



2024

Sustainability Repo

A Pharmacy You Can Trust

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MESSAGE FROM THE MANAGEMENT



In 2024, Taiwan continued to face challenges such as the energy crisis, raw material shortages, and wage increases. The post-pandemic shift in consumer behavior has accelerated, leading to significant disruptions in the retail sector, with physical stores closing at an alarming rate. Industries that failed to respond proactively faced considerable challenges. However, the Company's management team leveraged its channel advantages, integrated online and offline operations, and continued to lead all employees in working together to achieve impressive results. While pursuing healthy growth, we are also committed to improving Environmental, Social, and Governance (ESG) aspects. Step by step, we are incorporating sustainability strategies into our daily operations to build the capabilities necessary to face future challenges.

SUSTAINED GROWTH

According to the 2024 results of the CommonWealth Magazine Top 2000 Service Industry survey, Great Tree ranked 124th overall in the service industry and first in the pharmaceutical and healthcare service industry. We extend our gratitude to the Great Tree team and all our colleagues for their daily focus on selecting better products for consumers and creating superior services, which has led to consolidated operating revenue of NTD 17,274 billion and consolidated net income after tax of NTD 680 million in 2024. Looking ahead, we plan to continue expanding, increasing our market share, and solidifying our position in the industry.

DEEPENING SUSTAINABILITY

With the impacts of climate change and the pandemic, businesses need to accelerate their adjustments to long-term sustainability strategies. Therefore, the Company began issuing Sustainability Reports ahead of regulatory requirements to provide more transparent information about our efforts in sustainable operations. In particular, we have taken concrete actions, including encouraging suppliers to prioritize sustainability, adopting low-energy-consuming equipment, and promoting green consumption. We plan to include suppliers' carbon footprints and carbon reduction performance as key criteria in our procurement process, aiming to raise sustainability awareness in the industry and among consumers. In the process of expanding our stores, we use low-energy-consuming equipment and government-certified eco-friendly materials for store renovations and equipment installations. This helps reduce the hazards of chemical synthetic materials and avoid secondary damage to the environment and human bodies.



SOCIAL ENGAGEMENT

Great Tree makes annual donations to the pharmacy departments of major universities for scholarships, dedicated to cultivating pharmaceutical talent. Additionally, our store partners and professional pharmacists frequently leverage their expertise by organizing community health education programs and continuing to address the healthcare needs of residents in remote areas. Great Tree has long focused on supporting disadvantaged groups in society. Since 2022, we have participated in the Cathay United Bank Foundation's Elevated Tree Program each year, calling on the public to pay attention to equal education rights for children and promoting the development of grassroots education.

CORPORATE GOVERNANCE

In terms of corporate governance, Great Tree focuses on establishing an effective corporate governance structure, protecting shareholders' rights and interests, strengthening the functions of the Board of Directors, respecting the rights and interests of stakeholders, improving information transparency, and implementing various systems and measures to effectively improve the quality of corporate governance, with the ultimate goal of maximizing shareholders' equity and ensuring sustainable business operations.

On the path to sustainability, Great Tree strives to fulfill its role as a corporate citizen. We are grateful for the contributions of all our employees, investors, suppliers and the support of our consumers. All members of Great Tree will continue to move forward with the belief in "Sincerity, Professionalism, and Sharing," working toward creating a sustainable future.

Chairman & President



ABOUT THE CONTENT OF OUR REPORT

Great Tree Pharmacy Co., Ltd. (hereinafter referred to as "Great Tree," "the Company," or "we") has been publishing the Corporate Social Responsibility (CSR) report every year since 2018. In 2022, the report was renamed the Sustainability Report. Through this report, we hope to establish a communication channel and platform between Great Tree and its stakeholders. While pursuing sustainable operations and profitability, we will continue to uphold our commitment to corporate social responsibility.

This report is prepared in accordance with the 2021 version of the GRI Sustainability Reporting Standards (Global Reporting Initiative, referred to as GRI Standards). It follows the core disclosures of the GRI Standards and also complies with the "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies." The financial figures are denominated in New Taiwan dollars (NTD). A comparison table of the GRI Standards is attached in the appendix of this report for reference. Although this report has not been externally verified, the information and data contained within are the results of internal statistics and review. The financial data is the information released to the public after certification by Ernst & Young. There is no restatement of information in the 2024 Sustainability Report.

REPORT ISSUANCE PERIOD

Great Tree issued its 2024 Sustainability Report in 2025, disclosing the issues of concern to stakeholders in 2024 (from January 1, 2024 to December 31, 2024).

REPORT SCOPE

The scope of this report covers Great Tree Pharmacy Co., Ltd. and all its pharmacy outlets in Taiwan. Except for the financial information certified by auditors and certain sustainability information, it does not include the reinvestment businesses listed in the consolidated financial statements.

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01

STAKEHOLDER ENGAGEMENT

Determine Stakeholders 1-1 CHAPTER

Stakeholder Communication Channel and Concerned Topics 1-2 CHAPTER

Material Topics Identification 1-3 CHAPTER

Sustainable Development Committee 1-4 CHAPTER

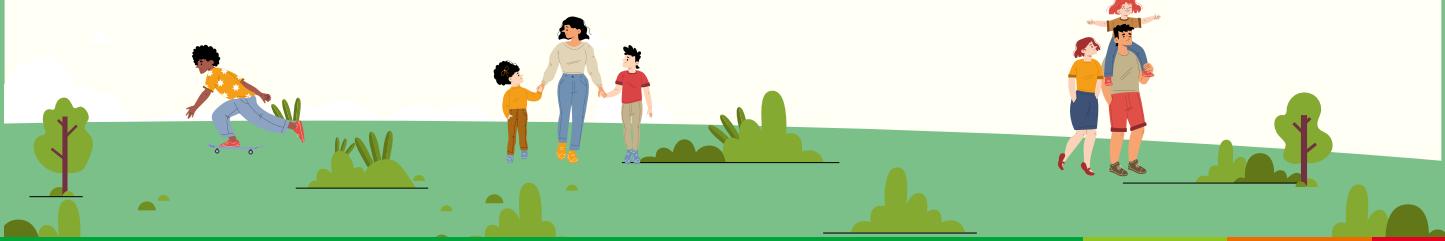
United Nations Sustainable Development Goals (SDGs) 1-5 CHAPTER



A Pharmacy You Can Trust

1.1 DETERMINE STAKEHOLDERS

Stakeholders are the group that has the greatest impact on Great Tree or is most affected by Great Tree. Great Tree considers the interaction frequency of each stakeholder with the Company, the mutual impact level, and the importance to each other. It convenes internal meetings for discussion, taking into account the five principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES): Dependency, Responsibility, Tension, Influence, and Diverse Perspective. This approach helps identify major stakeholders, including shareholders and investors, employees, customers and consumers, suppliers, government entities, community organizations, and non-profits.



1.2 STAKEHOLDER COMMUNICATION CHANNEL AND CONCERNED TOPICS

Stakeholders' concerns vary depending on their identity category. Great Tree's departments maintain positive interactions with stakeholders in their daily operations, in order to understand the topics concerned by the stakeholders and their expectations for the Company. These are then collected and consolidated by the Sustainability Promotion Committee, resulting in the identification of 22 sustainability topics that cover the aspects of the economy, environment, and society (including human rights), thereby ensuring the diversity and completeness of the information disclosed in this report.

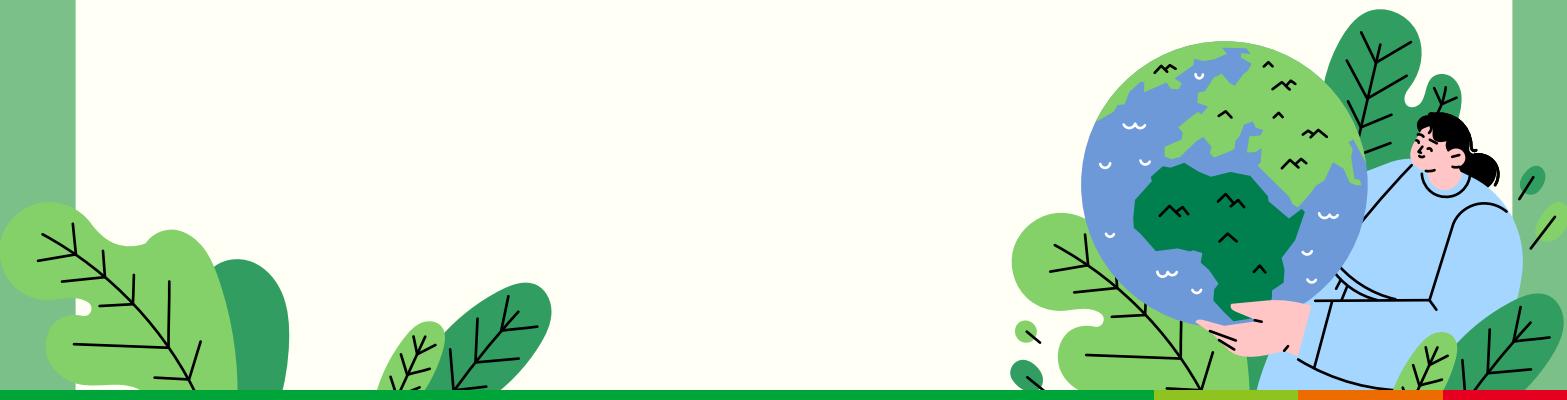
Stakeholders	Issues of Concern	Communication Channels and Methods, with Execution Frequency	2024 Execution Status or Response
Shareholders and investors 	<ul style="list-style-type: none"> Business Performance Shareholders' Equity Corporate Governance Legal Compliance Social Welfare 	<ul style="list-style-type: none"> Investor conference (at least twice a year) Public information observation and disclosure (announced according to the reporting deadline) Shareholders' meeting (before June each year) Official Website – Investors (as necessary) Stock Affairs and Investors section (responded by dedicated personnel via email and hotline) 	<ul style="list-style-type: none"> Invited to participate in 3 investor conferences Published 32 material information each in Chinese and English 1 shareholders' meeting was held in May The Company's annual report, sustainability report, financial statements, and monthly revenue are updated on the Company's official website in real-time A total of 14 conference calls were held with domestic and international institutional investors and analysts
Employees 	<ul style="list-style-type: none"> Salary and Benefits Talent Cultivation Labor Rights Labor Relations 	<ul style="list-style-type: none"> KPI evaluation (once quarterly) Internal training courses (ad hoc basis) Labor-management meeting (ad hoc basis) Employee Welfare Committee meeting (ad hoc basis) Employee feedback mailbox (response by dedicated personnel) 	<ul style="list-style-type: none"> KPI evaluation once quarterly Please refer to 5.1 Talent Training for details on the irregularly internal training programs The employee feedback mailbox received a total of 57 submissions A total of 955 participants including employees and their family members, participated in the domestic and international employee trips A total of 2,253 participants took part in health checks Departmental gatherings (including year-end banquets) are held 4 times a year

Stakeholders	Issues of Concern	Communication Channels and Methods, with Execution Frequency	2024 Execution Status or Response
Customers and consumers 	<ul style="list-style-type: none"> Customer Service Supplier Environmental Review Product Safety Service Quality 	<ul style="list-style-type: none"> Official webpage/FB page/Communication software (immediate response by dedicated personnel) Consumer service hotline (immediate response by dedicated personnel) Advertisement DM/flyers (once a month) 	<ul style="list-style-type: none"> Official webpage/FB page/Communication software are all responded by dedicated personnel immediately The consumer service hotline has received 13,099 complaints from consumers Advertisement flyers are distributed a month, for a total of 12 times per year
Suppliers 	<ul style="list-style-type: none"> Supplier Management Supplier Environmental Review 	<ul style="list-style-type: none"> Supplier review or communication meeting (ad hoc) On-site factory inspection (ad hoc) Electronic information platform (ad hoc) 	<ul style="list-style-type: none"> Supplier review or communication meeting (ad hoc) On-site factory inspection (ad hoc) Ad hoc audits of supplier management are conducted through the "Trade-Van E-HUB" platform
Government 	<ul style="list-style-type: none"> Legal Compliance Product Safety Labor Rights 	<ul style="list-style-type: none"> Regulatory announcements and directives from competent authorities (irregularly) Official document system (irregularly) Communication with the supervisory authority (executed according to regulations) Seminars organized by regulatory authorities (irregularly) 	<ul style="list-style-type: none"> 3 compliance-related general knowledge courses were arranged in the Great Tree training system in order to enhance all Employees' regulatory knowledge at the workplace.
Community and non-profit organizations 	<ul style="list-style-type: none"> Community Care Social Welfare Energy Saving and Carbon Reduction 	<ul style="list-style-type: none"> Customer service hotline (immediate response by dedicated personnel) Social engagement/disaster relief donations(irregularly) Health seminars/Motherhood classes(irregularly) 	<ul style="list-style-type: none"> The consumer service hotline has received 13,099 complaints from consumers Donations totaled NTD 5,240 thousand to charitable organizations, colleges and universities, and social engagement

1.3 MATERIAL TOPICS IDENTIFICATION

Aspect	Sustainability Topic
Environmental Aspect	Sustainable supply chain, raw material management, energy management, greenhouse gas (GHG) management, water resource management, waste management, climate change, green products and services
Society Aspect (including human rights)	Remuneration and benefits, talent development, products and services, employee equality and non-discrimination, human rights protection, community relationship maintenance, public welfare participation
Economic Aspect	Operational performance, information security , fair competition, complaint and whistleblowing mechanisms, ethics and integrity, innovation and R&D, protection of trade secrets and transaction security

The Sustainable Development Committee has proposed 22 sustainability topics, which are evaluated by the Committee for their potential impact on the Company's internal and external stakeholders. After the meeting discussion, six material topics covering the three aspects of environment, society (including human rights), and economy have been selected. The material topics are operational performance, information security, remuneration and benefits, talent cultivation, products and services, and sustainable supply chain. Considering the completeness of the sustainability report, we also disclose the Company's involvement in charitable activities in the report.



Ranking	2023 Material Topics	2024 Material Topics	Comparison
1	Corporate Governance	Operational Performance	↑ 1
2	Business Performance	Information Security	Newly added
3	Shareholders' Equity	Remuneration and Benefits	Newly added
4	Legal Compliance	Talent Cultivation	Newly added
5	Customer Service	Products and Services	—
6	Supplier Environmental Review	Sustainable Supply Chain	—
7	Product Safety		
8	Service Quality		

Differences in material topics over the past two years include Corporate Governance and Legal Compliance, as these are necessary disclosures required by the GRI Standards and are already covered in the report. Therefore, they are not listed as separate material topics.

Furthermore, the topics of Customer Service, Product Safety, and Service Quality have been consolidated under the 2024 material topic of Products and Services for joint disclosure. Great Tree also values employees' rights and benefits; therefore, the 2024 report includes two key indicators of Remuneration and Benefits, and Talent Cultivation as the disclosure items of this report.

