	Prioritized qualified suppliers
Level B	80 points (inclusive)- 90 points	Qualified suppliers
Level C	70 points (inclusive)- 80 points	Conditionally qualified suppliers
Level D	Below 70 points	Unqualified suppliers

In 2021, the number of unqualified suppliers in the supplier assessment was zero. For unqualified suppliers, the Company would require them to stop shipping, and they would be asked to send samples after improvement within a time limit.



Supplier Screening Methods of the Company

The purchasing personnel of each department will provide relevant information of potential suppliers to the purchasing unit for negotiation or quotation. The purchasing personnel will conduct surveys based on the supplier data the purchasing personnel provide.

After the preliminary assessment, the purchasing unit will fax or email the Supplier Basic Information Questionnaire to the raw material and other products manufacturers that are capable of supplying. When the suppliers fill out relevant basic information, the data will be input into the ERP Computer system operation work upon the approval by the supervisor.

Exceptional Cases

If the suppliers are classified as unqualified, they can still be registered as qualified ones provided that the following situations occur.

1. When the supplier is the oligopolistic or monopolistic market player in the market, on-site evaluation of the supplier can be carried out depending on actual needs.
2. When the customer designates suppliers, on-site evaluation of the supplier can be carried out depending on actual needs.

Supplier Occupational Safety and Health

Jia Wei Lifestyle regards its suppliers as important partners. To ensure the occupational safety of the suppliers, we not only inform them of hazards and supervise them in accordance with the relevant local laws and regulations, but also promote various management mechanisms to strengthen the quality of operations and occupational safety and health management of our suppliers.

CHAPTER 5

SUSTAINABLE ENVIRONMENTAL MANAGEMENT



Chapter 5 Sustainable Environmental Management

● 5.1 Raw Materials

The main area of production of Jia Wei Lifestyle is in China, and Taiwan is the operating headquarters without production operations. The statistics of raw material consumption in the factories in China are as follows. Among them, R-PET belongs to recycled and reused raw material that is separated, sliced, spun, and finally converted to re-meltable pellets from recycled PET bottles. The Company does not use renewable raw materials. In 2021, the demands for housewares in our major market in the U.S. are boosted due to the economic recovery the United States, the replenishment of customer inventory, and the booming real estate market, leading to increased revenue and raw material consumption compare with 2020.

Unit: ton(s)

Statistics of non-renewable raw material consumption			
Category	Raw material	2020	2021
TSP	ABS	281	441
	AS	3,467	5,262
	MS	1,073	2,395
	PC	2,565	2,659
	PP	16,262	18,332
	R-PET	863	2,891
	Others	158	443
TSM	Melamine	7,539	9,026

● 5.2 Water Resources

The headquarters in Taiwan is our operating base, in charge of the planning, execution and management of the global operations. The source of water comes from Taiwan Water Corporation, mainly for domestic water and none for manufacturing, and the water intake is relatively low. The main production base is in Heyuan City in China, and the source of water resources comes from Heyuan Qinchengda Water Resources Co., Ltd, providing the Company with water for hydropower generation, manufacturing, and domestic use. Based on the information disclosed on the official website, the daily water supply capacity of Heyuan Qinchengda Water Resources Co., Ltd is 130,000 m3 (1.3 million liters). The annual water intake of the Company's production base accounts for less than 1% of its water supply, which does not cause significant impact on the local area. The water risks of the above-mentioned operating bases in Taiwan and Heyuan City in China were rated as low to moderate risks by using the World Resource Institute's (WRI) Aqueduct Water Risk Atlas. The economic recovery, customer inventory replenishment, and the booming real estate market in the major market in the U.S. contributed to the increase in demand for household products, revenues, and production, leading to the increase of water consumption compared with 2020.

Water Use			
Category	Quantitative indicator	2020	2021
Operating bases in Taiwan	Water withdrawal (million liters)	1.3	1.58
	Displacement (million liters)	1.3	1.58
	Water consumption (million liters)	0	0
TSP	Water withdrawal (million liters)	190.987	257.802
	Displacement (million liters)	152.7896	206.2416
	Water consumption (million liters)	38.1974	51.5604
TSM	Water withdrawal (million liters)	171.020	151.391
	Displacement (million liters)	171.020	151.391
	Water consumption (million liters)	0	0
Total water consumption			
Organization-specific metrics	Revenue (NTD thousand)	4,428,573	5,301,547
Total water withdrawal	Million liters	363.307	410.773
Water intensity	Water withdrawal/ revenue (NTD thousand)	0.000082	0.000077

● 5.3 Energy and Greenhouse Gases

The Company promotes energy conservation and carbon reduction actions and is dedicated to reducing GHG emissions based on the corporate social responsibility and the sustainable management goal of a green enterprise. Therefore, the power-consuming appliances in the offices have been eliminated, and the employees are encouraged to take public transportation or are provided with bus pooling while other energy saving measures such as paperless policy are also implemented.

Energy saving measures	Specific actions	Energy conservation
Eliminate power-consuming appliances	Changed to inverter air conditioners in the office	Electricity consumption reduced by 2,800 kWh
Encourage employees to take public transportation or provide bus pooling	Provide transportation for bus pooling	Fuel consumption reduced by 10,000 liters
Promote paperless policy	ERP and electronic sign-off system	Reduced nearly 700 copies of signed paper documents since 2021 (started from July 15)

The energy use of the Company during the reporting period is shown in the following table. The energy consumption increased compared with the previous year mainly because of the economic recovery, customer inventory replenishment, and the booming real estate market in the major market in the U.S., which contributed to the increase in demand for household products, revenues, and production, leading to the increase of energy consumption compared with 2020. We will continue the implementation of various energy conservation measures to reach the goal of sustainable energy use.

Energy consumption in the operating bases in Taiwan			
Quantitative indicator	Unit	2020	2021
Electricity consumption	kWh/year	209,000	204,060
	GJ	752.40	734.62
Gasoline usage	L/year	4,150	3,543
	GJ	135.44	115.63
Diesel usage	L/year	565	57
	GJ	19.86	2.00

Energy consumption in TSP			
Quantitative indicator	Unit	2020	2021
Electricity consumption	kWh/year	25,033,960	27,992,880
	GJ	90,122.26	100,774.37
Liquefied Petroleum Gas (LPG)	kg/ year	24,134.20	35,106.65
	GJ	1,211.73	1,762.63
Gasoline usage	L/year	10,137.53	9,817.14
	GJ	326.57	316.25
Diesel usage	L / year	34,867.55	51,499.53
	GJ	1,253.67	1,851.68
Energy consumption in TSM			
Quantitative indicator	Unit	2020	2021
Electricity consumption	kWh/year	14,308,040	16,671,920
	GJ	51,508.94	60,018.91
Liquefied Petroleum Gas (LPG))	kg/ year	19,548.15	20,923.94
	GJ	969.06	1,037.26
Gasoline usage	L/year	4,480.09	4,751.07
	GJ	144.32	153.05
Diesel usage	L / year	8,881.77	12,753.90
	GJ	319.35	458.57

Total energy consumption			
Organization-specific metrics	Revenue (NTD thousand)	4,428,573	5,301,547
Total energy consumption	GJ	146,776.00	167,238.25
Energy intensity	GJ/Revenue (NTD thousand)	0.0331	0.0315

Note:

Source of conversion factor used: Table of GHG emission coefficient management v. 6.0.4 released by Environmental Protection Administration, Executive Yuan for the calculation of heating value of fuel. The heating value of electricity is converted by 1kWh=0.0036GJ.