MATERIAL TOPIC AND BOUNDARY

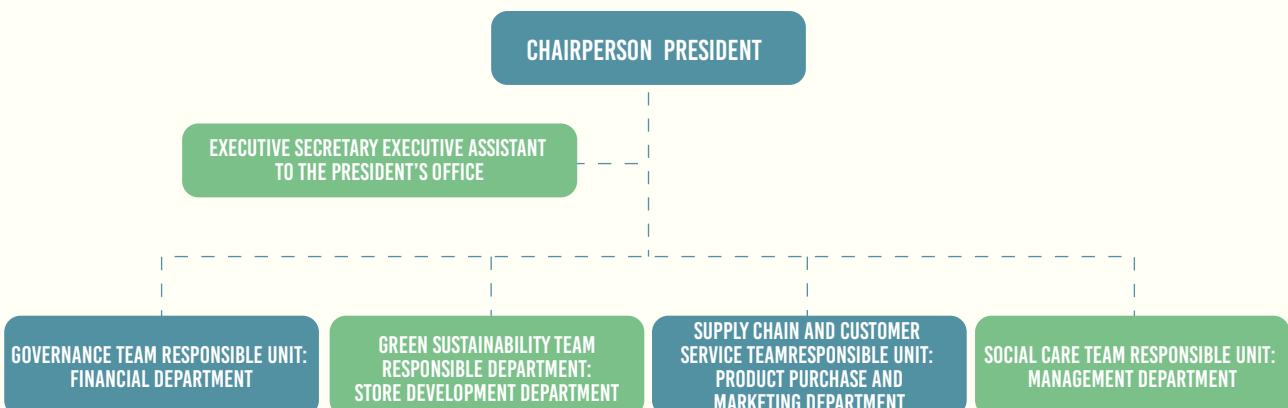
SERIAL NUMBER	MATERIAL TOPIC	IMPORTANCE	CORRESPONDING GRI STANDARDS	RESPONSE CHAPTER
1	OPERATIONAL PERFORMANCE	<p>1. The Company strives to meet customer needs for products and services. With retail stores throughout Taiwan, we are able to provide timely, localized solutions to consumer issues, and aim to become the best neighbor to our customers.</p> <p>2. The Company satisfies customers with high-quality products, delivers outstanding business performance to shareholders, and maintains stable business growth.</p>	GRI 201 Economic Performance	2.2 Overview of Operations
2	INFORMATION SECURITY	In the era of advanced information technology, information security has become a critical challenge for businesses. We implement robust information security policies to protect the privacy of the Company, suppliers, and customers in order to ensure business continuity and gain trust from both upstream and downstream partners in the supply chain.	Great Tree Self-specified Topics	3.5 Information Security
3	REMUNERATION AND BENEFITS	Provide competitive remuneration system and comprehensive employee benefits to attract outstanding talents, and to also strengthen employee loyalty to the Company, in order to grow with the Company and to achieve mutually beneficial results.	GRI 401 Employment	5.2 Friendly Workplace
4	TALENT CULTIVATION	The sustainable operation and growth of Great Tree depend on fully leveraging the professional and managerial talents of its employees. Through tiered training and development programs, we continuously enhance the competitiveness of employees and supervisors, in order to establish the professional brand value of "Great Tree Pharmacy."	GRI 404 Training and Education	5.1 Talent Sustainability
5	PRODUCTS AND SERVICES	Providing customers with high-quality, safe products and comprehensive services is the key priority to Great Tree.	GRI 416 Customer Health and Safety	2.5 Product Safety Management
6	SUSTAINABLE SUPPLY CHAIN	Suppliers are important partners for the continuous growth of Great Tree, and Great Tree actively collaborates with suppliers to achieve sustainable development and to maintain a stable and high-quality supply chain.	GRI 308 Supplier Environmental Assessment GRI 414 Supplier Social Assessment	2.3 Supply Chain Management

MATERIAL ISSUE	WITHIN THE ORGANIZATION		OUTSIDE THE ORGANIZATION			
	HEADQUARTERS	BRANCH OFFICE	SHAREHOLDERS AND INVESTORS	CUSTOMERS AND CONSUMERS	SUPPLIERS	COMMUNITY AND NON-PROFIT ORGANIZATIONS
Operational Performance	●	●	●			
Information Security	●	●	●			
Remuneration and Benefits	●	●	●			
Talent Cultivation	●	●	●	●	●	●
Products and Services	●	●		●		
Sustainable Supply Chain	●	●			●	

1.4 SUSTAINABLE DEVELOPMENT COMMITTEE

The Board of Directors approved the Sustainable Development Best-Practice Principles and authorized the President to establish the Sustainable Development Committee (hereinafter referred to as the "ESG Committee"), with the President serving as its chairperson. The ESG Committee is responsible for formulating sustainable development guidelines, implementing these guidelines within the Company, and gradually integrating the concept of sustainable management into the corporate culture of Great Tree Pharmacy Co., Ltd.

To address the aspects of environment, society (including human rights), and corporate governance (referred to as "ESG") covered by sustainable development, task forces have been established under the ESG Committee. Responsible departments collect topics related to environmental protection, occupational safety, supply chain management, labor rights, business performance, and corporate governance as they pertain to stakeholder concerns. Furthermore, in respect of the rights and interests of stakeholders, a Stakeholders Section has been established on the Company website to effectively address important sustainability topics of stakeholder concern. Great Tree has established procedures for the preparation and verification of its sustainability report, incorporating the internal control system into the content of the report. The ESG performance of the previous year is also reported to the Board of Directors. The report includes the material topics identified by Great Tree, the subsequent risk mitigation measures, the goals for these material topics, and their implementation status. The Board of Directors annually reviews the report from the Sustainability Committee, assesses the feasibility of policies and goals established for key material topics, and examines the concrete implementation of ESG initiatives, thereby ensuring the Board's substantive involvement in the Company's ESG practices.



1.5 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

In 2015, the United Nations announced the “2030 Sustainable Development Goals” (SDGs), which include 17 goals such as No Poverty, Climate Action, and Gender Equality. These SDGs serve as a global guide for collective efforts toward sustainability. In response to the United Nations SDGs, Great Tree hereby discloses the following:

GREAT TREE'S SDGS-CORRESPONDING INITIATIVES AND OUTCOMES

CORRESPONDING CHAPTER



- Caring for disadvantaged families and children, donations to the Taishin Charity Foundation and the Taoyuan City Friendly Love Service Association, in order to help young people organize various care activities.

- 5.3 Social Engagement



- In compliance with regulations, labor insurance, National Health Insurance (NHI), group insurance, and pandemic insurance are provided.
- In 2024, employee health checks were conducted, with a total subsidy of NTD 5.36 million, covering 2,253 participants.
- In 2024, employee trips were organized, with subsidies provided for a total of 955 participants.

- 5.2 Friendly Workplace



- Offering comprehensive educational training courses and adopting an online learning platform.
- Continuing annual donations to the pharmacy departments of major universities for scholarships as the talent cultivation program.
- Participating annually in the “Cathay Elevated Tree Program” since 2022, supporting equal education rights for underprivileged children.
- In 2024, we sponsored the “2024 Asian Beach Volleyball Open” hosted by the Chinese Taipei Volleyball Association, to actively support international events.

- 5.1 Talent Sustainability
- 5.3 Social Engagement



- An employee complaint mailbox has been established to protect employee rights.
- Emphasis is placed on gender equality in the workplace, with compensation based on ability.

- 3.1 Governance Practice
- 5.2 Friendly Workplace

* Image source: United Nations Sustainable Development Knowledge Platform website

GREAT TREE'S SDGS-CORRESPONDING INITIATIVES AND OUTCOMES

CORRESPONDING CHAPTER



- In 2024, consolidated revenue reached NTD 17,274 billion, with consolidated net income after tax of NTD 681 million. A cash dividend of NTD 3.30 per share and a stock dividend of NTD 1.30 per share were distributed.
- Included in MSCI AC Far East ex Japan Small Cap Index since 2022
- A comprehensive remuneration and benefits system was implemented, and employee stock options were issued in 2022.
- A diverse and equal workplace environment is provided, with the statutory number of employees with disabilities employed.

- 2.2 Overview of Operations
- 5.2 Friendly Workplace



- At every stage of store development, Great Tree considers the needs of disadvantaged groups, women, children, individuals with disabilities, and the elderly, gradually adjusting store environments and safety measures to accommodate them.

- 2.4 Building a Trustworthy Pharmacy for Customers



- Domestic procurement accounts for more than 99% of annual purchases.
- In response to the concept of naked shopping for household products, the collaboration with Formosa Biomedical Technology Corp. for the "Laundry Detergent Refill Stations" was initiated in 2022 and has already been implemented in four retail stores, with plans for further expansion.

- 2.3 Supply Chain Management



- Environmental management policy
- Approximately 90% of the stores have already adopted energy-efficient lighting and inverter air conditioners.

- 4.1 Environmental Management
- 4.2 Energy Saving and Carbon Reduction



- Establishing an effective corporate governance structure

- 3.1 Governance Practices

* Image source: United Nations Sustainable Development Knowledge Platform website

02

ABOUT GREAT TREE

Company Profile **2-1 CHAPTER**

Overview of Operations **2-2 CHAPTER**

Supply Chain Management **2-3 CHAPTER**

Building a Trustworthy Pharmacy for Customers **2-4 CHAPTER**

Product Safety Management **2-5 CHAPTER**



A Pharmacy You Can Trust

2.1 COMPANY PROFILE

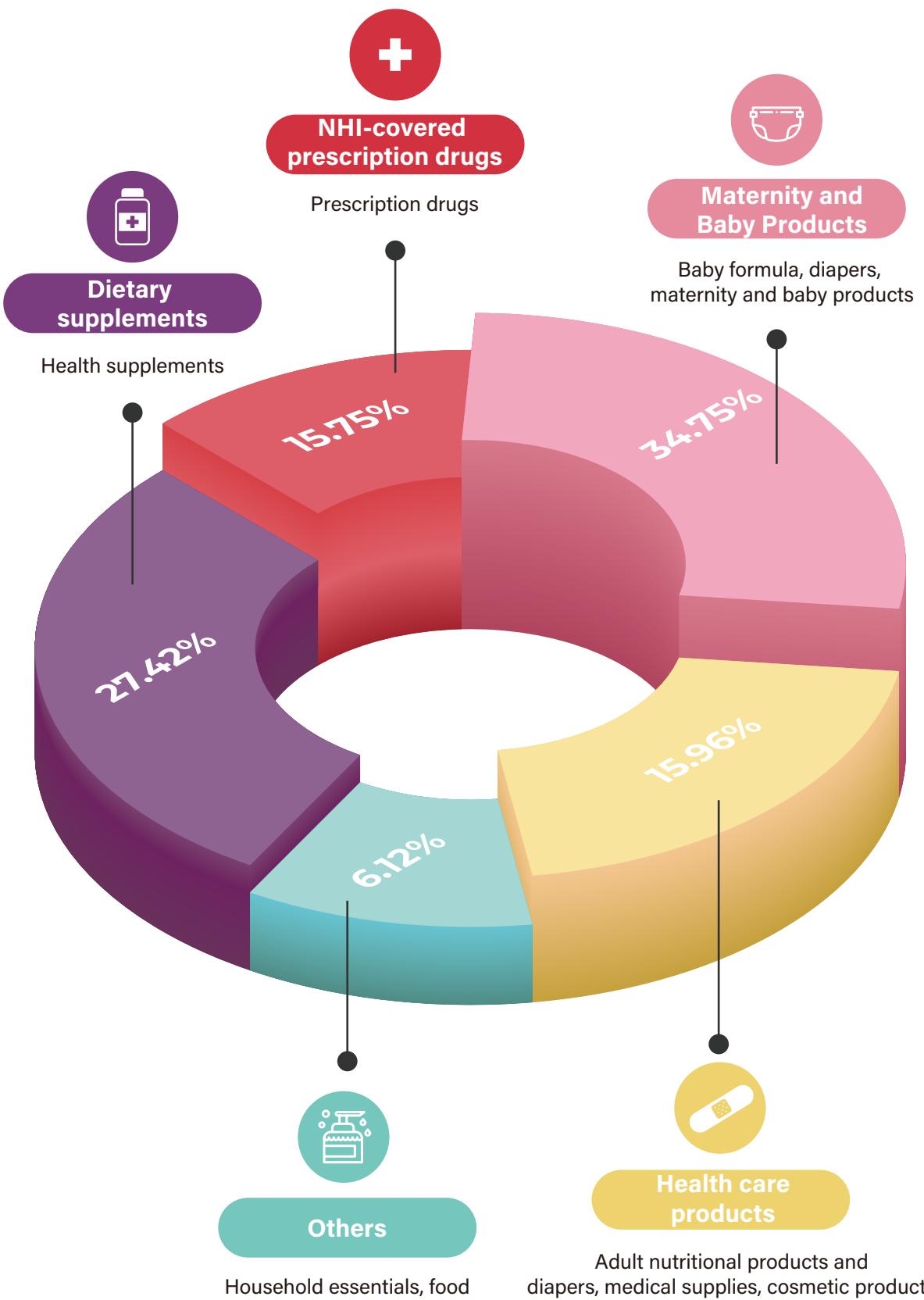
Great Tree Pharmacy Chain was founded in 2001 by Great Tree Pharmacy Co., Ltd., which introduced the pharmaceutical and drug channel management system GT-POMS. Through the successful use of the GT-POMS system, Great Tree has helped franchise members grow their businesses and continues to attract professionals to join the franchise, gradually expanding its business footprint across Taiwan.

Great Tree Pharmacy Chain adheres to the principles of "professionalism and integrity." To enhance customer loyalty, the Company collaborates with professional pharmacists and enthusiastic service personnel to provide the most professional, comprehensive, and reassuring shopping environment. The pharmacy provides a wide range of services, including nutritional and dietary supplements, maternity and baby products, and medical supplies. As of the end of 2024, Great Tree Pharmacy operates 386 stores across Taiwan and continues to expand, making it the largest prescription pharmacy offering maternity and baby products in Taiwan.

COMPANY NAME	Great Tree Pharmacy Co., Ltd.
DATE OF ESTABLISHMENT	May 15, 2001
LISTING DATE	March 30, 2016 (ticker symbol: 6469)
CHAIRMAN	Cheng, Ming-Lung
PRESIDENT	Cheng, Ming-Lung
PAID-IN CAPITAL	NTD 1,318,889 thousand
REVENUE	NTD 17,274,254 thousand (2024)
NUMBER OF EMPLOYEES	2590 people
MAIN BUSINESSES	A retail chain specializing in selling various drugs, dietary supplements, maternity and baby products, and cosmetics.
PRODUCTS AND SERVICES	Maternity and baby products 34.75% Dietary supplements 27.42% NHI-covered prescription drugs 15.75% Healthcare products 15.96% Others 6.12%
NUMBER OF STORES	A total of 386 stores in Taiwan (371 pharmacies, 3 Family Mart x Great Tree pharmacies, and 12 stores located within hypermarkets) The Healthcare Franchise currently has around 54 franchise partners Great Tree has expanded into the pet business, with 11 stores already established across Taiwan and plans for further expansion.
HEADQUARTERS	18F, No. 186, Fuxing Road, Taoyuan District, Taoyuan City
COMPANY WEBSITE	https://www.greattree.com.tw/ https://shop.greattree.com.tw/help/500err.html
FACEBOOK PAGE	https://www.facebook.com/www.greattree.com.tw/



GREAT TREE'S MAIN PRODUCTS



INDUSTRY OVERVIEW

With the improvement of living standards in Taiwan, accompanied by rising health awareness among consumers and the increasing prevalence of chronic diseases, people are paying more attention to beauty and health. According to data from "Sales of Wholesale, Retail and Food Services," of the Ministry of Economic Affairs, the market scale of the "Retail Sale of Pharmaceutical, Medical and Cosmetics Industry" grew from NTD 169 billion in 2014 to NTD 213.2 billion in 2024, showing steady growth year after year and reflecting the increasing demand for pharmaceuticals, medical products, and cosmetics from the public. In addition, the population aging index surpassed 100 in February 2017, indicating that the elderly population surpassed the youth population for the first time and reached 144.93 by the end of 2022, highlighting the increasing demand for medical care, disease monitoring, and prevention in an aging society.

Cosmeceuticals Retail Revenue & Annual Growth Rate



Source: "Sales of Wholesale, Retail and Food Services in August 2024", Department of Statistics, Ministry of Economic Affairs.

COMPANY HISTORY

2001 ▶ 2005

Modernize to chain store management

Of stores: 7

- 2001-The first TW pharmacy to issue legally required invoices to customers
- 2002- Implement automatic replenishment system & ERP system

2006 ▶ 2010

Construct a reproducible profit-making business model

Of stores: 14

- 2007- Set up E-booking system of controlled drugs
- 2008- Open store-within-store in Carrefour TW
- 2010- Introduce Corporate Identity System and renew display shelves
- Set the 3rd five-year plan (2011-2015) Complete stock IPO

2011 ▶ 2015

Nationwide expansion Aim to IPO

Of stores: 46

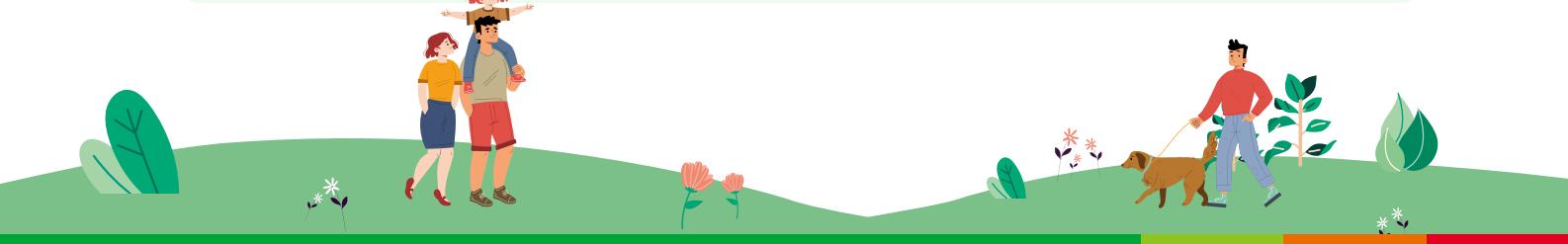
- 2011- Open stores beyond in Taoyuan, indicating expansion ability in TW
- 2014- PharmaCloud System received subsidy from SIIR Project
- 2014- Obtain ISO9001, GSP, TTQs
- 2015- Collaborate with Taiwan Family Mart
- 2015- Exclusive pharmacy partner with Alibaba TW
- Set the 4th five-year plan (2016-2020) with 200 stores in Taiwan

2016 ▶ 2020

TW's No.1 Chain Pharmacy Launch O2O model

**Of stores:
200**

- 2016/03/30- Listed on TPEx
- 2017- Re-selected as Carrefour TW's pharmacy partner
- 2018- Launch online pharmacy service
- 2019-Take over Boden Pharmacy
- Set the 5th five-year plan (2021-2025) with 500 stores in Taiwan.Three cross plan



BUSINESS LOCATIONS



PARTICIPATION IN EXTERNAL ORGANIZATIONS

Name of External Association	Participation Identity
Taiwan Institute of Directors	Member
Taiwan Chain Stores and Franchise Association	Member
Taiwan Association of Logistics Management	Member

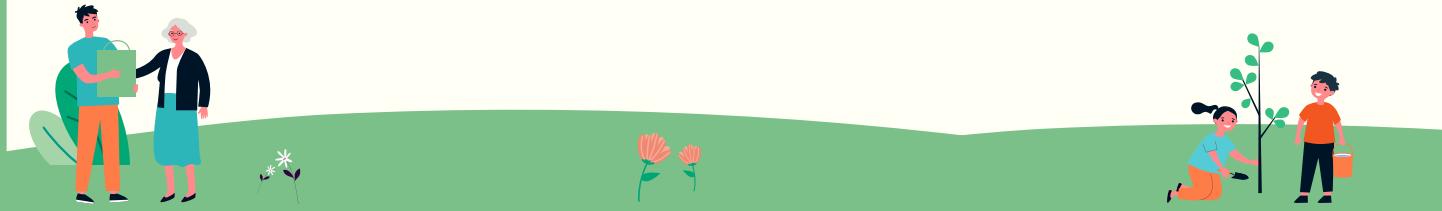
2.2 OVERVIEW OF OPERATIONS

MATERIAL TOPIC	ECONOMIC PERFORMANCE
MEANING TO THE COMPANY	<ol style="list-style-type: none"> The Company strives to meet customer needs for products and services. With retail stores throughout Taiwan, we are able to provide timely, localized solutions to consumer issues, and aim to become the best neighbor to our customers. The Company satisfies customers with high-quality products, delivers outstanding business performance to shareholders, and maintains stable business growth.
POLICY/COMMITMENTS	<ol style="list-style-type: none"> Provide excellent products and services. Continue to expand stores and improve overall market penetration. Three-cross projects: Implement cross-category/cross-industry/cross-border, and integrate group resources, in order to create maximum value. Conduct operational performance review, and adjustment in response to market dynamics.
SHORT-TERM GOALS	Continue to increase the number of retail stores.
MEDIUM AND LONG-TERM GOALS	Stable revenue growth.
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<ol style="list-style-type: none"> 53 new stores were added in 2024. With the increase of business locations, 234 new employees were added in 2024.
RESPONSIBLE DEPARTMENT/COMPLAINT FILING MECHANISM	Sales Department
ASSESSMENT MECHANISM/RESULT	Revenue in 2024 increased by 7% from 2023.

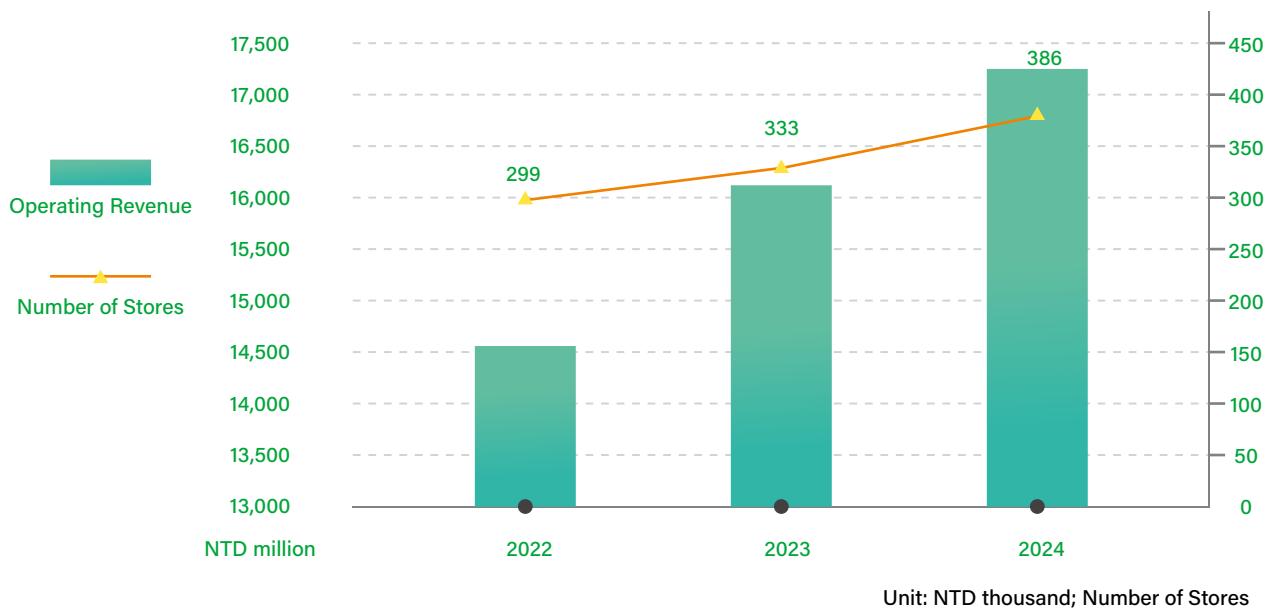
The Company understands that economic performance is fundamental to sustainable development. We are committed to meeting consumer needs with high-quality products and care services, and we promptly respond to local customers' inquiries through our extensive network of retail stores across Taiwan, with a dedication to becoming the most trusted neighbor to our customers. Adhering to the customer-first philosophy, the Company strives to enhance both product and service quality while also providing stable business results to shareholders, in order to ensure stable corporate growth.

In terms of strategic planning, the Company is committed to continuously providing high-quality products and services, actively expanding retail stores to increase market penetration, and promoting the "Three-Cross Plan" – cross-category, cross-industry and cross-border – so that through the integration of internal resources within the Group, greater synergy and value can be achieved. In addition, the Company also conducts regular reviews of operational performance, responds flexibly to market changes, and continues to optimize its business model.

In the short term, the Company will continue to expand its retail presence. In addition, 53 new stores have been opened in 2024, and 234 new employees have been hired to support operations as the business grows. For the medium- and long-term goals, the Company aims for steady revenue growth. Based on the performance evaluation results, the Company's revenue grew by 7% in 2024 from 2023, demonstrating stable expansion and improved market competitiveness of the Company.



BUSINESS PERFORMANCE




	2022	2023	2024
OPERATING REVENUE	14,564,645	16,143,701	17,274,254
GROSS PROFIT	4,011,128	4,485,597	4,842,576
OPERATING PROFIT AND LOSS	861,873	805,558	801,186
NON-OPERATING REVENUE AND EXPENSES	20,459	36,263	45,579
INCOME BEFORE TAX	882,332	841,821	846,765
NET INCOME FROM CONTINUING OPERATIONS	700,503	666,484	679,964
NET INCOME FOR THE CURRENT PERIOD	700,503	666,484	679,964
NUMBER OF STORES	299	333	386

Please refer to the "Investors" section on the MOPS and Great Tree's official website for detailed business overviews, annual reports, and financial statements.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	2022	2023	2024
INCOME	14,547,957	15,979,329	17,051,942
OPERATING COSTS	10,701,896	11,721,989	12,466,221
EMPLOYEE SALARY AND BENEFITS	1,130,321	1,342,103	1,413,769
PAYMENTS TO INVESTORS	364,483	629,288	597,007
PAYMENTS TO GOVERNMENTS BY COUNTRY	158,683	162,979	151,905
COMMUNITY INVESTMENT	3,103	7,373	5,240
RETAINED ECONOMIC VALUE	2,189,471	2,115,597	2,417,800

Unit: NTD thousand

FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT

Year	Amount (NTD thousand)	Description
2024	4,525	Investment tax credits applied for under the Statute for Industry Innovation.
2023	3,830	Investment tax credits applied for under the Statute for Industry Innovation.



2.3 SUPPLY CHAIN MANAGEMENT

MATERIAL TOPIC	SUPPLY CHAIN MANAGEMENT
MEANING TO THE COMPANY	Suppliers are important partners for the continuous growth of Great Tree, and Great Tree actively collaborates with suppliers to achieve sustainable development and to maintain a stable and high-quality supply chain.
POLICY/COMMITMENTS	<ol style="list-style-type: none"> Suppliers are important partners for the continuous growth of Great Tree, and Great Tree actively collaborates with suppliers to achieve sustainable development and to maintain a stable and high-quality supply chain. Great Tree emphasizes ethical management and prohibits any form of improper benefits. We strengthen quality control and perform product selection and sales based on the highest standards, in order to provide consumers with a safe and satisfying shopping experience.
SHORT-TERM GOALS	<ol style="list-style-type: none"> Preparation and distribution of New Supplier Social Responsibility Letter of Commitment. Preparation and distribution of Existing Supplier Self-Assessment Questionnaires. 75% of new suppliers have signed the letter of commitment.
MEDIUM AND LONG-TERM GOALS	<ol style="list-style-type: none"> 100% of new suppliers have signed the letter of commitment. Achieve 100% of completion rate of self-assessment questionnaires from existing key suppliers.
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<ol style="list-style-type: none"> Ensure that suppliers comply with laws and regulations and company requirements, and select suppliers obtaining international certifications as the cooperating partners in priority. Implement environmental and social assessments for suppliers.
RESPONSIBLE DEPARTMENT/COMPLAINT FILING MECHANISM	Product Purchase and Marketing Department
ASSESSMENT MECHANISM/RESULT	All existing suppliers meet the requirements of Great Tree.

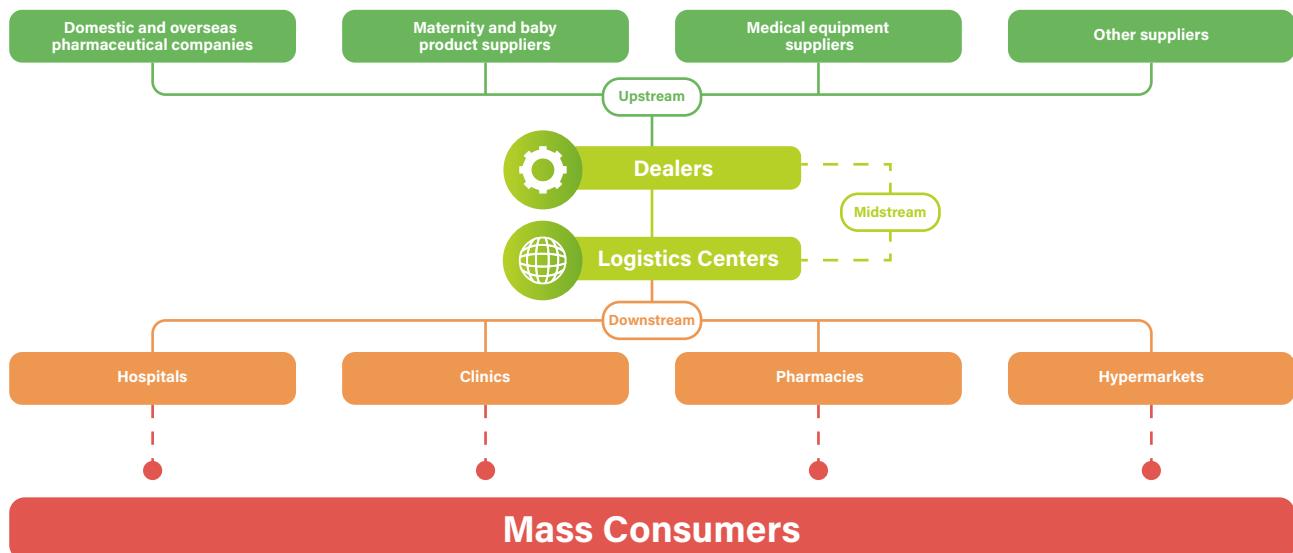
Suppliers are essential partners for a company's stable operation and sustainable development. Great Tree adheres to the principle of ethical management and establishes long-term, stable, and mutually trusting cooperative relationships with suppliers. To provide consumers with a safe and secure shopping experience, we rigorously control product quality and select suppliers based on the highest standards, in order to maintain the quality and efficiency of our supply chain.

Currently, the company has begun implementing supply chain management policies, including prohibition of any form of improper benefits, and we also actively guide suppliers to align with the Company's business philosophy and ethical standards. To further implement our sustainable supply chain goals, we plan to require new suppliers to sign the Social Responsibility Letter of Commitment, aiming to achieve a signing rate of 75% in the short term. We will also introduce a self-evaluation questionnaire for existing suppliers to monitor their ESG implementation.

For the medium and long term, Great Tree will gradually establish a complete supplier environment and social assessment system, in order to enhance the overall sustainability resilience of the supply chain. In the future, we aim to achieve 100% signing rate of the letter of commitment for new suppliers and complete self-evaluation questionnaires for our key existing suppliers, in order to comprehensively understand suppliers' ESG performance, and to further incorporate such measures as the key basis for our partner selection and management processes. Although relevant mechanisms are still being established, the Company views this development as a key direction and actively invests resources to promote its implementation in order to build a more resilient, transparent, and responsible supply chain system.

PRODUCTION AND SALES OVERVIEW

Great Tree has a professional pharmacy sales team that serves as a bridge between domestic and international pharmaceutical manufacturers and consumers. It assists manufacturers in providing their products to target customers while helping consumers access the products they need through the convenient, professional, and diverse services Great Tree offers. The industry can be roughly divided into upstream, mid-stream, and downstream.



Great Tree is a downstream pharmacy chain channel in the biotechnology and medical industry. Our primary buyers are domestic pharmaceutical companies and distributors, and our local procurement accounts for more than 99% of our total purchases. Since its operational activities are mainly conducted in New Taiwan dollars (NTD), there is no foreign exchange risk. In 2024, Great Tree collaborated with over 1,000 suppliers. To mitigate supply risks, the Company adopts a diversified procurement strategy. The largest supplier accounts for approximately 11% of total purchases, ensuring there have been no supply shortages.

SUPPLIER MANAGEMENT AND PRODUCT REVIEW

- 01** NEW PRODUCT AND MARKET DEMAND SURVEY
- 02** SUPPLIER QUALIFICATION REVIEW
- 03** THE PROCUREMENT DEPARTMENT OBTAINS SAMPLES FOR EVALUATION
- 04** CATEGORY TEAM REVIEW
- 05** STORE SHELF PLACEMENT AND SALES



SUPPLIER MANAGEMENT AND PRODUCT REVIEW

Great Tree selects suppliers based on consumer demand and the product sensitivity of professional procurement staff, following the process outlined above. Suppliers are chosen through qualification reviews, sample evaluations, and Category Team assessments before products are approved for sale. Great Tree has established a "Supplier Evaluation Control Procedure," where procurement targets must first undergo preliminary review by procurement staff to ensure they are legally registered with the Administration of Commerce, Ministry of Economic Affairs, before proceeding. According to this procedure, when procuring medical devices, pharmaceuticals, health supplements, and cosmetic products, suppliers must provide government-approved documents for evaluation and review in accordance with relevant regulations. If necessary, the procurement department conducts site visits to understand the suppliers' raw material control, safety and hygiene practices, and production processes to ensure product quality.

Each month, Great Tree evaluates and manages the turnover rate of products sold in stores based on the inventory provided by each supplier. In addition, supplier interviews and site visits are conducted on an ad hoc basis. If any issues arise or changes in consumer demand occur, procurement from underperforming suppliers is halted, and clear directions and timelines are provided for improvement to meet consumer needs.

For products under our own brands, such as health foods from the Ivy series, low-end medical supplies, household essentials, and food products, Great Tree does not have in-house production lines due to the characteristics of the industry; instead, it outsources manufacturing to OEMs. To ensure product safety, OEM manufacturers must comply with regulations and conduct self-inspections. Additionally, Great Tree commissions third-party certification agencies to conduct random inspections to ensure effective quality control. The inspection items vary depending on the product category, and the current inspection items are as follows:

CLASSIFICATION	INSPECTION ITEM
OEM SELF-INSPECTION	<ul style="list-style-type: none"> 1. Microorganisms (Escherichia coli, Escherichia coli, total bacterial count, etc.) 2. Chemical inspection of plasticizers and others 3. Heavy metal inspection
THIRD-PARTY CERTIFICATION AGENCY INSPECTION	<ul style="list-style-type: none"> 1. Microorganisms (Coliform, E. coli, total plate count, pseudomonas aeruginosa, staphylococcus aureus, etc.) 2. Plasticizers, melamine, surfactants, colorants, formaldehyde, fluorescent agents, etc. 3. Pesticide testing 4. Heavy metals



2.4 BUILDING A TRUSTWORTHY PHARMACY FOR CUSTOMERS

Great Tree is currently the largest prescription pharmacy offering maternity and baby products in Taiwan. In the health industry, professional knowledge is essential, and Great Tree has developed a comprehensive training program. This includes new employee orientation, on-the-job training courses, and management competency training for supervisors. The courses cover topics such as corporate culture, dress code management, communication skills, professional product introductions, and customer complaint handling, all aimed at improving the medical knowledge and professionalism of store sales staff.