The electricity emission coefficient was the latest electricity carbon emission factor announced by Bureau of Energy, Ministry of Economic Affairs.

Electricity 3,600KJ/thousand kWh; gasoline 7,800kcal/L; diesel 8,400kcal/L; natural gas 8,000kcal/M3; 1kcal=4.184J.

Operating bases in Taiwan		
Item	2020	2021
Scope 1: Direct GHG emissions (kgCO ₂ e)	11,266.40	8,506.23
Scope 2: Indirect GHG emissions (kgCO ₂ e)	104,918.00	103,866.54
Total emissions= Scope 1+ Scope 2 (kgCO ₂ e)	116,184.40	112,372.77
GHG emission intensity (kgCO ₂ e/Revenue (NTD thousand))	0.0262	0.021
TSP		
Item	2020	2021
Scope 1: Direct GHG emissions (kgCO ₂ e)	193,460.70	272,025.00
Scope 2: Indirect GHG emissions (kgCO ₂ e)	20,132,310.63	22,511,874.10
Total emissions= Scope 1+ Scope 2 (kgCO ₂ e)	20,325,771.33	22,783,899.10
GHG emission intensity (kgCO ₂ e/Revenue (NTD thousand))	4.5897	4.2976

TSM		
Item	2020	2021
Scope 1: Direct GHG emissions (kgCO ₂ e)	96,219.85	111,574.94
Scope 2: Indirect GHG emissions (kgCO ₂ e)	11,506,525.77	13,407,558.06
Total emissions= Scope 1+ Scope 2 (kgCO ₂ e)	11,602,745.62	13,519,133.00
GHG emission intensity (kgCO ₂ e/Revenue (NTD thousand))	2.6200	2.5500
Total		
Item	2020	2021
Scope 1: Direct GHG emissions (kgCO ₂ e)	300,946.95	392,106.17
Scope 2: Indirect GHG emissions (kgCO ₂ e)	31,743,754.40	36,023,298.7
Total emissions= Scope 1+ Scope 2 (kgCO ₂ e)	32,044,701.35	36,415,404.87
GHG emission intensity (kgCO ₂ e/Revenue (NTD thousand))	7.2359	6.8688

Note:

1. Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization. It includes stationary combustion sources, process emissions, mobile combustion sources, and fugitive emission sources. The emission factor is calculated based on the latest data v. 6.0.4 (IPCC Fifth Assessment Report) released by Energy Bureau, MOEA.
2. Scope 2 is indirect emissions from electricity purchased.
3. Types of GHG emissions: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O).
4. Electricity emission coefficient used for purchased electricity was the one announced by Bureau of Energy, Ministry of Economic Affairs, and the 2019 and 2021 electricity emission coefficient=0.509 kg/CO₂e while 2020 electricity emission coefficient=0.502 kg/CO₂e.
5. TSP and TSM are located in Guangdong Province, China. Therefore, the heating value coefficient was calculated based on the National Standard GB/T 2589-2020, General rules for calculation of the comprehensive energy consumption while the electricity emission coefficient was calculated based on the value of 0.8042 in the southern region of China.

● 5.4 Effluents and Waste

The Company strictly complies with government laws and regulations and maintains the living environment and public health. The waste generated during the production process is sorted and stored in a dependent, qualified, and dedicated warehouse for centralized management before handed over to the qualified vendor for waste treatment. General domestic waste is sorted in the Company and treated by the waste management company entrusted by the building management committee or recycled by the resource recovery plant entrusted by the autonomous committee in the industrial zone.

Waste generated in the Company is shown in the table below.

Non-hazardous waste in the operating bases in Taiwan		
Waste composition	Off-site	
Item	Waste generated (tons)	Method of treatment
Domestic waste	3.6	Incineration (including energy recovery)

Note: There was no waste for on-site treatment and no hazardous waste.

Hazardous waste in TSP		
Waste composition	Off-site	
Item	Waste generated (tons)	Method of treatment
Waste drum containers	0.1	Other treatment operation
Waste lamps	0.01	Other treatment operation
Waste paint residues	0.3	Other treatment operation
Waste activated carbon	0.5	Other treatment operation
Waste rags	0.01	Other treatment operation
Waste paper	0.15	Other treatment operation
Waste mineral oil	0.5	Regeneration for reuse
Waste organic solvent	0.01	Regeneration for reuse

Note: There was no waste for on-site treatment, and information of non-hazardous waste was unavailable.

Hazardous waste in TSM		
Waste composition	Off-site	
Item	Waste generated (tons)	Method of treatment
Waste drum containers	0.3	Other treatment operation
Waste rags	0.1	Other treatment operation
Waste paper	0.11	Other treatment operation
Waste mineral oil	0.6	Regeneration for reuse

Note: There was no waste for on-site treatment, and information of non-hazardous waste was unavailable.

CHAPTER 6

FRIENDLY WORKPLACE



Chapter 6 A Friendly Workplace

Management Approaches

Material topic: Training and Education	
Reporting requirement	Sustainable Management Approach
** Reason for the significance of the topic	<ul style="list-style-type: none"> The importance of the education and training of the Company is to cooperate with the corporate service vision, business philosophy and quality policy, improve employee quality, strengthen the physique of the Company, implement professionalism, and cultivate talents in management.
**Purpose of management of the topic	<ul style="list-style-type: none"> To establish and carry out personal training plans to improve manpower quality, employee quality awareness and work skills to enable them to be competent for their work, enable effective operation of the management system to improve work quality and performance, and improve customer satisfaction.
*iii. Strategies /Goals and Objectives	<p>Goals and Objectives</p> <ul style="list-style-type: none"> To facilitate effective use of human resources, improve the Company's operating efficiency, management standards and quality awareness to achieve the goal of perfect quality and sustainable management.
*iv. Department in charge/ Invested resources/ Specific action plans	<p>Invested resources</p> <ul style="list-style-type: none"> Each department plans internal and external training in accordance with the job requirements and development needs specified in the Job Description of each department for the on-the-job training. The Human Resources Department distributes the "Survey on annual training plans" every early December to each unit. The head of each department puts forward the annual education and training needs for the following year, which will be handed over to the Human Resources Department after approval. The external training is carried in accordance with the approved "External training application form". The trainees should submit the certified materials for training assessment in accordance with the "External training application form" at the end of the training for approval as prescribed and hand it over to the HR Department for filing. <p>Specific action plans:</p> <ul style="list-style-type: none"> On-the job training New employee orientation Planned training- arranged based on the annual training plans Unplanned training- based on the actual needs and the capabilities of employees, the internal or external training may be applied at any time when necessary.