Through daily routine inspections by store supervisors and weekly store inspections by the regional supervisors, Great Tree conducts inspections focusing on service, quality, and cleanliness, identifying any issues for immediate improvement and ensuring a higher standard of professional service to consumers.



Inquiry

- Ask questions
- Understand the needs



Response

- Active listening
- Express understanding



Inform

- Measures to be taken
- Customer trust

CUSTOMER COMPLAINT HANDLING PROCESS

CASE RECEIVING CHANNELS	<ul style="list-style-type: none"> • Through the 0800 customer service hotline, text support customer service, the company website email, shopping website, and supervisory reporting channels
RECORD AND FOLLOW-UP PROCESSES	<ul style="list-style-type: none"> • After receiving the case, the customer service representative compiles the "Customer Service Complaint Record," categorizes the case, and assesses the severity, then submits it to the personnel of the responsible unit for handling.
CASE CLOSURE REQUIREMENTS AND NOTIFICATION	<ul style="list-style-type: none"> • Respond to consumers by phone and record the content of the responses.
STATISTICS AND ANALYSIS	<ul style="list-style-type: none"> • Prepare customer complaint monthly report and data analysis • Monthly administrative evaluation summary

GOOD SERVICE PRACTICE (GSP)



Great Tree's business philosophy is "A Pharmacy You Can Trust," and meeting customers' health needs is our core value. Faced with a variety of customers and differing health needs, our store partners not only need to have comprehensive professional knowledge, but they must also listen patiently to customers' concerns and provide the best solutions. In 2014, we were honored to receive the Good Service Practice (GSP) certification from the Ministry of Economic Affairs, a result of the efforts of our store partners and headquarters colleagues.



PRODUCT LABELING

Great Tree requires all products provided by suppliers to comply with the Commodity Labeling Act, ensuring that consumers can use the products correctly and safely.

Procurement staff and regional supervisors conduct ad hoc inspections of product labels, and if there are any concerns, they request that suppliers confirm and make the necessary improvements. Store staff also regularly check price tags and labels and update them according to the promotions set by the Product Purchase and Marketing Department, ensuring that consumers can clearly identify product names, specifications, and prices, thus safeguarding consumer rights.

STORE ENVIRONMENT AND SAFETY MEASURES

Since its establishment in 2001, Great Tree has continuously optimized the design of its stores' software and hardware to provide consumers with a convenient shopping environment while aligning with the Company's corporate identity. The fifth-generation store design has now been introduced. The Store Development Department regularly maintains store equipment and performs safety and hygiene inspections. Store employees are trained in public safety and fire safety procedures. Additionally, Great Tree has purchased public liability insurance of NTD 6 million to protect consumers in the event of accidents occurring on the premises.



POINT
01

SPACE AND FACILITIES

- Bright and tidy store space
- Smooth shopping routes
- Products are neatly arranged and displayed according to the habits of consumers of all ages
- Description and labels of products on sale are easy to identify

POINT
02

STORE FIRE SAFETY FACILITIES

• Each store is equipped with fire hydrants, extinguishers, smoke vents, and fire alarm systems as required by relevant building administration regulations and the Fire Services Act. These are regularly inspected and maintained by vendors arranged by the Store Development Department.



POINT
03

ACCESSIBLE FACILITIES

- Adjust the store environment and safety measures in consideration of the needs of disadvantaged groups, women, children, physically and mentally disabled people, and the elderly.

STORE MANAGEMENT

01

Regional supervisors and store managers regularly oversee store operations to ensure they comply with the management standards set by Great Tree, which are included in KPI evaluations. Each month, regional supervisors compile reports on inspection items requested by various departments and submit them to the operations department for follow-up improvements.

02

Mystery shoppers are arranged to audit the stores from time to time to check whether their colleagues meet the standards in terms of customer service, professional knowledge, product understanding, and after-sales service, so as to improve service quality.

03

More than one store manager meeting and at least two regional performance meetings are held monthly to review individual store performance and analyze regional operations, ensuring no irregularities in store management.



PROTECTION OF CONSUMER RIGHTS

Great Tree respects consumers' rights and interests. Consumer feedback is essential to Great Tree's continued improvement, and we have established a dedicated consumer service hotline and email address with services provided by specialized personnel. Responses received via the hotline and email are recorded, categorized by store and region, and the responsible department supervisor is notified to investigate and resolve the issue immediately. After the case is closed, the resolution is documented as a reference for store management improvements.

CONTACT INFORMATION

Consumer Service Hotline: 0800-678-222

Consumer Service Email: gtservice@greattree.com.tw

In 2024, the consumer service hotline received a total of 13,099 calls, serving an average of 1,092 consumers every month. Great Tree then makes adjustments based on feedback from consumers' consumption experience.

Year	Total number of consumer service cases received	Praise
2024	13,099	35
2023	13,313	28
2022	13,111	41

In 2024, Great Tree had no incidents of regulatory violations concerning consumer rights (such as the Consumer Protection Act, Personal Data Protection Act, or Fair Trade Act), and there were no complaints regarding breaches of customer privacy. The Company remains committed to fulfilling its responsibilities in protecting personal data.

HONORS AND RECOGNITIONS

- According to the 2025 CommonWealth Magazine Top 2000 survey, in the overall ranking of the service industry, Great Tree was ranked the 124th, and was ranked the 1st in the category of pharmaceutical and healthcare service.

Throughout its journey, Great Tree has remained focused on the core values of "Professionalism, Sincerity and Sharing." Thanks to the dedication of its partners over the years, the Company has gradually gained recognition from consumers and various professional organizations. With this support, Great Tree is more confident than ever in its ability to continue offering high-quality and reliable professional services to consumers in the future.



THE COMMONWEALTH MAGAZINE TOP 2000 SURVEY IN THE SERVICE INDUSTRY

Year of Assessment	Rank	Operating Revenue (NTD 100 million)	Revenue Growth (%)	Net Income (NTD 100 million)	Profit Margin (%)
2024	124	172.74	7.00	6.81	3.94
2023	122	161.44	10.84	6.66	4.13
2022	134	145.65	29.11	7.01	4.81

2.5 PRODUCT SAFETY MANAGEMENT

MATERIAL TOPIC	PRODUCTS AND SERVICES
MEANING TO THE COMPANY	Providing customers with high-quality, safe products and comprehensive services is the key priority to Great Tree.
POLICY/COMMITMENTS	The Company complies with relevant laws and regulations, ensures product safety, and protects customers' rights and interests.
SHORT-TERM GOALS	Strengthen the customer satisfaction survey mechanism to provide products and services satisfying customer needs.
MEDIUM AND LONG-TERM GOALS	Implement maintenance and optimization of various international standard certifications.
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<ol style="list-style-type: none"> Invested an amount of NTD 6,407,901 in product inspection-related expenses. Provided customer consultation and complaint channels to ensure timely response and handling of customer feedback. Enhanced internal training to provide customers with comprehensive services.
RESPONSIBLE DEPARTMENT/ COMPLAINT FILING MECHANISM	Product Purchase and Marketing Department
ASSESSMENT MECHANISM/ RESULT	In 2024, no products from Great Tree were removed from shelves or recalled due to significant violations of food safety and hygiene laws, labeling regulations, or marketing and communication related laws.

In recent years, Taiwan has experienced significant food and pharmaceutical incidents, causing consumers to lose confidence in products sold in the market. To ensure consumers can shop with peace of mind at Great Tree stores, all suppliers cooperating with Great Tree are required to sign a "Supplier Cooperation Agreement." When submitting new products, suppliers must provide a third-party inspection report from the past year and "product liability insurance" to safeguard consumer rights.

In 2014, one of Great Tree's franchise pharmacies was involved in an incident where over-the-counter drugs were sold beyond their expiration dates. Since then, Great Tree has implemented strict controls, with both the logistics department and store staff using computer systems to monitor product expiration dates. Store employees also conduct regular inspections of product shelf life to ensure that all items on display are within their valid usage periods. Additionally, random audits are conducted periodically to ensure product quality and prevent similar incidents from recurring.

In general, in addition to establishing thorough inspection mechanisms, Great Tree promptly recalls and removes defective products from shelves and offers consumers the option to return or exchange items. The Company also assists consumers in claiming damages from suppliers when necessary, thereby protecting consumer rights. For instance, when the Department of Health announced the contamination of products with plasticizers, Great Tree proactively published notices offering refunds and contacted customers with purchase records to assist them. Upholding its long-standing belief as a "pharmacy you can trust," Great Tree is committed to continually safeguarding consumer interests through stringent measures to maintain a strong relationship of trust with its customers.



IN-STORE QUALITY ASSURANCE PROCEDURES

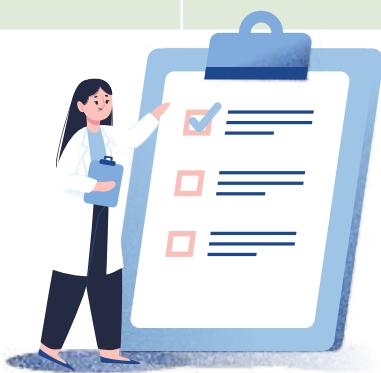
In recent years, due to the frequent occurrence of food safety issues, Great Tree has taken on the role of a food safety gatekeeper for consumers. For products that have been identified as problematic, Great Tree offers a service to consumers by voluntarily accepting returns of such items, even if they were not purchased at a Great Tree store, providing the most convenient return process for customers.

Store Self-Inspection: Store staff inspect the expiration dates and appearance of products daily. If any products are nearing expiration (with less than six months remaining) or show defects in appearance, they are immediately removed from the shelves. Staff then report these items to headquarters through an expiration check system. Headquarters compiles the information and instructs all stores and the logistics department to conduct a thorough check. Based on product expiration dates and supplier contracts, the decision is made to either return the products to the supplier, discard them, or sell them to employees as discounted goods.

Consumer Returns: When a store receives a return from a customer, the product is sent back to the central warehouse, and the supplier is contacted for the recall process.

PRODUCT INSPECTION

MAIN PRODUCT CATEGORY	DESCRIPTION OF CATEGORY	TEST ITEMS	REVENUE PERCENTAGE		
			2024	2023	2022
MATERNITY AND BABY PRODUCTS	Baby formula, diapers, maternity and baby products	Staphylococcus aureus, salmonella, preservatives, heavy metals	34.75%	35.86%	35.78%
DIETARY SUPPLEMENTS	Health supplements	Staphylococcus aureus, salmonella, preservatives, heavy metals	27.42%	27.09%	26.30%
NHI-COVERED PRESCRIPTION DRUGS	Prescription drugs	The source of all pharmaceuticals comes exclusively from manufacturers that are approved and legally operating in Taiwan. Prior to market release, manufacturers must comply with CMC regulations, and qualified pharmacists are required to dispense medication based on prescriptions issued by licensed physicians.	15.75%	14.57%	14.35%
HEALTHCARE PRODUCTS	Adult nutritional products and diapers, medical supplies, cosmetic products	Staphylococcus aureus, Salmonella, preservatives, heavy metals, and plasticizers.	15.96%	16.64%	19.15%
OTHERS	Household essentials, food	Staphylococcus aureus, Salmonella, preservatives, heavy metals, and plasticizers.	6.12%	5.84%	4.42%



03

CORPORATE GOVERNANCE

Governance Practice **3-1** CHAPTER

Board of Directors **3-1-1**

Continuing Education Status of Directors **3-1-2**

Board Self (or Peer) Evaluation **3-1-3**

Functional Committees **3-2** CHAPTER

Internal Audit **3-3** CHAPTER

Legal Compliance **3-4** CHAPTER

Information Security **3-5** CHAPTER



A Pharmacy You Can Trust

3.1 GOVERNANCE PRACTICE

Comprehensive corporate governance includes a properly established Board of Directors, a rigorous internal control system, and stable financial oversight, which are advantageous for reducing the operational risk of the Company, improving its competitiveness, and creating brand value. The Company establishes an honest and responsible corporate culture and also complies with various laws in order to implement ethical management. Furthermore, a structure with proper corporate governance can ensure the sound development of the Company's operations, thereby protecting the rights and interests of investors and other stakeholders.

The Company has established a corporate governance system that not only complies with laws, regulations, and the Company's Articles of Incorporation, as well as the contracts and regulations related to the stock exchange or over-the-counter market, but also adheres to the principles of safeguarding shareholder rights, strengthening the board's functionality, enhancing the role of supervisors, respecting the rights of stakeholders, and improving information transparency.



SAFEGUARDING SHAREHOLDERS' RIGHTS AND INTERESTS

01 Investor section

Great Tree has set up an investor section on the Company's website, providing various regulations related to corporate governance, financial information, and relevant details from past Board of Directors' meetings and shareholders' meetings to help shareholders stay informed about the Company's operations.

(<https://www.greattree.com.tw/article-page/investor>)

02 Spokesperson system

Great Tree has entrusted its shareholder relations to the "Stock Transfer Agency Department of Taishin Securities Co., Ltd." which is solely responsible for addressing shareholder inquiries and suggestions. The Company has also set up hotline for communication with the spokesperson and the deputy spokesperson, serving as direct channels for communication between Great Tree and its shareholders.

Spokesperson: Vice President, Lu, Shan-Feng

Deputy Spokesperson: Assistant Manager of the Finance Department Wu, Shu-Yi

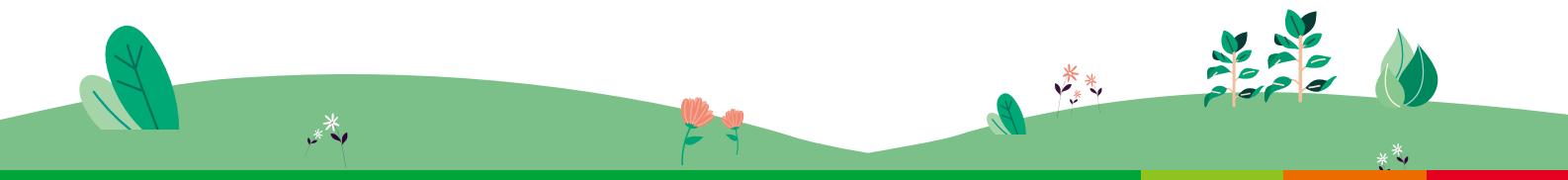
Investor Service Hotline: 03-4333123 stock@greattree.com.tw

Additionally, the Company holds two or more investor conferences annually and is always ready to promptly address investor inquiries, ensuring that investors have full access to the Company's financial and business information. In 2024, the Company was invited to participate in a total of three investor conferences. Relevant information is disclosed as required on the Market Observation Post System and in the Investors section of the Company's official website.

03 Electronic voting

When listed on the OTC market in 2016, Great Tree cooperated with competent authorities to promote the implementation of an electronic voting system, offering shareholders diverse voting channels, allowing shareholders to fully exercise their rights, and enhancing the effectiveness of corporate governance. In the 2024 general shareholders' meeting, the electronic voting rate reached 60.30%, and the overall attendance rate reached 64.10%.

Great Tree conducts business activities based on the principles of fairness, honesty, integrity, and transparency. To implement its integrity management policy and proactively prevent dishonest behavior, the Company has formulated the "Procedures for Ethical Management and Guidelines for Conduct" and the "Code of Ethical Conduct." We require the behavior of board members and management to meet ethical standards while also ensuring that Great Tree employees avoid engaging in activities that violate integrity, accept improper benefits, or act unlawfully or against fiduciary duties when carrying out their responsibilities. Great Tree has designated the Human Resources and Educational Training Department as the dedicated unit responsible for promoting integrity policies through irregular awareness campaigns and internal training. It has also established external reporting and internal complaint mailboxes to provide stakeholders with communication and reporting mechanisms, ensuring employees' strict adherence to self-discipline and compliance.



RESPECTING THE RIGHTS AND INTERESTS OF STAKEHOLDERS

Great Tree has set up an "Investors" section on its official website. Within this section, there is a "Stakeholders" page that includes stock affairs and investors, customer service, suppliers, employees, and whistleblower mailboxes. The responsible personnel for each area can then respond to issues and concerns raised by stakeholders.

(<https://www.greattree.com.tw/article-page/stakeholder>)

ENHANCING INFORMATION TRANSPARENCY

Great Tree is an OTC-listed company in the Taiwan stock market. To enhance information transparency, the Company's various disclosed information can be obtained in the following sections:

MOPS



- Major resolutions (in both Chinese and English)
- Monthly revenue
- Financial statements (including annual financial statements in English)
- Annual shareholders' meeting report, meeting notice, and meeting handbook (including Chinese and English versions)
- Sustainability Report (Since 2018, the Company has voluntarily prepared an annual Corporate Social Responsibility (CSR) each year, which was renamed the Sustainability Report starting in 2021).
- Investor conferences (presentation materials)
- Disclosure of all matters as required by laws and regulations

COMPANY OFFICIAL WEBSITE – INVESTORS



- Corporate governance (the Company's basic information, the Articles of Incorporation, important operating procedures, and information about investor conferences are provided)
- Corporate Structure
- Financial information (monthly revenue and quarterly financial reports are provided)
- Shareholders Column (updates of shareholders' meeting-related Information)
- Stakeholders Section (the contact information of stakeholders are provided)

Great Tree's official website provides public contact methods and information. Relevant stakeholders and consumers of Great Tree are welcome to contact and communicate with the Company directly.

(<https://www.greattree.com.tw/article-page/stakeholder>)

3.1.1 BOARD OF DIRECTORS

TITLE	NAME	NUMBER OF OTHER PUBLIC COMPANIES WHERE THE PERSON CONCURRENTLY SERVES AS AN INDEPENDENT DIRECTOR	EQUIPPED WITH INDUSTRY, ESG RELATED BACKGROUND/EXPERIENCE
CHAIRMAN	Zhen Han Investment Ltd. Representative: Cheng, Ming-Lung	0	<ul style="list-style-type: none"> Business, asset management, operation management, operational judgment capability, accounting and financial analysis, business management, crisis management, industry knowledge, international markets, leadership, decision-making
DIRECTOR	Top Taiwan XI Venture Capital Co.,Ltd. Representative: Shen, Li-Ping	0	<ul style="list-style-type: none"> Business, academics, asset management, accounting, finance, operation management, operational judgment capability, accounting and financial analysis, business management, industry knowledge, international markets, leadership, decision-making
DIRECTOR	Chen, Hung-Yi	0	<ul style="list-style-type: none"> Academics, operational judgment capability, industry knowledge, international markets, leadership, decision-making
DIRECTOR	Lu, Shan-Feng	0	<ul style="list-style-type: none"> Academics, operation management, operational judgment capability, business management, crisis management, industry knowledge, international markets, leadership, decision-making
DIRECTOR	Hao Cheng Investment Co.,Ltd. Representative: Yeh, Shih-Wei	0	<ul style="list-style-type: none"> Operational judgment capability, business management, crisis management, industry knowledge, international markets, leadership, decision-making
INDEPENDENT Director	Liu, Tien-Tao	0	<ul style="list-style-type: none"> Business, academics, asset management, accounting, finance, operational judgment capability, accounting and financial analysis, business management, crisis management, industry knowledge, leadership, decision-making
INDEPENDENT Director	Kuo, Tai-Huang	0	<ul style="list-style-type: none"> Academics, operational judgment, business management, industry knowledge, international markets, leadership, decision-making
INDEPENDENT Director	Wang, Hsing-Wen	0	<ul style="list-style-type: none"> Business judgment, legal, finance, operational judgment capability, accounting and financial analysis, management, industry knowledge, international markets, leadership, decision-making
INDEPENDENT Director	Pan, Min-Hsiung	0	<ul style="list-style-type: none"> Academics, operational judgment capability, business management, crisis management, industry knowledge, international markets, leadership, decision-making



The Board of Directors is the highest governance body of Great Tree and is responsible for corporate management policies and the selection of professional managers. We held a re-election of directors at the 2023 shareholders' meeting. The board now comprises nine members, including the chairman and independent directors. Each term lasts for three years, and the board members are elected through a candidate nomination system, in which shareholders vote from a list of director candidates. The board meets at least once each quarter. The nine members of the Board of Directors are from diverse backgrounds, and one of them is a female director. The members include professional pharmacists, presidents and professors of pharmacy-related universities, certified public accountants, directors and independent directors with rich business experience in various industries, which can improve the quality of Great Tree's management decisions. In 2024, Great Tree held a total of six board meetings, with an average attendance rate of 92.59%. The board of directors conducts an annual assessment of the independence of the certified public accountants, and the Company regularly purchases liability insurance for the directors, with periodic reviews of the insurance policy presented to the Board of Directors. In 2024, Great Tree renewed its directors' liability insurance with Fubon Insurance Co., Ltd., with coverage of USD 10 million. The renewal period is from October 21, 2024, to October 21, 2025, to strengthen the protection of shareholder rights.

DIVERSITY STATISTICS / YEAR			2022		2023		2024	
			NUMBER OF PEOPLE	PERCENTAGE	NUMBER OF PEOPLE	PERCENTAGE	NUMBER OF PEOPLE	PERCENTAGE
DIRECTOR	Gender	Male	6	85.71%	8	88.89%	8	88.89%
		Female	1	14.29%	1	11.11%	1	11.11%
	AGE	Under 50 years old	3	42.86%	4	44.44%	4	44.44%
		50–60 years old	4	57.14%	5	55.56%	4	44.44%
		Above 60 years old (inclusive)	0	0.00%	0	0.00%	1	11.11%
	EDUCATION	Graduate School	4	57.14%	5	55.56%	5	55.56%
		University/College	3	42.86%	4	44.44%	4	44.44%
		Others	0	0.00%	0	0.00%	0	0.00%

According to the Rules and Procedure of Board Meetings, if a board member has a conflict of interest regarding a board decision related to themselves or a legal entity they represent, they must recuse themselves from discussion and voting to manage conflict-of-interest risks effectively.



3.1.2 CONTINUING EDUCATION STATUS OF DIRECTORS

To ensure that board members continually update their knowledge during their tenure, Great Tree arranges board training sessions on an irregular basis each year. The training covers topics such as corporate governance and relevant regulations, and it will gradually incorporate environmental and social aspects into the curriculum. This ensures that all board members meet the required annual training hours as outlined in the 2024 "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies."



Course Date	Organizer	Course Title	Hours	No. of Participants
May 10, 2024	Taiwan Corporate Governance Association	Labor dispute prevention and corporate governance	3	9 PEOPLE
November 8, 2024	Taiwan Corporate Governance Association	Investment and merger Evaluation and execution from legal perspective	3	6 PEOPLE
December 3, 2024	Accounting Research and Development Foundation	Sustainability policy and corporate governance	3	3 PEOPLE

3.1.3 BOARD SELF (OR PEER) EVALUATION

The Company passed a resolution at the Board of Directors meeting on November 10, 2020, to amend the "Procedures for Performance Evaluation of Board of Directors" and to conduct annual self-evaluations of the Board of Directors, functional committees (including the Audit Committee and Remuneration Committee), and individual directors. In addition to the self-evaluations conducted by the Company annually to improve the effectiveness of the Board of Directors and strengthen corporate governance, an external independent professional institution or expert team will be commissioned to conduct an assessment once every three years.

Evaluation Cycle	Conducted once a year
Evaluation Period	January 1, 2024 to December 31, 2024
Evaluation Scope	Performance Evaluation of the Board of Directors, Individual Directors, and Functional Committees
Evaluation Method	Self-evaluation of the Board, Self-evaluation and Peer Evaluation of Board Members. Evaluation agency personnel interviewed relevant staff on site at the Company.

Evaluation Content

Performance Evaluation of the Board of Directors

- Participation in the Company's operations
- Improve the quality of board of directors' decision-making
- Composition and structure of the Board of Directors
- Election and continuing education of directors
- Internal control

Performance Evaluation of the Board Members

- Understanding of the Company's objectives and tasks
- Awareness of Directors' responsibilities
- Participation in the Company's operations
- Internal Relationship Management and Communication
- Professional competence and continuing education for directors
- Internal control

Performance Evaluation of the Remuneration Committee

- Participation in the Company's operations
- Awareness of the responsibilities of the Remuneration Committee
- Decision-making quality of the Remuneration Committee
- Composition and election of the Remuneration Committee
- Internal control

Performance Evaluation of the Audit Committee

- Participation in the Company's operations
- Awareness of the responsibilities of the Remuneration Committee
- Decision-making quality of the Remuneration Committee
- Composition and election of the Remuneration Committee
- Internal control

The maximum score for each self-evaluation and performance evaluation of the Company is 5 points. In 2024, the scores for the board of directors performance evaluation, board members performance evaluation, remuneration committee and audit committee performance evaluations were 4.83, 4.81, 4.83, and 4.84, respectively. The results show that the Board of Directors and the management team interact well, and the overall operations are in line with corporate governance requirements. The results of the performance evaluation serve as a reference for the re-election of directors.



EXTERNAL EVALUATION OF BOARD OF DIRECTORS

In November 2024, the Company entrusted Diwan Financial Advisory Services Co., Ltd. to perform an external evaluation on the performance of the Board of Directors. The executive members of the institution issued a declaration of independence, stating that neither they nor their spouses or immediate family members hold any positions of significant influence at the Company, have any direct or indirect material financial interests in the Company, and do not conduct business with the Company or receive any significant gifts, thereby qualifying for the independence requirements. The Board of Directors was assessed separately for each of the aforementioned aspects through questionnaires and on-site interviews. Following evaluation by an independent and professional external institution, the results indicate that the Company's Board of Directors has established relevant policies and procedures for its operations in accordance with applicable laws and Corporate Governance indicators. In addition, work is allocated based on different professional expertise and experience, allowing the Board of Directors and Functional Committees to operate effectively. The evaluation results have indicated the rating of "Excellent."

01 Board of Directors	Evaluation Content <ul style="list-style-type: none"> • Level of participation in the Company's operation • Improvement of Board decision-making quality • Board composition and structure • Director election and continuing education • Internal control 	Evaluation Result Excellent 
02 Functional Committees <small>(Audit Committee, Remuneration Committee)</small>	Evaluation Content <ul style="list-style-type: none"> • Level of participation in the Company's operation • Awareness of the duties of the functional committee • Improvement of quality of decisions made by the functional committee • Composition of the functional committee and election of its members • Internal control 	Evaluation Result Excellent 
03 Board Members	Evaluation Content <ul style="list-style-type: none"> • Alignment of the goals and missions of the Company • Awareness of the duties of a director • Level of participation in the Company's operation • Management of internal relationship and communication • Director's professionalism and continuing education • Internal control 	Evaluation Result Excellent 



3.2 FUNCTIONAL COMMITTEES

To improve the supervisory function and enhance the management mechanism, the Board has established the Audit Committee and the Remuneration Committee. The functional committees exercise their authorities independently according to the laws and are also responsible to the Board. In addition, the functional committees submit proposals to the Board for resolution.

OPERATION OF THE AUDIT COMMITTEE

Committee Composition and Main Responsibilities

The committee currently consists of four independent directors, and Independent Director Liu, Tien-Tao is elected as the convener of the committee.

The main purpose of the operation of the committee is to supervise the following matters:

Fair presentation of the Company's financial statements.

Selection (Dismissal), independence, and performance of auditors.

Effective implementation of the Company's internal control.

The Company's compliance with applicable laws and regulations.

Management of the Company existing or potential risks.



The Company's internal audit officer regularly communicates the audit report results with the Audit Committee and promptly reports to the committee members in the event of any exceptional circumstances.

Operation in 2024

For the 2nd term of the Audit Committee, a total of five meetings were convened in 2024, with the attendance rate of 90%.

In 2024, the internal audit officers communicated the audit report results with the Audit Committee twice on two separate occasions.

In 2024, the certified public accountant reported the review and audit results of the financial statements on two separate occasions.

No exceptional circumstances occurred in 2024.



OPERATION OF THE REMUNERATION COMMITTEE

Committee Composition and Main Responsibilities

The committee currently consists of four independent directors, and Independent Director Liu, Tien-Tao is elected as the convener of the committee.

The operation of this committee follows the provisions of Article 7 of the Company's Remuneration Committee Charter. It faithfully performs the following duties and makes recommendations on the following matters, which are submitted to the board of directors for discussion:

Regularly review the organizational procedures and propose amendments.

Establish and regularly review the annual and long-term performance goals and remuneration policies, systems, standards, and structures for the Company's directors and managers.

Regularly assess the achievement of performance targets for the Company's directors, supervisors, and management of their individual remuneration.

Operation in 2024

For the 4th term of the Remuneration Committee, a total of two meetings were convened in 2024, with the attendance rate of 100.00%.

In 2024, the Board of Directors did not veto the resolutions of the committees or raise objections or reservations to the remuneration proposal for directors and managers.

REMUNERATION POLICIES

According to the Articles of Incorporation, when the Company has a profit for a fiscal year, 3% to 10% of the profit shall be allocated as remuneration for employees, and no more than 5% of the profit shall be allocated as remuneration for directors. However, when the Company still has accumulated loss, amount shall be preserved in advance to compensate such loss. Employee remuneration may be paid in the form of cash or shares, and the recipients may include employees of affiliated enterprises who meet certain criteria.

If the Company has earnings after the final account of a fiscal year, it shall first pay taxes and compensate for previous losses, followed by allocating 10% of the earnings as a statutory reserve. However, if the legal reserve has reached the paid-in capital of the Company, such a requirement may not be applied. In addition, a special reserve shall be appropriated or reversed in accordance with laws and regulations or the requirements of the competent authority. After the remaining balance is combined with the accumulated undistributed profits of previous years, the resulting amount may be used as distributable earnings. The Board of Directors shall propose an earnings distribution plan for submission to the shareholders' meeting for resolution, in order to distribute dividends to shareholders according to the resolution.

If the distribution of all or a portion of the aforementioned dividends and bonuses is made in cash, the Board of Directors shall be authorized to proceed with the approval of more than two-thirds of the Directors attending a Board meeting, and the approval of a majority of the attending Directors shall be obtained. This shall also be reported to the shareholders' meeting, such that the provision stating the approval through a resolution of the shareholders' meeting shall not apply.



3.3 INTERNAL AUDIT

The purpose of internal audit is to assist the Board of Directors and managers in identifying and reviewing deficiencies in the internal control system, assessing the effectiveness and efficiency of operations, and providing timely improvement recommendations, in order to ensure that the internal control system can be effectively and continuously implemented and used as a basis for reviewing and correcting the internal control system. Great Tree has established an effective internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," and has reviewed and improved this system in response to changes in both the internal and external environments, ensuring that the design and implementation of the internal control system continue to be effective. To ensure the objectivity and independence of the auditors' audit work, Great Tree has established an independent Audit Office under the Board of Directors, in accordance with the law, and has also staffed it with full-time auditors. The appointment/dismissal of the head of the Audit Office requires the approval of the Audit Committee and a resolution by the Board of Directors. In addition, the appointment/dismissal, performance evaluation, and remuneration of internal auditors must be signed by the head of the Audit Office and reported to the Chairman for approval.

Great Tree not only conducts a self-assessment of its internal control system properly, but also ensures that the Board of Directors and management review the self-assessment results of each department and the Audit Office's audit reports at least annually. The head of the Audit Office attends Board of Directors meetings as required to report on the status of audit execution. In addition, the head of the Audit Office also attends the Audit Committee's meetings at least quarterly to report on the Company's internal audit execution and the status of internal control operations to independent directors.



Furthermore, the Audit Office annually reviews the self-assessment reports of the internal control systems for each unit and subsidiary of the Company. The assessment reports, along with the identified deficiencies in internal control and the improvement status of abnormalities, are submitted to the Board of Directors and the President to serve as a basis for assessing the overall effectiveness of the internal control system and for issuing the internal control system statement. Furthermore, to strengthen the professional competence of auditors, Great Tree arranges for auditors to participate in continuing education and internal audit seminars organized by institutions designated by the competent authority, in order to enhance and maintain auditors' audit quality and execution effectiveness. In 2024, a total of 2 person-times of training were received by auditors and audit agents, amounting to 24 hours.

Great Tree continuously monitors the Company's implementation of various operational procedures through audits, establishing proper governance practices and risk management mechanisms, and establishing a sustainable business environment. During the year, the Audit Office conducted a total of 49 audits, achieving a 96% compliance rate. In addition, no significant nonconformities were found, and all identified nonconformities were completely improved and closed within the required time limit.

AUDIT FLOW CHART

Establishment of annual audit plan → Report to the Board of Directors for approval → Conduct audit operation → Prepare audit report

► In case of discovery of deficiencies or irregularities, propose recommendations and coordinate with relevant departments to implement improvements, and track the improvement status periodically

► Head of Audit Office attends the Board of Directors' meeting to report the audit operation execution status → Report the status of Internal audit execution and the operation of internal controls to the Independent director at least once quarterly

3.4 LEGAL COMPLIANCE

In 2024, Great Tree did not receive any fines from regulatory authorities for violations related to environmental or product labeling regulations.