Material topic: Training and Education	
Reporting requirement	Sustainable Management Approach
** Management Evaluation Mechanism	<ul style="list-style-type: none"> On-the-job training can be evaluated via written tests, random survey, filling out the “thoughts on training”, or practical exercises. The supervisor or the instructor may choose one or several assessment methods to evaluate the training effectiveness. The new employee orientation is evaluated, tracked, and archived by the HR Department in the Registration and training schedule for new employees. The departments the new employees belong to will make assessment of the professional training of new employees by professional exams or reports of thoughts on the training. The exam paper sheets for the training evaluation of each department are in the unified form as the Company’s internal training exam sheets, and a backup copy is handed over to the HR Department for safekeeping, which will serve as evaluation of the training.
** Performance and Adjustment	<ul style="list-style-type: none"> For the training courses of each department, the HR Department will pick one training theme for the training satisfaction survey, and 3-5 trainees are chosen to fill in the Training Course Opinion Survey”, which serves as the basis for improvement in the arrangement of courses. The number of trainees chosen to fill in the survey can be adjusted depending on the scale of the training. At the end of every year, the HR Department will convene all departments heads to review the effectiveness of the training, serving as the basis for improvement of the training plan for the following year. Department heads can conduct evaluation of the effectiveness of the training every quarter by choosing 1 to 2 training themes for evaluation. 5 trainees from such training are chosen for the effectiveness evaluation. The results of the evaluation of the trainees will serve as the reference for retraining, job change, or dismissal.

● 6.1 Composition of Human Resources

During the reporting period, there was no major change in the number of employees. As of the end of the reporting year, the total number of employees in the operating bases in both Taiwan and China totaled 3,306, and among them, 2,255 were non-employee workers. Detailed employment and gender distribution of employees are listed in the following table.

Number of employees of the Company														
Item \ Gender		Female						Male						Total
Factory	Type of Contract	Full-time			Temporary			Full-time			Temporary			
	Age	Under 30	30-50	Above 51	Under 30	30-50	Above 51	Under 30	30-50	Above 51	Under 30	30-50	Above 51	
Operating bases in Taiwan	Full-time	5	27	10	0	0	0	2	9	4	0	0	0	57
	Part-time	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	5	27	10	0	0	0	2	9	4	0	0	0	57
TSP	Full-time	40	174	36	0	0	0	37	229	51	0	0	0	567
	Part-time	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	40	174	36	0	0	0	37	229	51	0	0	0	567
TSM	Full-time	29	140	24	0	0	0	36	135	47	0	0	0	411
	Part-time	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	29	140	24	0	0	0	36	135	47	0	0	0	411

Number of non-employee workers of the Company								
Item\ Gender		Female						Total
Factory	Type	Dispatched			Contractors			
	Age	Under 30	30-50	Above 51	Under 30	30-50	Above 51	
Operating bases in Taiwan		0	0	0	0	0	1	1
TSP		84	347	193	0	0	0	624
TSM		196	216	29	0	0	0	441
Number of non-employee workers of the Company								
Item\ Gender		Male						Total
Factory	Type	Dispatched			Contractors			
	Age	Under 30	30-50	Above 51	Under 30	30-50	Above 51	
Operating bases in Taiwan		0	0	0	0	0	0	0
TSP		130	208	59	0	0	0	397
TSM		326	404	62	0	0	0	792

To strengthen the harmonious relationship with local people and to increase the stability of work for our employees, new recruitment mainly focused on local residents. The ratio of local residents in Taiwan holding associate managers or higher positions reached 100% while the ratio of local residents in China holding deputy managers or higher positions reached 82%.

The distribution of employee positions over the past two years is shown in the table below.

Distribution of employee positions in operating bases in Taiwan				
Year			2020	2021
Item\ Gender		Age	(Number)	(Number)
Supervisor staff	Male	Under 30	1	1
		30-50	6	5
		Above 51	1	2
	Female	Under 30	0	0
		30-50	11	10
		Above 51	4	6
Total supervisor staff			23	24
Non-supervisor staff	Male	Under 30	2	1
		30-50	2	4
		Above 51	2	2
	Female	Under 30	3	5
		30-50	14	17
		Above 51	4	4
Total non-supervisor staff			27	33
Total full-time employees			50	57

Distribution of employee positions in TSP				
Year			2020	2021
Item\ Gender		Age	(Number)	(Number)
Supervisor staff	Male	Under 30	0	0
		30-50	45	46
		Above 51	7	7
	Female	Under 30	0	0
		30-50	17	18
		Above 51	0	0
Total supervisor staff			69	71
Non-supervisor staff	Male	Under 30	25	37
		30-50	182	183
		Above 51	44	44
	Female	Under 30	29	40
		30-50	167	156
		Above 51	36	36
Total non-supervisor staff			483	496
Total full-time employees			552	567

Distribution of employee positions in TSM				
Year			2020	2021
Item\ Gender		Age	(Number)	(Number)
Supervisor staff	Male	Under 30	4	2
		30-50	30	30
		Above 51	4	6
	Female	Under 30	1	1
		30-50	8	8
		Above 51	0	0
Total supervisor staff			47	47
Non-supervisor staff	Male	Under 30	50	34
		30-50	156	105
		Above 51	33	41
	Female	Under 30	48	28
		30-50	157	132
		Above 51	20	24
Total non-supervisor staff			464	364
Total full-time employees			511	411

The Company has been upholding the spirit of multiculturalism and treating all ethnic groups equally while valuing the rights of all ethnic groups. We promise that no discrimination would occur due to employees' race, skin color, age, gender, religion, physical disability, marital status, sexual orientation, union membership, social status, political affiliation, nationality, etc. when it comes to the employment, compensation, training opportunity, promotion, dismissal or retirement, and all employees are protected from harassment. There were no incidents concerning infringement of the rights of various ethnic groups during the reporting period. The total number of employees of the headquarters of Jia Wei Lifestyle in Taiwan does not meet the amount prescribed in People with Disabilities Rights Protection Act, and therefore, we do not hire persons with disabilities or aboriginal people. The statistics of employment of other ethnic groups are shown in the table below.

Diversity of employees					
Country/Region	Year			2020	2021
	Item/Gender		Age	(Number)	(Number)
Operating bases in Taiwan	Migrant workers	Male	Under 30	0	0
			30-50	0	0
			Above 51	0	0
		Female	Under 30	1	1
			30-50	0	0
			Above 51	0	0
TSP	Ethnic minorities	Male	Under 30	0	1
			30-50	2	3
			Above 51	0	0
		Female	Under 30	0	0
			30-50	1	0
			Above 51	0	0
TSM	Persons with disabilities	Male	Under 30	1	1
			30-50	4	4
			Above 51	1	1
		Female	Under 30	0	0
			30-50	1	1
			Above 51	0	0

Employees are the most important driving force for an enterprise to grow and expand. Therefore, for business development, the Company has to recruit new employees from time to time. The employee welfares, occupational safety as well as education and training are all strengthened to enable the employees to grow with the Company together so as to create a safe and beautiful working environment. In 2021, the number of new employees in the operating bases in Taiwan was 11, including 10 females and 1 male; the number of new employees in TSP was 76, including 40 females and 36 males; the number of new employees in TSM was 111, including 52 females and 59 males.

The information of new employees and retired/resigned employees over the past two years is given in the following table.

Information of new employees								
Operating bases in Taiwan								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)
Under 30	1	33	0	0	0	0	3	60
30-50	2	25	5	20	1	11	5	19
Above 51	1	33	1	13	0	0	2	20
Total new employees	10				11			
Total employees	50				57			
Total employment rate (%)	20				19			

TSP								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)
Under 30	9	36	9	31	15	41	18	45
30-50	21	9	22	12	20	9	22	13
Above 51	1	2	0	0	1	2	0	0
Total new employees	62				76			
Total employees	552				567			
Total employment rate (%)	11				13			

TSM								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)	Number	Employment rate (%)
Under 30	36	67	30	61	18	50	15	52
30-50	93	50	99	60	41	30	37	26
Above 51	1	3	0	0	0	0	0	0
Total new employees	259				111			
Total employees	511				411			
Total employment rate (%)	51				27			

Note:

1. The employment rate of male (female) employees in the age group = the number of new male (female) employees in the age group of the year/ the total number of male (female) employees in the age group of the year.
2. The hiring rate of total new employees= the total number of new employees of the year/ the total number in the operating bases of the year.