Legal compliance is fundamental to corporate management. Great Tee promotes internal regulations on ethics and requires new employees to sign a labor contract, which includes an ethics clause, upon reporting to work. In addition, due to the great variety of laws and regulations, each department is informed of any relevant regulatory amendments and updates through interaction with government agencies or media reports. Consequently, internal and external training is provided to each department's staff to ensure that the Company's operations comply with all laws and regulations.

First, with regard to the corporate governance aspect, Great Tree has established functional committees to supervise the financial operation status and internal control system of the Company. In addition, with the approval of the "Corporate Governance Best-Practice Principles" and the "Procedures for Performance Evaluation of Board of Directors," the Board is encouraged to actively participate in major resolutions and decisions of the company. Furthermore, a Corporate Governance Officer has been established to assist with the Board's operations and to provide professional opinions, thereby enhancing the Board's functionality. In the future, Great Tree will continue to follow the Corporate Governance Evaluation and Corporate Governance Best-Practice Principles, and strive to enhance the legal compliance awareness of our employees.

Furthermore, with respect to personnel management, Great Tree has established relevant internal regulations on ethics and has repeatedly conveyed the philosophy that the Company values honesty and integrity as its core values. Through a series of regulations, proper implementation, self-review, smooth reporting channels, and a protection mechanism for reporters, the Company has established a comprehensive legal compliance firewall. By setting an example for others, management requests that all employees ensure their business conduct complies with the law, as well as the Company's policies and internal regulations. Furthermore, through the annual internal control self-evaluation, the compliance status is reviewed, and an internal audit is also conducted. Compliance guidelines for employees performing job duties have been stipulated, and all employees of each company in the Group, regardless of their job positions, ranks, and locations, are required to comply with "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conducts." The content includes working environment standards, equal opportunity policies, non-disclosure clauses, prohibitions on adjunct job positions, recusal of conflicts of interest, gift offering or receipt, business etiquette, respect for employees and customers, complaint reporting, protection and exemption, and more, in order to gain public trust, improve corporate image, and ensure the sustainable operation and development of the Company. To prevent and avoid violations of fair competition practices and antitrust laws that may result in penalties, a relevant code of conduct has been established. This code serves as a standard for the Company's management and practitioners engaged in business activities, thereby reducing the risk of legal violations. The Company participates in industry competition based on the principle of ethics and fairness, in order to achieve the corporate culture of legal compliance, and to establish trustworthy and respectful corporate reputation.

Furthermore, regarding personnel training aimed at improving employees' professional ethics and legal compliance knowledge, the Legal Affairs Office collaborates with other responsible departments at Great Tree in accordance with the laws and internal regulations of the Company. This collaboration implements training on laws and regulations relevant to the business activities conducted by various departments and employees of different ranks, including new employee orientation, in person courses, unit promotions, and external training. Additionally, employees can access and obtain legal knowledge at any time through the Company's internal webpages and legal compliance guidelines.

In terms of overall legal compliance practices, Great Tree has not had any major violations in recent years concerning corporate governance, securities trading, environmental protection, labor rights, occupational safety, customer privacy breaches, marketing labeling and product liability.

3.5 INFORMATION SECURITY

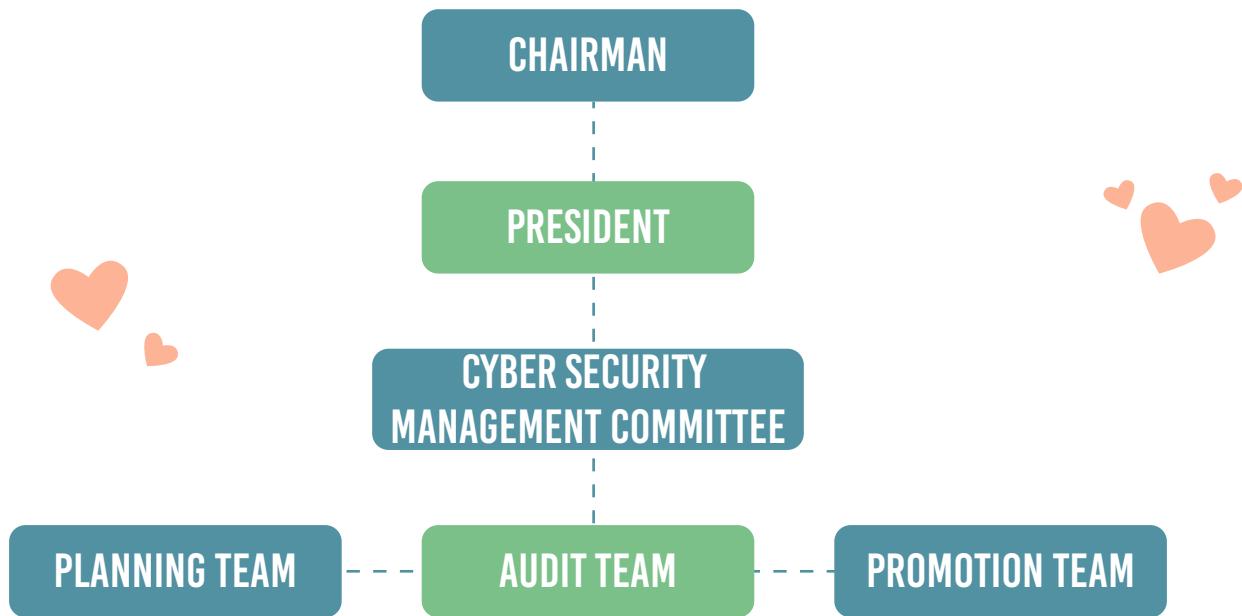
Material Topic	Information Security
MEANING TO THE COMPANY	In the era of advanced information technology, information security has become a critical challenge for businesses. We implement robust information security policies to protect the privacy of the Company, suppliers, and customers in order to ensure business continuity and gain trust from both upstream and downstream partners in the supply chain.
POLICY/COMMITMENTS	The Company values the importance of information security and is committed to protecting and managing information assets to ensure business continuity, data accuracy and customer privacy rights.
SHORT-TERM GOALS	<ol style="list-style-type: none"> One hour of employee information security related education and training annually. No major information security incidents
MEDIUM AND LONG-TERM GOALS	<ol style="list-style-type: none"> Continue to maintain ISO 27001 certification. Obtain ISO/IEC 27701 private information management system. Zero major information security event.
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<ol style="list-style-type: none"> Obtained ISO 27001 information security management system certification in 2024. Entrusted external information security contractor to perform security health diagnosis (vulnerability scan, penetration test, social engineering exercises, etc.) in 2024. The Information Technology Department regularly summons heads of departments to review the Company's information security governance policies and reports the status of information security governance to the Chairman periodically. The Company invested an amount more than NTD 12,000,000 in 2024 to enhance information security.
RESPONSIBLE DEPARTMENT/COMPLAINT FILING MECHANISM	Information Technology Department.
ASSESSMENT MECHANISM/RESULT	<ol style="list-style-type: none"> Resource invested and actual implementation outcome in the current year. No major information security incidents occurred at the headquarters and retail stores in 2024.



INFORMATION SECURITY MANAGEMENT

In the highly digitized era, information security has become a critical issue for business operations that cannot be ignored. To ensure the integrity, availability, and confidentiality of the Company's data assets, the Company places a high priority on information security governance and is committed to establishing a comprehensive and resilient information security management system to protect the information security of the Company, its suppliers, and customers, as well as maintaining business continuity and industry trust.

The Company has established the Information Security Committee, chaired by the Vice President, in charge of coordinating information security policies, promoting information security projects, and managing information security risks. The Committee convenes meetings at least once annually to review the Company's information security status, identify potential risks, and assess related management mechanisms and operation procedures. The Company is committed to continuously strengthening information security protection and to protecting customer privacy and data accuracy. In addition, the Company also implements the requirements of the ISO 27001 information security management system and the ISO 27701 privacy information management system.



INFORMATION SECURITY MANAGEMENT MEASURES

The Company has established a multi-layered information security protection network covering the following aspects:

- **Physical and system control:** Implement comprehensive control of the server room, operating computers, mobile devices, access control systems and networks, including daily offsite data backup, in order to ensure information asset disaster recovery capabilities.
- **Information protection:** Adopt encryption for confidential information and update antivirus software in a timely manner; regularly scan for vulnerabilities, conduct penetration tests, perform account audits, and conduct social engineering exercises.
- **Information security drill:** The 2024 simulation scenario refers to the situation where the ERP system's database server has abnormality, causing business systems to become inoperable. The Company immediately activates the backup system and restores the complete backup data to ensure system integrity and availability.
- **Project promotion:** A total of 16 information security projects have been implemented annually, and the results of information security governance and resource allocation status are regularly reported to the Chairman.

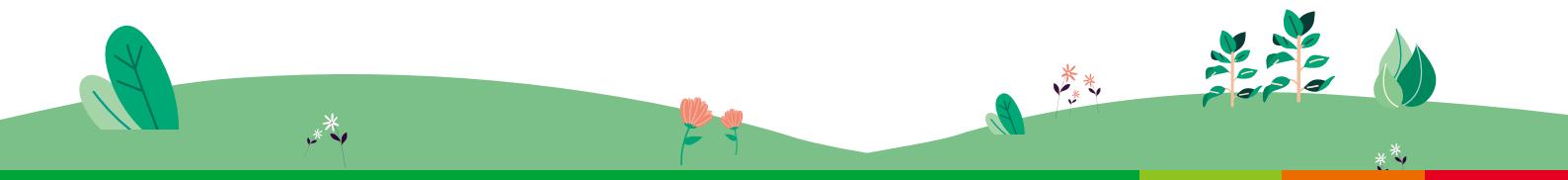
INVESTMENT IN INFORMATION SECURITY

To enhance employees' information security awareness, the Company organizes information security education and training annually. In 2024, a total of 1,337 people participated in the training, with an average of 1 hour of training per person. We irregularly promote information security awareness on the internal network and conduct social engineering drills to enhance employees' response ability to potential information security threats. In 2024, the Company invested over NTD 12 million in information security and successfully obtained the ISO 27001 certification. The Information Technology Department has also directed the collaboration with external information security consultants to complete a comprehensive security audit, including vulnerability scans, penetration testing, and social engineering exercises.

In terms of information security performance, the Company had no major security incidents in 2024, and operations were not disrupted due to information security issues. Furthermore, the Company received no complaints from internal and external stakeholders. All self-specified KPIs have been achieved, including:

- Completion of information security drill
- Social engineering drill click rate lower than 10%
- Training hours per person meet the standard
- No major deficiency found in information security audit

At the same time, the Company received positive recognition for "Information Security" in the 2024 corporate governance evaluation, demonstrating substantial results in information security management.



04

GREAT TREE LOVES THE EARTH

Environmental Management **4-1 CHAPTER**

Energy Saving and Carbon Reduction **4-2 CHAPTER**

Water Source Management **4-3 CHAPTER**

Waste Management **4-4 CHAPTER**



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4.1 ENVIRONMENTAL MANAGEMENT

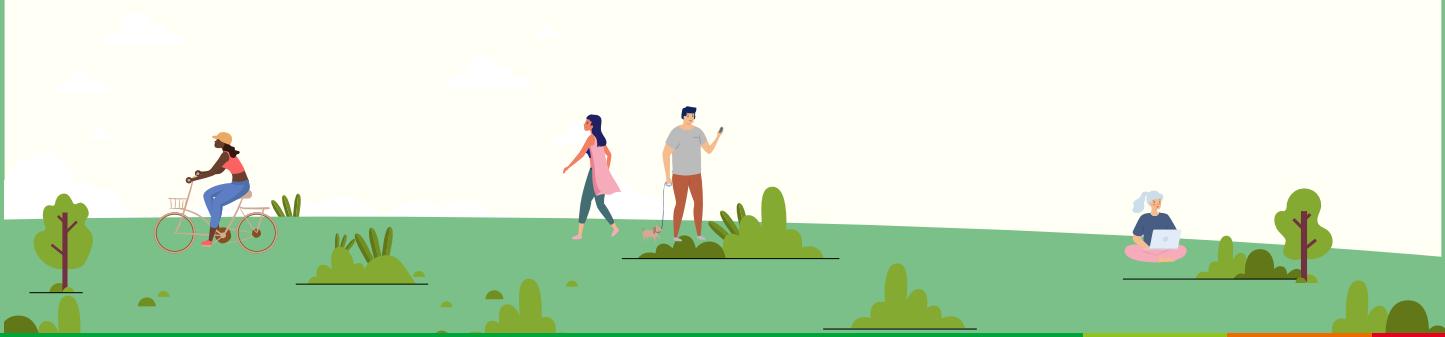
Great Tree operates as a healthcare channel and is not part of the energy-intensive industry. Therefore, its energy consumption is not immediately evident compared to such industries. According to the World Economic Forum (WEF) 2018 Global Risks Report, environmental risks – extreme weather and natural disasters – rank among the top five global risks (environmental, technological, economic, geopolitical, and social risks) in terms of both impact and likelihood over the past three years. With rising extreme temperatures and increased carbon dioxide emissions continuously harming the planet, Great Tree, as a global citizen, recognizes that businesses must take responsibility for environmental sustainability. In pursuing financial and operational performance, we also place a strong emphasis on environmental protection.

As a retail channel, Great Tree's water supply primarily comes from the Taiwan Water Corporation and is used mainly for general daily purposes. Water usage at headquarters and stores is primarily for employees and some consumers. Wastewater is discharged into rivers and oceans after being processed by urban wastewater treatment facilities.

Regarding electricity usage, it is primarily used for lighting, air conditioning, and refrigeration equipment necessary for some products at headquarters and stores. Although not an energy-intensive industry, Great Tree continues to promote energy management in its daily operations.

GREAT TREE'S ENVIRONMENTAL MANAGEMENT POLICIES MAINLY FOCUSES ON THE FOLLOWING

- To support a paperless operation and improve efficiency, an e-platform has been adopted for procurement processes. All stores use electronic invoices and e-signatures for credit card transactions, reducing unnecessary paper usage. Financial processes are also largely system-driven. For example, salary slips and employee leave records are fully electronic, holiday vouchers are issued via bank transfer, and online advertising flyers are promoted to reduce the printing of physical advertisement flyers.
- Air conditioning units are being progressively replaced with energy-saving inverter systems, reducing the use of water-cooled AC units and promoting the use of fans for energy conservation.
- Store lighting equipment is being replaced with energy-efficient lighting, and the concept of energy saving is being promoted to reduce carbon emissions.
- The Store Development Department regularly inspects the water supply and drainage systems at both headquarters and stores, promptly detecting and repairing any issues to reduce water wastage.
- Headquarters and store staff are encouraged to self-manage energy-saving practices.



4.2 ENERGY SAVING AND CARBON REDUCTION

As global warming becomes more severe, energy and climate change have emerged as the key issues facing the world. To effectively use energy, Great Tree has established a cross-departmental energy-saving team. In addition to establishing energy-saving performance indicators and proposing an enforceable energy-saving plan, the Company also verifies the energy-saving plan to effectively reduce energy consumption. The energy of the Company mainly refers to the externally purchased electricity.

ENERGY CONSUMPTION & GHG EMISSIONS			
ITEM	2022	2023	2024
Electricity consumption (kWh)	15,107,390	17,518,325	19,914,268
Energy consumption (GJ)	54,396.3936	63,077.3219	71,704.2692
GHG emissions (metric tons CO ₂ e)	7,478.1581	8,654.0526	9,439.3630



ENERGY SAVING AND CARBON REDUCTION

ENERGY INTENSITY & EMISSION INTENSITY			
ITEM	2022	2023	2024
Operating revenue (NTD million)	14,564.645	16,143.701	17,274.254
Energy intensity (GJ/NTD million)	3.7348	3.9072	4.1509
Emission intensity (metric tons CO ₂ /NTD million)	0.5134	0.5361	0.5464

As the retail stores grow, the carbon emissions from the lighting and air conditioning equipment also increase. In 2024, Great Tree fully implemented the use of high-efficiency LED energy-saving lamps in the headquarters office and all retail stores across Taiwan, and has also configured timers for the retail store signage in order to effectively reduce energy consumption. To keep pace with the times, the Store Development Department has implemented store upgrades by equipping new store models with eco-friendly, energy-efficient lighting and inverter air conditioning units. These improvements not only create a more comfortable shopping environment for consumers but also contribute to reducing carbon emissions.

After reviewing the number of Great Tree's retail stores retrofitted with energy-saving equipment, all stores across Taiwan have introduced high-efficiency variable frequency air conditioning units. Additionally, air conditioning panel zoning control and timer switches have been set up for the headquarters. Great Tree will continue to cooperate with government policy to actively promote various energy-saving programs in order to reduce the impact of the Company's operations on the environment.