Information of Number of retired/resigned employees								
Operating bases in Taiwan								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)
Under 30	0	0	0	0	0	0	1	20
30-50	0	0	4	16	0	0	3	11
Above 51	0	0	2	25	0	0	0	0
Total number of retired/resigned employees	6				4			
Total employees	50				57			
Total turnover rate (%)	12				7			

TSP								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)
Under 30	4	16	6	21	8	22	13	33
30-50	17	7	16	9	21	9	15	9
Above 51	2	4	3	8	1	2	3	8
Total number of retired/resigned employees	48				61			
Total employees	552				567			
Total turnover rate (%)	9				11			

TSM								
Year	2020				2021			
Gender	Male		Female		Male		Female	
Age\Item	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)	Number	Turnover rate (%)
Under 30	52	96	45	92	29	81	25	86
30-50	113	61	70	42	82	61	70	50
Above 51	1	3	2	10	3	6	2	8
Total number of retired/resigned employees	283				211			
Total employees	511				411			
Total turnover rate (%)	55				51			

Note:

1. Define the reasons for employees to leave the Company (e.g. resignation, dismissal, resignation, retirement, or death in line of duty)
2. The turnover rate of male (female) employees in the age group= the number of male (female) employees leaving the Company in the age group of the year/ the total number of male (female) employees in the age group of the year.
3. The hiring rate of the total left employees= the number of left employees of the year/ the total number of employees in the operating bases at the end of the year.

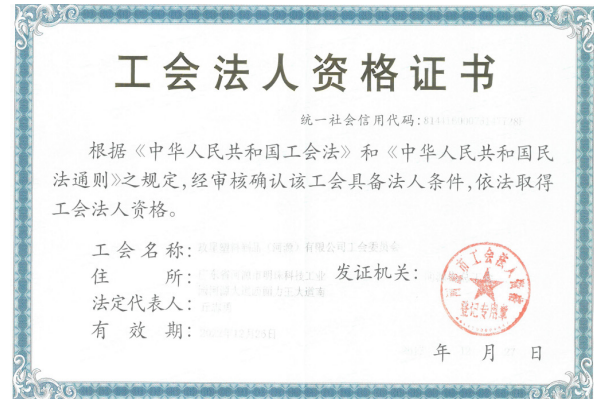
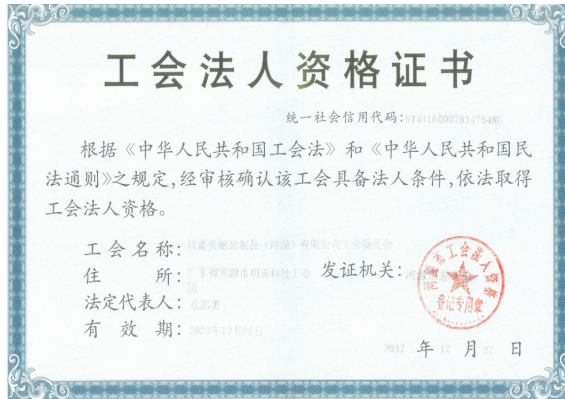
Labor Laws and Regulations

To ensure the rights and interests of the employees, we strictly abide by the local labor laws and regulations. If any major operational change occurs in the future, or if the labor-employment relationship is to be terminated, the minimum period of advance notice for the operating bases in Taiwan is as follows. On the other hand, the minimum period of advance notice for the factories in China is one month in advance.

1. Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance.
2. Where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance.
3. Where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance.

The Company regards human rights and labor safety as important items and evaluates whether the operating locations and suppliers have high labor risks. During the reporting period, there were no risks of forced labor in the operating bases of the Company and the suppliers. Laborers' opinions and rights are valued, and the employees' freedom of assembly and association is also respected. Labor unions have also been established in our subsidiaries in China, and 100% of the employees join the labor unions. In addition, the Company provides smooth and diverse communication channels internally, and our employees and labor representatives can openly communicate with the management level without retaliation, threats, or harassment to create a harmonious labor-management atmosphere in the workplace. Relevant regulations are implemented in accordance with the Human Rights Policy Management Measures of the Company. Moreover, the Company is totally compliant with local labor laws and regulations and does not hire child labor. We declare that no employees under 16 years of age (or 15 if permitted by law in the countries or regions in accordance with the EICC Standards) are employed in any of the production process, nor are the "child labor" and "young workers still in education" defined in SA8000 Standards. If the Company misuses such group without knowing it, protective measures are taken to avoid them from working in high-risk environment, and we will notify relevant government units and will cooperate with follow-up counseling and schooling. Related affairs are handled in accordance with the Work Rules and the Employee Recruitment and Appointment Management Measures.

Jia Wei Lifestyle abides by applicable laws and industry standards in terms of working hours. The normal working hours for workers in the operating bases in Taiwan do not exceed 8 hours a day, 40 hours a week. The extended working hours shall be calculated as overtime, which, together with the normal working hours shall not exceed 12 hours a day. The total number of overtime hours shall not exceed 46 hours a month. The hours of overtime of all employees shall not exceed 12 hours per week, and employees shall have at least one day off every 7 days. All the overtime work is voluntary and there will be extra pay. However, if through free negotiation, a collective bargaining agreement is reached between the Company and the workers' organization (defined by the International Labour Organization) that represent a large number of its employees, the Company may require the employees to work overtime to meet short-term business needs.



● 6.2 Rights and Benefits

The Company refers to the salary system in the same trade, the manpower demand, and the actual operating conditions to establish the salary system for employees. In addition, the employees' salaries and benefits are reviewed based on the price index and the profitability of the Company every year. The basic salary of employees does not differ due to gender, race, religion, political stance, marital status, or trade union. However, the seniority and work performance are put into consideration when it comes to salary. Therefore, there exists a gap in the salary ratio due to the difference in positions. In the operating bases in Taiwan, the proportion of male senior executives is higher, so among the management level, the ratio of salary of males to females was 1: 0.59. Salary related information of Jia Wei Lifestyle is shown as follows.

Salary ratio of each job position			
Factory	Item	Salary ratio	
		Male	Female
Operating bases in Taiwan	Management positions	1	0.59
	Non-management positions	1	0.91
TSP	Management positions	0.99	1
	Non-management positions	1	0.89
	Direct personnel	1	0.94
	Indirect personnel	1	0.92
TSM	Management positions	1	0.79
	Non-management positions	1	0.75
	Direct personnel	0.99	1
	Indirect personnel	1	0.93

Highest salary, median salary, and their percentages			
Factory	Highest individual annual salary (NT\$ thousand)	Median annual total salary of employees (excluding the highest paid individual) (NT\$ thousand)	Percentage
Operating bases in Taiwan (NT)	13,753	993	13.85
TSP(RMB)	942	79	11.92
TSM(RMB)	305	60	5.08

Percentage increase in the highest salary and the median salary			
Factory	Percentage increase in the highest individual personal annual salary	Percentage increase in median annual total salary of employees (excluding the highest paid individual)	Percentage
Operating bases in Taiwan	10.26	7.87	1.3
TSP	0.39	1.34	0.29
TSM	7.1	22.46	0.32

As of the end of the reporting period, the ratio of the standard salaries of male and female grassroots personnel to the local minimum salary of the local is as follows.

Country/Region	The ratio of the standard salary of male grassroots personnel to the local minimum salary	The ratio of the standard salary of female grassroots personnel to the local minimum salary
Operating bases in Taiwan	1.375	1.33
TSP	1.18	1.16
TSM	1.378	1.281

Salary of full-time employees in non-management positions			
Item	2020	2021	Compared with the previous year (%)
Number of full-time employees in non-management positions	41	44	7
Total salary of full-time employees in non-management positions	49,732	51,808	4
Average salary of full-time employees in non-management positions	1,213	1,177	(3)
Median salary of full-time employees in non-management positions	1,151	885	(23)

Note:

1. 「Full-time employees refer to the employees whose working hours reach the normal working hours required by the Company or legal hours stipulated by law. Those not following the working hours required by the Company and generally working more than 35 hours averagely per week are also classified as full-time employees; other workers not meeting the criteria are part-time workers (including part-timers, hourly-paid workers, and students working under the work-study programs).
2. “Total salary” refers to the salary income of the employees of the current year. It is based on the concept of accrual basis and includes regular salary (main salary and monthly fixed allowances and bonuses), overtime pay, and non-regular salary (non-monthly bonuses and other bonuses). In addition, the employee compensation (cash or stock) distributed in accordance with the Company’s Articles of Association should also be included in the total salary while the remaining amount paid on the basis of share (such as employee stock options, transfer of treasure shares to employees, etc.) shall not be included in the evaluation amount.
3. 「Non-management positions” refer to general employees excluding managers. “Managers” is defined as (1) the president and equivalents; (2) deputy presidents, managers and equivalents; (3) assistant managers and equivalents; (4) the head of the financial department; (5) the head of the accounting department; (6) others having the right to manage affairs and sign for the Company.
4. The statistics in the above table is calculated based on the salaries of the employees in the operating bases in 2021.
5. The above table is from the data in Taiwan.

The Employees' Retirement System

Relevant regulations regarding the retirement of the Company's employees are implemented in accordance with the local labor laws. The operating bases in Taiwan comply with the provisions of the Labor Pension Act and contributes 6% of the personal salary as the labor pension funds to the individual labor pension accounts at the Bureau of Labor Insurance. The retirement of employees in the operating bases in China follows the provisions of the Basic Endowment Insurance of the local government.

Parental Benefits

The operating bases in Taiwan follows the provisions of the Labor Standards Act and the Act of Gender Equality in Employment for the implementation of the parental leave without pay, and assist employees meeting the qualification to apply for parental leave without pay and make arrangement of their returning to the original positions when the leave expires. At the same time, we also provide active assistance for the employees to return to the workplace. The parental benefits of the factories in China are compliant with the local laws and regulations. Relevant information during the reporting period is as follows.

Operating bases in Taiwan						
Year	2020			2021		
Gender/ Total	Male	Female	Total	Male	Female	Total
The number of employees eligible to apply for parental leave without pay A	0	0	0	0	0	0
The number of employees who actually applied for parental leave without pay of the year B	0	0	0	0	0	0
The number of employees who should be reinstated after parental leave without pay of the year C	0	0	0	0	0	0
The number of employees who were actually reinstated of the year D	0	0	0	0	0	0
The number of employees who were actually reinstated in the previous year E	0	0	0	0	0	0
The number of employees who were actually reinstated in the previous year and had been reinstated for 12 months F	0	0	0	0	0	0
Reinstatement rate % of the year (D/C)	—	—	—	—	—	—
Retention rate % of the year (F/E)	—	—	—	—	—	—

Parental benefits in the factories in China	
Factory	Type of leave and number of days
TSP	Normal maternity leave: 98 days
TSM	Normal maternity leave: 98 days

Great Employee Benefits

The Company regards employees as the important assets of the Company. By establishing a complete benefit system that can stabilize the employees' lives and good employee training, our employees can have great relationship with mutual trust with the Company. The current benefit measures of the Company are as follows.

1. Organization of leisure activities
2. Employee insurance
3. Festival presents and cash gift
4. Department gathering activities
5. Year-end bonuses and remuneration distribution
6. Group trips
7. Condolences and emergency relief for occupational and common injuries
8. Employee education and training
9. Parental leave

● 6.3 Cultivation of Talents

The Company plans training courses in accordance with the employees' duties and actual needs to strengthen their professional knowledge, skills, and expertise, which will further improve their work performance. The training is divided into "New employee education and training" and "on-the-job education and training", which can further be divided into "Internal education and training" and "External education and training". Through this complete education and training system, all departments can serve their functions of professional training and commonality and provide training at different levels, taking into consideration the necessary training needed for the personnel at the state and for future development. Female employees account for higher percentage in the operating bases in Taiwan, and therefore, the training hours are also higher.

The statistics of education and training in recent years is detailed in the following table.

Statistics of education and training (by position)						
Factory	Item\Category		Management position		Non-management position	
	Unit\ Gender		Male	Female	Male	Female
Operating bases in Taiwan	Total number of trainees	People	8	16	7	26
	Total training hours	Hour	100	150	75	176
	Average training hours	hr/person	12.5	9.38	10.71	6.77
	Training expenses	NT\$	19,000	28,000	14,000	32,620
TSP	Total number of trainees	People	53	18	264	232
	Total training hours	Hour	53	18	148	157.5
	Average training hours	hr/person	1	1	0.56	0.68
	Training expenses	NT\$	0	0	0	0
TSM	Total number of trainees	People	38	9	180	184
	Total training hours	Hour	76	18	90	92
	Average training hours	hr/person	2	2	0.5	0.5
	Training expenses	NT\$	0	0	0	0

Statistics of education and training (by nature)						
Factory	Item\Category		Direct personnel		Indirect personnel	
	Unit\Gender		Male	Female	Male	Female
Operating bases in Taiwan	Total number of trainees	People	0	0	15	42
	Total training hours	Hour	0	0	175	326
	Average training hours	hr/person	0	0	11.67	7.76
	Training expenses	NT\$	0	0	33,000	60,620
TSP	Total number of trainees	People	206	124	111	126
	Total training hours	Hour	103	62	98	113.5
	Average training hours	hr/person	0.5	0.5	0.88	0.9
	Training expenses	NT\$	0	0	0	0
TSM	Total number of trainees	People	134	112	84	81
	Total training hours	Hour	67	56	99	54
	Average training hours	hr/person	0.5	0.5	1.18	0.67
	Training expenses	NT\$	0	0	0	0

Photo taken in education and training

Comprehensive analysis of integrity management:
All employees in Taiwan and manager or higher position holders in factories in China



Employee safety/fire fighting and environmental hygiene education and training:
Factories in China



Photo taken in education and training

Employee safety/fire fighting and environmental hygiene education and training: Factories in China



Fair Performance Management System

To improve the employees' performance and competence, the Company has established a complete performance management system, serving as the basis for internal job assignment, promotion, salary adjustment, bonus distribution, and training and development of the employees.

The percentage of employees receiving the performance appraisal in 2021 is detailed in the following table.