ENERGY-SAVING MANAGEMENT MEASURES

In addition to using energy-saving equipment in the exhibition department, we also provide energy-saving self-management for colleagues in the stores and headquarters. The contents of the operations are as follows:

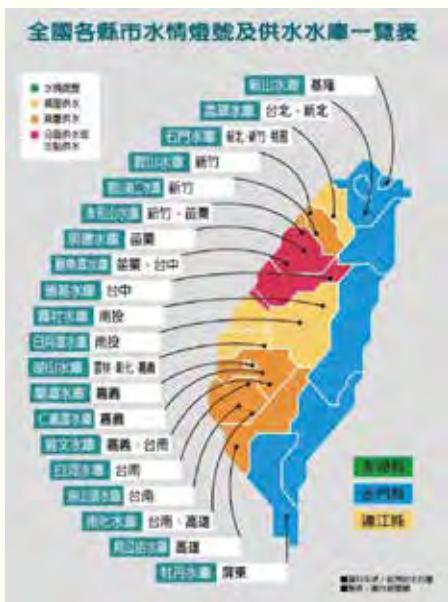
- Storefront lights are turned off in the morning.
- Store air conditioning vents and filters are cleaned weekly to maintain efficiency.
- Storefront and signage lights are adjusted using timers based on the season.
- After restocking, store refrigerators should be closed immediately to avoid energy waste.
- Headquarters and store employees should turn off lights and air conditioning when leaving meeting rooms, consultation rooms, nursing rooms, and employee break rooms.
- Adjust the indoor temperature according to the climate (set the standard temperature between 25–27°C).
- Lights should be turned off during lunch breaks at headquarters.
- Curtains are installed on each floor of the head office to block sunlight and reduce the energy consumption of air conditioners.
- Warning signs are placed near electrical appliances to remind employees to practice energy-saving habits.



4.3 WATER SOURCE MANAGEMENT

The water drawn by Great Tree retail stores is sourced from the Taiwan Water Corporation and the Taipei Water Department. All water consumed and discharged is for domestic purposes (drinking water, floor cleaning, handwashing sinks, toilets, etc.) No process water or process wastewater is generated. The Company's water withdrawal indicates no significant impact on the water sources this year. To cope with climate change and reduction of water resources, the Company is gradually introducing water-saving equipment and behavioral guidance measures, in order to reduce domestic water consumption:

- 1. The Company implemented centralized cleaning operation for stores and public areas in 2024, and has reclaimed cleaning wastewater for flushing toilets, in order to reduce unnecessary water consumption.**
- 2. Some floors of the headquarters and retail stores use water-saving faucets to reduce unnecessary water consumption.**
- 3. In 2024, we announced to all employees with promotional and notification signs to enhance the water-saving awareness.**



WATER RESOURCE CONSUMPTION	
ITEM	Water withdrawal (ML)
2022	2.4999
2023	4.4015
2024	5.2106

4.4 WASTE MANAGEMENT

The Company is not a major waste generator, and our services do not produce hazardous wastewater or exhaust gas. The Company's waste consists solely of domestic waste, which is centrally managed by the building management committee. No industrial or hazardous industrial waste is generated.

Waste generation was estimated based on data published by the Department of Statistics, Ministry of Environment, indicating an average of 1.32 kg/day per person in 2022, 1.359 kg/day in 2023, and 1.382 kg/day in 2024. This estimation is made in conjunction with the consideration of the number of employees, 12 hours per working day, and the number of working days in that year (total number of days in that year - number of days off announced by the Directorate-General of Personnel Administration).

DOMESTIC WASTE DISPOSAL

Reduce the amount of waste in the office, such as reduction of papers and paper cups.



REDUCE

Office supplies can be repaired and reused to reduce resource waste and to save procurement costs.



REPAIR



REUSE

After office supplies are used, they can be reused for other purposes or used repetitively, such as recovery of second-hand papers for double-sided printing.



5R



RECYLE

All used office supplies can be collected and classified for recycling, such as waste batteries, waste papers and aluminum cans.



REFUSE

Promote green consumption in the office by avoiding the purchase and use of items that may pollute the environment or are devoid of eco-friendliness.

DOMESTIC WASTE OUTPUT

ITEM	2022	2023	2024
Total amount of domestic waste (metric tons)	339.9000	380.0131	426.8383

05

EMPLOYEES CARE AND SOCIAL PARTICIPATION

Talent Sustainability **5-1 CHAPTER**

Friendly Workplace **5-2 CHAPTER**

Social Engagement **5-3 CHAPTER**



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5.1 TALENT SUSTAINABILITY

Great Tree values employees' labor rights, establishes a happy and safe working environment, provides colleagues with friendly and equal employment opportunities, implements gender equality policies, and promotes a culture of mutual respect. We also offer competitive compensation and benefits to increase employee loyalty and reduce turnover, thereby ensuring stable corporate operations. Great Tree also establishes a comprehensive education and training system and regularly organizes various training courses to enhance employees' professional skills and improve job competitiveness. Transparent promotion channels are also provided to allow employees to anticipate future career development opportunities. We also promote positive labor-management interaction, allowing employees to express their opinions during labor-management meetings, and the Company responds constructively to achieve labor-management consensus. Furthermore, Great Tree implements an occupational safety and health management system to strengthen the Company's performance in occupational safety and health and effectively protect employees' physical and mental health. Finally, we are committed to the philosophy of taking from society and giving back to society. Great Tree not only achieves outstanding revenue performance but also actively participates in public welfare activities and cares for vulnerable groups, thereby fulfilling its corporate social responsibility.



HUMAN RIGHTS POLICY

Great Tree treats employees fairly and implements various equality measures, in order to eliminate any labor conditions that may cause unfair treatment at the workplace, thereby protecting the labor rights of employees. The Company values the rights of employees and fosters a friendly environment for the protection of human rights. In accordance with the principles specified in the "United Nations Universal Declaration of Human Rights," the "United Nations Global Compact," the "United Nations Guiding Principles on Business and Human Rights," and the "Declaration on Fundamental Principles and Rights at Work" of the International Labour Organization, the Company recognizes internationally accepted basic human rights, including respecting employees' freedom of association, caring for vulnerable groups, prohibiting child labor, eliminating all forms of forced labor, eliminating employment discrimination, prohibiting any behavior that infringes upon or violates human rights, and protecting gender equality and ensuring fair treatment for all employees. Great Tree's remuneration policies also ensure that employee salary assessments are not differentiated due to personal gender, age, ethnicity, religion, or political stance.

At the same time, Great Tree adheres to labor laws and human rights regulations, and proactively communicates important information regarding human rights protection and employee rights to both new employees and current staff. In addition, Great Tree has established multiple reporting channels. Stakeholders can submit reports through the stakeholder area of the company's official website, and employees can submit reports through the general manager's mailbox. The general manager's office will assign a dedicated personnel to conduct an investigation. In principle, the reporter must report in his or her name and provide relevant information about the reported incident, including but not limited to the name of the person being reported, the time and location of the incident, the circumstances involved, and other basic content and evidence. If the dedicated personnel have a vested interest in the reporter or the person being reported, or if there is a relationship that may affect the handling of the case, they should proactively inform and recuse themselves, and the investigation should be handed over to other personnel. At the same time, the investigation process should be handled impartially and kept strictly confidential. The identity of the reporter must not be revealed. Great Tree also promises to protect the reporter from being improperly treated due to the reporting situation.

IN 2024, GREAT TREE HAD NO RECORD OF HUMAN RIGHTS VIOLATIONS. OTHER HUMAN RIGHTS POLICY IMPLEMENTATION STATUS IS AS FOLLOWS:

- The Company respects the rights of employees to engage in collective bargaining and to participate in assembly, and labor-management meetings are also convened in accordance with the law to coordinate labor-management relations, to promote labor-management cooperation, and to improve employee work efficiency.
- The Company has established human rights policies for compliance and also requires suppliers to comply with these policies while prohibiting any child labor. We also conduct ESG audits to ensure compliance with the policy requirements. No instances of child labor have been identified at our business locations or with our suppliers in the last three years.
- The Company requires compliance with the human rights policies, and prohibits any forced or compulsory labor of suppliers, and ensures compliance through complaint filing mechanisms and ESG audits. No incidents of forced or compulsory labor have been identified at our business locations or suppliers in the last three years.

EMPLOYEE STATISTICS

100% of the Great Tree's senior officer positions are filled by local talent in Taiwan, demonstrating the Company's commitment to collaborating with local communities to identify and attract outstanding individuals to work in local areas. This approach is beneficial for gaining local community support and further promoting the local economy.

KEY BUSINESS LOCATIONS	TOTAL NUMBER OF SENIOR OFFICERS	NUMBER OF LOCAL RESIDENTS EMPLOYED AS SENIOR OFFICERS	RATIO
Taiwan	29	29	100%
STATISTICS/YEAR	MALE	FEMALE	
TOTAL	25	4	
GENDER RATIO OF SENIOR OFFICERS IN THE CURRENT YEAR	86.21%	13.79%	

Note: Senior officers are defined as managerial positions above the job rank of department head.

STATISTICS/YEAR		2022		2023		2024	
TOTAL NUMBER OF EMPLOYEES		2,060		2,246		2,461	
EMPLOYMENT CONTRACT		Non-fixed	Fixed	Non-fixed	Fixed	Non-fixed	Fixed
GENDER	MALE	379	0	413	0	463	0
	FEMALE	1,681	0	1,833	0	1,998	0
REGION	TAIWAN	2,060	0	2,246	0	2,461	0
EMPLOYMENT TYPE		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
GENDER	MALE	234	145	269	144	279	184
	FEMALE	1,565	116	1,705	128	1,838	160
REGION	TAIWAN	1,799	261	1,974	272	2,117	344

Note: Great Tree has had no non-employee workers in the last three years.

DIVERSITY STATISTICS / YEAR				2022		2023		2024	
				Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
EMPLOYEES	DIRECT	GENDER	MALE	260	12.62%	273	2.15%	321	13.04%
			FEMALE	1353	65.68%	1435	63.89%	1565	63.59%
		AGE	UNDER 30 YEARS OLD	985	47.82%	945	42.07%	1006	40.88%
			ABOVE 30 YEARS OLD (INCLUSIVE) BUT LESS THAN 50 YEARS OLD	618	30.00%	754	33.57%	864	35.11%
			ABOVE 50 YEARS OLD (INCLUSIVE)	10	0.49%	9	0.40%	16	0.65%
		EDUCATION	GRADUATE SCHOOL	23	1.12%	18	0.80%	29	1.18%
			COLLEGE AND UNIVERSITY	1340	65.05%	1389	61.84%	1484	60.30%
			OTHERS	250	12.14%	301	13.40%	373	15.16%
	INDIRECT	GENDER	MALE	119	5.78%	140	6.23%	142	5.77%
			FEMALE	328	15.92%	398	17.72%	433	17.59%
		AGE	UNDER 30 YEARS OLD	182	8.83%	211	9.39%	196	7.96%
			ABOVE 30 YEARS OLD (INCLUSIVE) BUT LESS THAN 50 YEARS OLD	254	12.33%	314	13.98%	365	14.83%
			ABOVE 50 YEARS OLD (INCLUSIVE)	11	0.53%	13	0.58%	14	0.57%
		EDUCATION	GRADUATE SCHOOL	26	1.26%	35	1.56%	40	1.63%
			COLLEGE AND UNIVERSITY	364	17.67%	434	19.32%	469	19.06%
			OTHERS	57	2.77%	69	3.07%	66	2.68%

Note The total number of employees is calculated at the end (12/31) of each year.



TALENT CULTIVATION

MATERIAL TOPIC	TALENT CULTIVATION
MEANING TO THE COMPANY	The sustainable operation and growth of the Company depend on fully leveraging the professional and managerial talents of its employees. Through tiered training and development programs, we continuously enhance the competitiveness of employees and supervisors to establish the professional brand value of "Great Tree Pharmacy" and further distinguish ourselves from other competitors.
POLICY/COMMITMENTS	The Company has established a dedicated organization and unit to provide corresponding training and learning resources for employees and supervisors at all levels and in various roles, in order to support their job functions and career growth.
SHORT-TERM GOALS	<ul style="list-style-type: none"> 1. 100% of new employees complete the job function training. 2. Average annual training hours for administration and retail store personnel reach more than 5 hours and 22 hours respectively. 3. Strengthen supervisory management skills to handle future challenges and growth of the Company. 4. Review the executive learning and development roadmap in response to environmental changes, and cultivate leaders capable of facing future challenges. 5. Provide employees with personal performance and professional training courses to assist their career development.
MEDIUM AND LONG-TERM GOALS	<ul style="list-style-type: none"> 1. 100% of new employees complete the job function training. 2. Average annual training hours for administration and retail store personnel reach more than 10 hours and 30 hours respectively. 3. Enhance the leadership of managers at all levels through the functional development-oriented manager training program. 4. Continue to organize advanced technology forums and courses, in order to promote employees' innovative thinking and competitiveness. 5. Enhance the professional techniques and management skills of employees and executives. 6. Organize two corporate training courses annually for retail stores to assist them in obtaining professional licenses.



TALENT CULTIVATION

MATERIAL TOPIC	TALENT CULTIVATION
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<p>1. Review of leadership functions: In 2024, we reviewed the leadership function model and communicated with company executives to align their development directions.</p> <p>2. Great Tree Corporate University Learning Platform: we enhanced the platform's user experience and convenience and provided both physical and online learning courses.</p> <p>3. We enhanced legal compliance among all employees, and three online courses were held in 2024 to strengthen the legal awareness of all employees.</p> <p>4. Personnel were arranged to obtain professional licenses (e.g. Class A Occupational Safety and Health Supervisor, ISO 27001 Information Security Management System Chief Auditor).</p> <p>5. Employees were encouraged to participate in external training courses necessary for their job duties, and the Company also provided financial subsidies.</p> <p>6. Organize at least two team-building workshops and courses annually, and junior officers and above are also arranged to participate in these courses. In addition to the invitation of cooperating vendors to provide professional course sharing, course design is implemented to enhance team cohesion and execution capabilities. In 2024, four workshops were organized, with a total of 1,331 participants.</p>
RESPONSIBLE DEPARTMENT/ COMPLAINT FILING MECHANISM	Management Department/Sales Department
ASSESSMENT MECHANISM/ RESULT	<p>1. Annual training hours per person meet the standard</p> <p>2. Post-training satisfaction survey</p> <p>3. Technical professional course examination</p> <p>4. Management behavior observation and evaluation</p>

For Great Tree, the key to corporate sustainability is the continuous learning and growth of its employees. Education and training are vital for ensuring the continuous development of human capital. Accordingly, Great Tree has always valued the importance of employee training. The overall learning and development strategy is based on on-the-job training, with new employee training, professional training, and self-development training as the backbone of the strategy. In addition, a course credit system is also introduced to establish a comprehensive education and training system according to the annual goals and the needs of different business functions.

Great Tree enhances the professional skills of its employees by establishing training plans annually based on the corporate development needs and implementing training objectives, in order to provide longer career paths for employees while allowing the Company to also benefit from their growth. Furthermore, through internal training, functional expertise and experience can be continuously passed on to relevant departments, thereby assisting employees in setting up their learning and development direction and being used as a basis for their individual career planning.

New employees are required to participate in orientation training and the Company's internal policies, various procedures and occupational safety related knowledge are conveyed by dedicated staff during their reporting to work. In addition their departments also organize specific training for new employees individually. Great Tree actively encourages employees to participate in the training of professional courses within their scope of work. Based on the focus of continuous growth of employees, we provide diverse learning channels to allow employees to leverage their expertise and to achieve their own goals.

TRAINING TYPE	DESCRIPTION
TRAINING PLAN FOR IMPROVING EMPLOYEE COMPETENCE	<ul style="list-style-type: none"> Establish an internal instructor system to enhance the passing-on of practical experience, assess departmental skill needs, and design on-the-job training (OJT) aligned with the Company's annual goals, and establish a comprehensive training system for all job levels ranging from new employees to senior management (including new employee training, skill cultivation, advanced competence, executive trainees, and succession planning).
CONTINUED EMPLOYMENT ASSISTANCE (RETIREMENT OR TERMINATION OF EMPLOYMENT)	<ul style="list-style-type: none"> Resigned employees: Job placement and matching, career consultation, resume review, job position change, skills gap-retraining, internal transfer, and learning resource provision Senior employees or retirement preparation: Second career consulting, re-appointment for professional advisory role

STATISTICS/YEAR	2022	2023	2024	
AVERAGE TRAINING HOURS PER EMPLOYEE	23.21	27.37	18.84	
AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER	FEMALE	23.65	28.08	19.33
	MALE	19.05	22.45	15.12
AVERAGE TRAINING HOURS PER EMPLOYEE BY JOB CATEGORY	DIRECT	25.14	34.44	23.13
	INDIRECT	5.41	6.23	5.03

Note: During 2022–2023, training courses on occupational safety and health and sexual harassment prevention training were organized for all employees. In addition, new employee training also included these courses in order to become part of the new employee training curriculum.