The percentage of employees receiving performance appraisal					
Factory	Item	Management position	Non-management position	Direct personnel	Indirect personnel
Operating bases in Taiwan	Percentage of male employees receiving performance appraisal	100	100	0	0
	Percentage of female employees receiving performance appraisal	100	100	0	0
TSP	Percentage of male employees receiving performance appraisal	99	100	100	100
	Percentage of female employees receiving performance appraisal	100	100	100	100
TSM	Percentage of male employees receiving performance appraisal	100	100	100	100
	Percentage of female employees receiving performance appraisal	100	100	100	100

● 6.4 A Healthy Workplace

In 2021, the factories in China announced the Occupational Hazard Prevention Responsibility Letter and Safe Production Responsibility Letter, whose contents include the responsibility of the vice president and production cadres for the prevention of occupational hazards and safe production, and relevant regulations concerning safe production and health prevention and control of production workers. In the regulations, the risk factors during the production process are listed, and standard operating process for the control of risks and accidents are proposed. In addition, the factories organize regular employee safety and health as well as fire fighting education & training and drills to ensure the workers' health and safety during the working process.

Occupational disaster drills and training

Fire fighting training drill: Factory in China



Fire fighting training drill: Factory in China



Occupational disaster drills and training

Fire fighting training drill: Factory in China



Fire fighting training drill: Factory in China



The Company belongs to a general working environment, and no employees or non-employee workers are engaged in duties with high risks or specific diseases. Therefore, general health checkups were carried out for employees required by the business as the implementation of health examination and management for full-time workers during the reporting period.

Number of employees receiving health checkup and total expenses	
Checkup items	General, physiology, vision, blood, urine, stool, organ functions, X-ray exams, EKG, ultrasound, etc.
Number of people receiving checkups (people)	47
Checkup expenses (NT\$ thousand)	291

To promote the physical and mental health of the employees, the employees are led to relieve their stress and to improve their own health management. Our employees are encouraged to do exercise. The Company also holds core muscle groups training or basketball games and tug of wars. There are also health education promotions, aiming at providing a healthy and safe workplace for our employees.



Basketball game



Moon Festival Party



Health education



Occupational Safety and Health Committee

The Company complies with the local occupational safety and health related laws and regulations and has established occupational safety and health personnel in Taiwan and the Safety Committee in the factories in China to assist with the monitoring and suggest occupational health and safety related plans.

The occupational safety and health related education for the employees during the reporting period is as follows.

Statistics of occupational safety and health training			
Factory	Training	Trainee	Training fee (NT\$)
Operating bases in Taiwan	Training for the occupational safety and health supervisor	1	6,000
TSP	Food safety manager training	2	0
TSM	-	0	0

Occupational Accidents

To prevent our associates from accidents during work, awareness of accidents is strengthened to ensure their safety and health. The Company organizes relevant education and training targeting at different types of accidents and injuries and abides by laws and regulations to prevent occupational accidents.

Factory	Statistics of employees' total working hours			
	Category	Item	2020	2021
Operating bases in Taiwan	Total working hours	Total working hours for women	70,331	77,455
		Total working hours for men	23,989	28,621
		Total working hours	94,320	106,076
	Statistics of total working hours of non-employee workers			
	Category	Item	2020	2021
	Total working hours	Total working hours for women	480	480
		Total working hours for men	0	0
		Total working hours	480	480
	Statistics of total working hours of employees			
	Category	Item	2020	2021
TSP	Total working hours	Total working hours for women	657,111	770,376
		Total working hours for men	895,779	1,053,024.5
		Total working hours	1,552,890	1,823,400.5
	Statistics of total working hours of non-employee workers			
	Category	Item	2020	2021
	Total working hours	Total working hours for women	2,282,284.5	1,462,121
		Total working hours for men	1,449,622.5	1,052,206
		Total working hours	3,731,907	2,514,327

TSM	Statistics of total working hours of employees			
	Category	Item	2020	2021
	Total working hours	Total working hours for women	664,453.3	584,212.4
		Total working hours for men	786,553.7	659,887.6
		Total working hours	1,451,007	1,244,100
	Statistics of total working hours of non-employee workers			
	Category	Item	2020	2021
	Total working hours	Total working hours for women	375,713.6	1,161,863.04
		Total working hours for men	663,369.4	646,946.46
		Total working hours	1,039,083	1,808,809.5

APPENDIX

APPENDIX I, II, III



Appendix I : Global Reporting Initiative (GRI) Index

“(*)” indicates major aspects

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
1. Organizational Profile					
GRI102 General disclosure 2016 : Core	102-1	Name of the organization	2.1 Company Overview	15	
	102-2	Activities, brands, products, and services	2.2 Scope of Operations and Performance	19	
	102-3	Location of headquarters	2.1 Company Overview	15	
	102-4	Location of operations	2.1 Company Overview	15	
	102-5	Ownership and legal form	2.1 Company Overview	15	
	102-6	Markets served	2.1 Company Overview	15	
	102-7	Scale of the organization	2.1 Company Overview	15	
	102-8	Information on employees and other workers	6.1 Composition of Human Resources	68	
	102-9	Supply chain	4.3 Supply Chain	52	
	102-10	Significant changes to the organization and its supply chain	About This Report	4	
	102-11	Precautionary Principle or approach	3.3 Risk Management	37	
	102-12	External initiatives	-	-	None
	102-13	Membership of associations	-	-	None
2. Strategy					
GRI102 General disclosure 2016 : Core	102-14	Statement from senior decision-maker	Message from the Chairman	5	
GRI102 General disclosure 2016 : Comprehensive	102-15	Key impacts, risks, and opportunities	3.3 Risk Management	37	
3. Ethics and Integrity					
GRI102 General disclosure 2016 : Core	102-16	Values, principles, standards, and norms of behavior	3.4 Integrity and Compliance	41	
GRI102 General disclosure 2016 : Comprehensive	102-17	Mechanisms for advice and concerns about ethics	3.4 Integrity and Compliance	41	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
4. Governance					
GRI102 General disclosure 2016 : Core	102-18	Governance structure	3.1 Operational Structure	27	
	102-19	Delegating authority	-	-	
	102-20	Executive-level responsibility for economic, environmental, and social topics	-	-	
	102-21	Consulting stakeholders on economic, environmental, and social topics	1.1 Stakeholders Identification and Communication	8	
	102-22	Composition of the highest governance body and its committees	3.2 Board of Directors	29	
	102-23	Chair of the highest governance body	3.2 Board of Directors	29	
	102-24	Nominating and selecting the highest governance body	3.2 Board of Directors	29	
	102-25	Conflicts of interest	3.2 Board of Directors	29	
	102-26	Role of highest governance body in setting purpose, values, and strategy	-	-	
	102-27	Collective knowledge of highest governance body	3.2 Board of Directors	29	
GRI102 General disclosure 2016 Comprehensive	102-28	Evaluating the highest governance body's performance	3.2 Board of Directors	29	
	102-29	Identifying and managing economic, environmental, and social impacts	1.1 Stakeholders Identification and Communication	8	
	102-30	Effectiveness of risk management processes	3.3 Risk Management	37	
	102-31	Review of economic, environmental, and social topics	-	-	
	102-32	Highest governance body's role in sustainability reporting	Chapter1 Sustainable Management	8	
	102-33	Communicating critical concerns	Chapter1 Sustainable Management	8	
	102-34	Nature and total number of critical concerns	Chapter1 Sustainable Management	8	
	102-35	Remuneration policies	3.2 Board of Directors	29	
	102-36	Process for determining remuneration	3.2 Board of Directors	29	
	102-37	Stakeholders' involvement in remuneration	-	-	
	102-38	Annual total compensation ratio	6.2 Rights and Benefits	80	
	102-39	Percentage increase in annual total compensation ratio	6.2 Rights and Benefits	80	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
5. Stakeholder Engagement					
GRI102 General disclosure 2016 : Core	102-40	List of stakeholder groups	1.1 Stakeholders Identification and Communication	8	
	102-41	Collective bargaining agreements	6.1 Composition of Human Resources	68	
	102-42	Identifying and selecting stakeholders	1.1 Stakeholders Identification and Communication	8	
	102-43	Approach to stakeholder engagement	1.1 Stakeholders Identification and Communication	8	
	102-44	Key topics and concerns raised	1.1 Stakeholders Identification and Communication	8	
6. Report Profile					
GRI102 General disclosure 2016 : Core	102-45	Entities included in the consolidated financial statements	2.2 Scope of Operations and Performance	19	
	102-46	Defining report content and topic Boundaries	1.2 Identification of Material Topics	11	
	102-47	List of material topics	1.2 Identification of Material Topics	11	
	102-48	Restatements of information	About This Report	4	
	102-49	Changes in reporting	About This Report	4	
	102-50	Reporting period	About This Report	4	
	102-51	Date of most recent report	About This Report	4	
	102-52	Reporting cycle	About This Report	4	
	102-53	Contact point for questions regarding the report	About This Report	4	
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report	4	
	102-55	GRI content index	About This Report	4	
	102-56	External assurance	About This Report	4	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Topic-specific disclosure: 200 series (Economic topics)					
*Economic performance					
GRI 103 Management approach of Economic Performance 2016	103-1	Explanation of the material topic and its Boundary	Chapter 3 Corporate Governance	23	
	103-2	The management approach and its components	Chapter 3 Corporate Governance	23	
	103-3	Evaluation of the management approach	Chapter 3 Corporate Governance	23	
GRI 201 Disclosure of Economic Performance 2016	201-1	Direct economic value generated and distributed	2.2 Scope of Operations and Performance	19	
	201-2	Financial implications and other risks and opportunities due to climate change	3.3 Risk Management	37	
	201-3	Defined benefit plan obligations and other retirement plans	6.2 Rights and Benefits	80	
	201-4	Financial assistance received from government	2.2 Scope of Operations and Performance	19	
Market Presence					
GRI 202 Disclosure of Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	6.2 Rights and Benefits	80	
	202-2	Proportion of senior management hired from the local community	6.1 Composition of Human Resources	68	
Indirect Economic Impacts					
GRI 203 Disclosure of Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	2.2 Scope of Operations and Performance	19	
	203-2	Significant indirect economic impacts	2.2 Scope of Operations and Performance	19	
Procurement Practices					
GRI 204 Disclosure of Procurement Practices 2016	204-1	Proportion of spending on local suppliers	4.3 Supply Chain	52	
Anti-corruption					
GRI 205 Disclosure of Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	-	-	
	205-2	Communication and training about anticorruption policies and procedures	3.4 Integrity and Compliance	41	
	205-3	Confirmed incidents of corruption and actions taken	3.4 Integrity and Compliance	41	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Tax					
GRI 207 Disclosure of Tax 2019	207-1	Approach to tax	3.4 Integrity and Compliance	41	
	207-2	Tax governance, control, and risk management	3.4 Integrity and Compliance	41	
	207-3	Stakeholder engagement and management of concerns related to tax	3.4 Integrity and Compliance	41	
	207-4	Country-by-country reporting	-	-	None
Topic-specific disclosure: 300 series (Environmental topics)					
Materials					
GRI 301 Disclosure of Materials 2016	301-1	Materials used by weight or volume	5.1 Raw Materials	57	
	301-2	Recycled input materials used	5.1 Raw Materials	57	
	301-3	Reclaimed products and their packaging materials	5.1 Raw Materials	57	
Energy					
GRI 302 Disclosure of Energy 2016	302-1	Energy consumption within the organization	5.3 Energy and Greenhouse Gases	59	
	302-2	Energy consumption outside of the organization	5.3 Energy and Greenhouse Gases	59	
	302-3	Energy intensity	5.3 Energy and Greenhouse Gases	59	
	302-4	Reduction of energy consumption	5.3 Energy and Greenhouse Gases	59	
	302-5	Reductions in energy requirements of products and services	-	-	
Water and Effluents					
GRI 303 Disclosure of Water and Effluents 2018	303-1	Interactions with water as a shared resource	5.2 Water Resources	58	
	303-2	Management of water discharge-related impacts	5.2 Water Resources	58	
	303-3	Water withdrawal	5.2 Water Resources	58	
	303-4	Water discharge	5.2 Water Resources	58	
	303-5	Water consumption	5.2 Water Resources	58	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Biodiversity					
GRI 304 Disclosure of Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	
	304-2	Significant impacts of activities, products, and services on biodiversity	-	-	
	304-3	Habitats protected or restored	-	-	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	
Emissions					
GRI 305 Disclosure of Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5.3 Energy and Greenhouse Gases	59	
	305-2	Energy indirect (Scope 2) GHG emissions	5.3 Energy and Greenhouse Gases	59	
	305-3	Other indirect (Scope 3) GHG emissions	5.3 Energy and Greenhouse Gases	59	
	305-4	GHG emissions intensity	5.3 Energy and Greenhouse Gases	59	
	305-5	Reduction of GHG emissions	5.3 Energy and Greenhouse Gases	59	
	305-6	Emissions of ozone-depleting substances (ODS)	-	-	
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	-	
Effluents and Wast					
GRI 306 Disclosure of Effluents and Waste 2020	306-1	Waste generation and significant waste-related impac	5.4 Effluents and Waste	63	
	306-2	Management of significant waste-related impacts	5.4 Effluents and Waste	63	
	306-3	Waste generated	5.4 Effluents and Waste	63	
	306-4	Waste diverted from disposal	5.4 Effluents and Waste	63	
	306-5	Waste directed to disposal	5.4 Effluents and Waste	63	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Environmental Compliance					
GRI 307 Disclosure of Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	3.4 Integrity and Compliance	41	
Supplier Environmental Assessment					
GRI 308 Disclosure of Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	4.3 Supply Chain	52	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.3 Supply Chain	52	
Topic-specific disclosure: 400 series (Social topics)					
Employment					
GRI 401 Disclosure of Employment 2016	401-1	New employee hires and employee turnover	6.1 Composition of Human Resources	68	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.2 Rights and Benefits	80	
	401-3	Parental leave	6.2 Rights and Benefits	80	
Labor/Management Relations					
GRI 402 Disclosure of Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	6.1 Composition of Human Resources	68	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Occupational Health and Safety					
GRI 403 Disclosure of Occupational Health and Safety 2018	403-1	Occupational health and safety management system	6.4 A Healthy Workplace	89	
	403-2	Hazard identification, risk assessment, and incident investigation	6.4 A Healthy Workplace	89	
	403-3	Occupational health services	6.4 A Healthy Workplace	89	
	403-4	Worker participation, consultation, and communication on occupational health and safety	6.4 A Healthy Workplace	89	
	403-5	Worker training on occupational health and safety	6.4 A Healthy Workplace	89	
	403-6	Promotion of worker health	6.4 A Healthy Workplace	89	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Supply Chain	52	
	403-8	Workers covered by an occupational health and safety management system	6.4 A Healthy Workplace	89	
	403-9	Work-related injuries	-	-	
	403-10	Work-related ill health	-	-	
*Training and Education					
GRI 103 Management approach of Training and Education 2016	103-1	Explanation of the material topic and its Boundary	Chapter 6 A Friendly Workplace	66	
	103-2	The management approach and its components	Chapter 6 A Friendly Workplace	66	
	103-3	Evaluation of the management approach	Chapter 6 A Friendly Workplace	66	
GRI 404 Disclosure of Training and Education 2016	404-1	Average hours of training per year per employee	6.3 Cultivation of Talents	85	
	404-2	Programs for upgrading employee skills and transition assistance programs	6.3 Cultivation of Talents	85	
	404-3	Percentage of employees receiving regular performance and career development reviews	6.3 Cultivation of Talents	85	
Diversity and Equal Opportunity					
GRI 405 Disclosure of Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	6.1 Composition of Human Resources	68	
	405-2	Ratio of basic salary and remuneration of women to men	6.2 Rights and Benefits	80	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Non-discrimination					
GRI 406 Disclosure of Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	3.4 Integrity and Compliance	41	
Freedom of Association and Collective Bargaining					
GRI 407 Disclosure of Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	6.1 Composition of Human Resources	68	
Child Labor					
GRI 408 Disclosure of Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	6.1 Composition of Human Resources	68	
Forced or Compulsory Labor					
GRI 409 Disclosure of Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	6.1 Composition of Human Resources	68	
Security Practices					
GRI 410 Disclosure of Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	-	
Rights of Indigenous Peoples					
GRI 411 Disclosure of Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	6.1 Composition of Human Resources	68	
Human Rights Assessment					
GRI 412 Disclosure of Rights of Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	6.1 Composition of Human Resources	68	
	412-2	Employee training on human rights policies or procedures	-	-	
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	4.3 Supply Chain	52	
Local Communities					
GRI 413 Disclosure of Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	2.2 Scope of Operations and Performance	19	
	413-2	Operations with significant actual and potential negative impacts on local communities	2.2 Scope of Operations and Performance	19	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
Supplier Social Assessment					
GRI 414 Disclosure of Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	4.3 Supply Chain	52	
	414-2	Negative social impacts in the supply chain and actions taken	4.3 Supply Chain	52	
Public Policy					
GRI 415 Disclosure of Public Policy 2016	415-1	Political contributions	-	-	None
*Customer Health Safety					
GRI 103 Management approach of Customer Health Safety 2016	103-1	Explanation of the material topic and its Boundary	Chapter 4 Industrial Chain Management	45	
	103-2	The management approach and its components	Chapter 4 Industrial Chain Management	45	
	103-3	Evaluation of the management approach	Chapter 4 Industrial Chain Management	45	
GRI 416 Disclosure of Customer Health Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	4.1 Quality Assurance	48	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.1 Quality Assurance	48	
Marketing and Labeling					
GRI 417 Disclosure of Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	4.1 Quality Assurance	48	
	417-2	Incidents of non-compliance concerning product and service information and labeling	4.1 Quality Assurance	48	
	417-3	Incidents of non-compliance concerning marketing communications	4.1 Quality Assurance	48	
Customer Privacy					
GRI 418 Disclosure of Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.2 Information Security and Customer Privacy	49	
Socioeconomic Compliance					
GRI 419 Disclosure of Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	3.4 Integrity and Compliance	41	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
* Custom Topics					
* Corporate Governance					
GRI 103 Management approach of Corporate Governance 2016	103-1	Explanation of the material topic and its Boundary	Chapter 3 Corporate Governance	23	
	103-2	The management approach and its components	Chapter 3 Corporate Governance	23	
	103-3	Evaluation of the management approach	Chapter 3 Corporate Governance	23	
* Integrity Management					
GRI 103 Management approach of Integrity Management 2016	103-1	Explanation of the material topic and its Boundary	Chapter 3 Corporate Governance	23	
	103-2	The management approach and its components	Chapter 3 Corporate Governance	23	
	103-3	Evaluation of the management approach	Chapter 3 Corporate Governance	23	
* Customer Service Management					
GRI 103 Management approach of Customer Service Management 2016	103-1	Explanation of the material topic and its Boundary	Chapter 4 Industrial Chain Management	45	
	103-2	The management approach and its components	Chapter 4 Industrial Chain Management	45	
	103-3	Evaluation of the management approach	Chapter 4 Industrial Chain Management	45	
* Cyber Security					
GRI 103 Management approach of Cyber Security 2016	103-1	Explanation of the material topic and its Boundary	Chapter 4 Industrial Chain Management	45	
	103-2	The management approach and its components	Chapter 4 Industrial Chain Management	45	
	103-3	Evaluation of the management approach	Chapter 4 Industrial Chain Management	45	
* Innovative Products and Technologies					
GRI 103 Management approach of Innovative Products and Technologies 2016	103-1	Explanation of the material topic and its Boundary	Chapter 4 Industrial Chain Management	45	
	103-2	The management approach and its components	Chapter 4 Industrial Chain Management	45	
	103-3	Evaluation of the management approach	Chapter 4 Industrial Chain Management	45	
* Risk Management					
GRI 103 Management approach of Risk Management 2016	103-1	Explanation of the material topic and its Boundary	Chapter 3 Corporate Governance	23	
	103-2	The management approach and its components	Chapter 3 Corporate Governance	23	
	103-3	Evaluation of the management approach	Chapter 3 Corporate Governance	23	

GRI Category/Material Aspects	No.	GRI Index	Chapter and Section	Page	Omit/ remark
* Intellectual Property Management					
GRI 103 Management approach of Intellectual Property Management 2016	103-1	Explanation of the material topic and its Boundary	Chapter 4 Industrial Chain Management	45	
	103-2	The management approach and its components	Chapter 4 Industrial Chain Management	45	
	103-3	Evaluation of the management approach	Chapter 4 Industrial Chain Management	45	

Appendix II : Items required to disclose by Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (Article 4, Item 4)

No.	Indicator content	Chapter and Section	Page
(1)	The number of full-time employees not in managerial positions, the average and median salary of full-time employees not in managerial positions, and the difference compared with the previous year	6.2 Rights and Benefits	80
(2)	Corporate governance of climate-related risks and opportunities, actual and potential climate-related impacts, how to identify, assess and manage climate-related risks, and indicators and objectives used for the assessment and management of climate-related issues.	3.3 Risk Management	37

Appendix III : Sustainability Accounting Standards Board (SASB) Index

Industry category: household & personal products

Topic	Code	Accounting metric	Category	Unit of measure	Page
Water Management	CG-HP-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	N/A	-
	CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	
Product Environmental, Health, and Safety Performance	CG-HP-250a.1	Revenue from products that contain REACH substances of very high concern (SVHC)	Quantitative	N/A	-
	CG-HP-250a.2	Revenue from products that contain substances on the California DTSC Candidate Chemicals List	Quantitative	N/A	
	CG-HP-250a.3	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and Analysis	N/A	
	CG-HP-250a.4	Revenue from products designed with green chemistry principles	Quantitative	N/A	
Packaging Lifecycle Management	CG-HP-410a.1	(a) Total weight of packaging, (b) percentage made from recycled and/or renewable materials, and (c) percentage that is recyclable, reusable, and/or compostable	Quantitative	N/A	-
	CG-HP-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	N/A	-
Environmental & Social Impacts of Palm Oil Supply Chain	CG-HP-430a.1	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved (b) Segregated (c) Mass Balance (d) Book & Claim	Quantitative	N/A	-