5.2 FRIENDLY WORKPLACE

REMUNERATION AND BENEFITS

MATERIAL TOPIC	REMUNERATION AND BENEFITS
MEANING TO THE COMPANY	<p>Provide competitive remuneration system and comprehensive employee benefits to attract outstanding talents, and to also strengthen employee loyalty to the Company, in order to grow with the Company and to achieve mutually beneficial results.</p>
POLICY/COMMITMENTS	<p>Policy: Employees are Great Tree's most important asset. Before considering ways to expand channels and convey the expertise and warmth of our services to customers, we consider the proper care of our employees in priority. Accordingly, caring for employees and strengthening their recognition toward Great Tree is the prerequisite for Great Tree to maintain our competitiveness. By effectively providing the human resources necessary for the Company's sustainable development based on the human resources policies, the Company is able to meet the organizational development needs.</p> <p>Commitment: To implement the employment philosophy of allowing all staff to contribute to the fullest and to maximize their potential, the Company has established a salary system based on the "Competence and Performance," along with the consideration of the salary surveys and review of common salary payment standards adopted in the same industry in order to make timely adjustments.</p>
SHORT-TERM GOALS	<ol style="list-style-type: none"> 1.The Company encourages employees to communicate with the Company through diverse channels, and various internal communication and complaint filing channels have been established to listen to employee feedback, in order to jointly establish a harmonious working environment. 2.Salaries are adjusted annually based on employees' individual performance and contributions.
MEDIUM AND LONG-TERM GOALS	<ol style="list-style-type: none"> 1.The Company encourages employees to communicate with the Company through diverse channels, and various internal communication and complaint filing channels have been established to listen to employee feedback, in order to jointly establish a harmonious working environment. 2.Salaries are adjusted annually based on employees' individual performance and contributions. 3.Employee stock options are provided to encourage employees, to enhance employee cohesion, and to share the benefits of the Company's growth.



MATERIAL TOPIC	REMUNERATION AND BENEFITS
RESOURCE INVESTED AND ACTUAL OUTCOME IN THE CURRENT YEAR	<p>1.Recruitment and employment: We effectively provide or utilize manpower in accordance with annual manpower plan objectives, in order to meet the staffing demands of each unit and to ensure a high-quality workforce.</p> <p>2.Remuneration and benefits: According to the market salary status and job position evaluation, remuneration and benefit system is established to meet the market competitiveness and to comply with the principle of fairness. If the Company makes a profit, the profit is shared with the employees through distributions of employee bonuses and year-end bonuses, for example. In addition, salaries are also adjusted based on the business status along with the consideration of the domestic economic growth rate, price index, and industry-wide salary adjustment status, etc.</p> <p>3.Education and training: According to the annual education and training plan, we aim to enhance employee skills and to assist their growth in accordance, in order to support the Company's development goals.</p>
RESPONSIBLE DEPARTMENT/ COMPLAINT FILING MECHANISM	Administration Department
ASSESSMENT MECHANISM/ RESULT	Average salary and median salary of full-time employees of non-managerial positions are higher than the salaries of previous year.

Remuneration of employees is determined based on annual operational goal achievement rate and the Company's profitability. Great Tree provides remuneration and benefits superior to the local regulatory requirements and with market competitiveness to employees. To ensure employees' job performance is appropriately reflected in their personal remuneration, all employees receive periodic performance and career development reviews. The results of these reviews are included in the evaluation of employee job promotion and development, allowing employees with professional skills and expertise to become experts in their field through their personal dedication and efforts, and those with management skills and leadership potential are able to advance to take management roles, thereby providing broad opportunities for the career development of employees.

In general, Great Tree employees' salaries are primarily determined based on years of service, educational background, experience, and professional competence, and we prohibit any discrimination based on personal physical or psychological differences. As employees' years of service at the Company increase over time, their industry knowledge and experience become more refined. The Company is also pleased to share its profits with all employees during their career development, allowing them to contribute their strengths to their personal economic lives without concerns, and enhancing their cohesion and sense of belonging to the Company.

Secondly, at Great Tree, the comparison between the ratio of base salary to total remuneration for different genders and employee categories indicates that base salaries and total remuneration are comparable between male and female employees. In addition, regarding the salary of entry-level employees, the standard salary for all non-managerial staff at Great Tree is above the local minimum wage for both genders.

Unit: Person/NTD 1,000

FULL-TIME NON-MANAGERIAL POSITIONS	NUMBER OF EMPLOYEES	AVERAGE ANNUAL SALARY	MEDIAN ANNUAL SALARY
2023	1,677	541	494
2024	1,792	557	511
Difference	+115	+16	+17

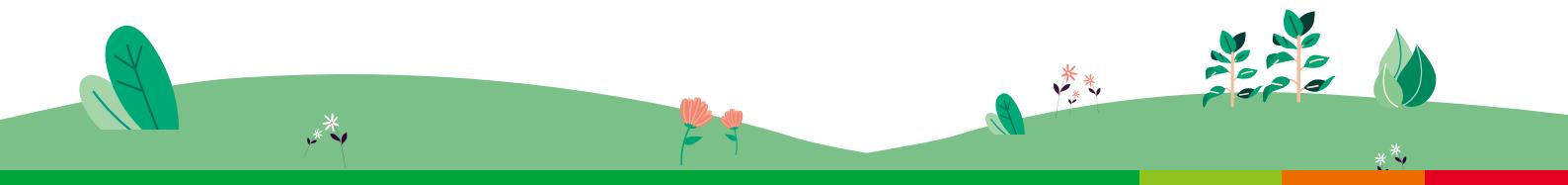
KEY BUSINESS LOCATIONS	GENDER	RATIO OF STANDARD SALARY TO LOCAL MINIMUM WAGE
TAIWAN	MALE	1.18
	FEMALE	1.17

Note: The standard salary refers to the salary for all new employees onboard in 2024.

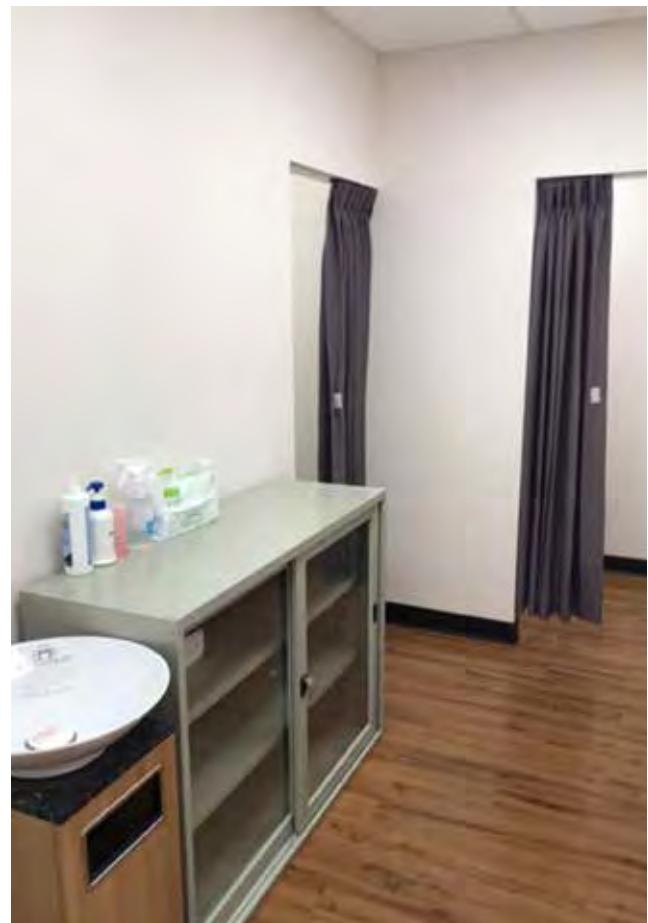
RATIO OF BASIC SALARY TO REMUNERATION			2022		2023		2024	
KEY BUSINESS LOCATIONS	EMPLOYEE CATEGORY	ITEM	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Taiwan	Direct	Basic Salary	1.00	1	1.01	1	1.02	1
		Remuneration	0.96	1	0.99	1	1.01	1
	Indirect	Basic Salary	1.91	1	1.65	1	1.66	1
		Remuneration	2.04	1	1.77	1	1.80	1

Furthermore, to enhance employee work efficiency, Great Tree offers a range of benefits and provides a comfortable office environment. We also organize various employee welfare activities on a regular basis to help employees relieve work-related stress and promote positive relationships among colleagues. Based on the importance of work-life balance, we further encourage employees to take parental leave to support family care and health.





EMPLOYEE BENEFIT ITEM	ALL EMPLOYEES
GROUP INSURANCE	✓
MARRIAGE/GIFT MONEY/FUNERAL CONDOLENCE MONEY	✓
THREE-HOLIDAY BONUS	✓
YEAR-END BONUS	✓
BIRTHDAY GIFT MONEY	✓
EMPLOYEE STOCK OPTIONS	✓
EMPLOYEE SHOPPING DISCOUNT	✓
QUARTERLY DINNER GATHERING	✓
ANNUAL HEALTH EXAMINATION	✓
EMPLOYEE TRAVEL	✓



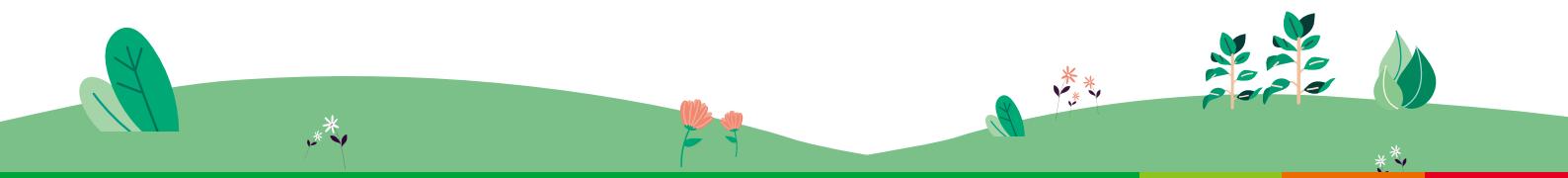
ITEM/YEAR		2022		2023		2024	
TOTAL NUMBER OF EMPLOYEES IN THE CURRENT YEAR		2,060		2,246		2,461	
NEW EMPLOYEE ONBOARDING AND RESIGNATION STATISTICS		Number of people	Ratio	Number of people	Ratio	Number of people	Ratio
NEW EMPLOYEES							
AGE	Under 30 years old	953	46.26%	794	35.35%	836	33.97%
	Above 30 years old (inclusive)but less than 50 years old	365	17.72%	347	15.45%	328	13.33%
	Above 50 years old (inclusive)	3	0.15%	2	0.09%	5	0.20%
GENDER	Male	344	16.70%	281	12.51%	329	13.37%
	Female	977	47.43%	862	38.38%	840	34.13%
EDUCATION	Graduate School	19	0.92%	26	1.16%	28	1.14%
	College and University	1,018	49.42%	875	38.96%	838	34.05%
	Others	284	13.79%	242	10.77%	303	12.31%
REGION	Taiwan	1,321	64.13%	1,143	50.89%	1,169	47.50%
RESIGNED EMPLOYEES							
AGE	Under 30 years old	656	31.84%	700	31.17%	728	29.58%
	Above 30 years old (inclusive)but less than 50 years old	267	12.96%	221	9.84%	207	8.41%
	Above 50 years old (inclusive)	1	0.05%	2	0.09%	2	0.08%
GENDER	Male	288	13.98%	243	10.82%	278	11.30%
	Female	636	30.87%	680	30.28%	659	26.78%
EDUCATION	Graduate School	11	0.53%	21	0.93%	12	0.49%
	College and University	715	34.71%	731	32.55%	699	28.40%
	Others	198	9.61%	171	7.61%	226	9.18%
REGION	Taiwan	924	44.85%	923	41.10%	937	38.07%

EMPLOYEES' PARENTAL LEAVE WITHOUT PAY/YEAR	GENDER	STATISTICS		
		2023	2023	2024
NUMBER OF EMPLOYEES QUALIFYING FOR PARENTAL LEAVE WITHOUT PAY	Male	13	18	21
	Female	189	254	298
NUMBER OF EMPLOYEES APPLYING FOR PARENTAL LEAVE WITHOUT PAY	Male	0	3	3
	Female	64	74	28
NUMBER OF EMPLOYEES REQUIRED TO BE REINSTATED AFTER PARENTAL LEAVE WITHOUT PAY (A)	Male	1	0	6
	Female	56	65	91
NUMBER OF EMPLOYEES ACTUALLY REINSTATED AFTER MATURITY OF PARENTAL LEAVE WITHOUT PAY (B) (INCLUDING EARLY REINSTATEMENT)	Male	1	0	4
	Female	48	54	70
REINSTATEMENT RATE (B/A)	Male	100.00%	-	66.67%
	Female	85.71%	83.08%	76.92%
TOTAL NUMBER OF EMPLOYEES COMPLETING THE PARENTAL LEAVE AND REMAINING AT JOB POSITIONS FOR 12 MONTHS AFTER REINSTATEMENT IN LAST YEAR (C)	Male	0	1	0
	Female	9	45	46
RETENTION RATE (C/B OF LAST YEAR)	Male	-	100.00%	-
	Female	81.82%	93.75%	85.19%

Note 1 The number of employees qualified for parental leave without pay is calculated based on the number of male and female employees who have applied for maternity leave or paternity leave in the last 3 years.

Note 2 Reinstatement rate = (Total number of employees actually reinstated in that year / Total number of employees required to be reinstated in that year) × 100%.

Note 3 Retention rate = (Total number of employees remaining at job positions for 12 months after reinstatement in last year / Number of employees actually reinstated in last year) * 100%.



LABOR-MANAGEMENT COMMUNICATION

Smooth communication between the employer and employees is able to promote labor-management cooperation and to assist employees in understanding the Company's business plans, operational status, and market conditions while allowing the management to stay informed about employees' working conditions and to establish a friendly workplace satisfying employee needs at the same time. Great Tree complies with laws and regulations, and the internal human resources and administrative management adhere to the local labor laws of each operating location. Labor-management meetings are convened according to the law, with employer representatives including the President, Corporate Governance Officer, and Head of Human Resource Department, etc., attending the meetings, to coordinate labor relations, promote cooperation through periodic communication and dialogue, thereby promoting labor-management cooperation and allowing employees to provide feedback, to seek improvements to their working conditions and to effectively enhance employees' position.

In addition, Great Tree has also established diverse communication channels, allowing employees to fully express their opinions through two-way communication. The Company responds promptly and converts employees' suggestions into policies for implementation. In recent years, labor relations at Great Tree have been harmonious, without any occurrence of labor disputes.

If the Company closes factories or sets up new factories, such that employees are laid off or work location is changed, the Company reports to the local government's labor bureau 60 days in advance and complies with the advance notice period according to the Act for Worker Protection of Mass Redundancy.

Finally, to ensure financial planning for employees' retirement, Great Tree's retirement system is divided into the defined benefit plan (old pension system) and the defined contribution plan (new pension system). The retirement system of Great Tree fully complies with the Labor Standards Act. Employees who have served for more than 15 years and reached the age of 55 years or older, or have served for more than 25 years, may apply for retirement voluntarily. Pension payments are made according to the Labor Standards Act and based on the years of service of employees, with two base units provided for each year of service, and one additional base unit for each year of service exceeding 15 years, up to a maximum of 45 base units. Great Tree has also established the supervisory committee and a dedicated account for the deposit of the pension fund. As of the end of 2024, the balance of the dedicated account was NTD 6,091,848. Since July 1, 2005, Great Tree has appropriated an amount not less than 6% of monthly wage as the pension for depositing into the labor pension account according to the Labor Pension Act.

PERFORMANCE EVALUATION

Great Tree conducts employee performance evaluations annually and distributes performance bonuses based on individual performance evaluation results. Executives provide fair and objective evaluations based on employees' performance and goal achievement status, and understand employees' status via interviews, in order to provide appropriate assistance.

2024 PERFORMANCE EVALUATION STATISTICS		ACTUAL NUMBER OF EMPLOYEES RECEIVING PERFORMANCE EVALUATION	NUMBER OF EMPLOYEES OF THE EMPLOYEE TYPE	PERCENTAGE
GENDER	MALE	448	464	96.55%
	FEMALE	1,965	1,997	98.40%
EMPLOYEE CATEGORY	DIRECT	1,844	1,886	97.77%
	INDIRECT	569	575	98.96%

Note: Employees on leave without pay for the whole year are excluded.

OCCUPATIONAL HEALTH AND SAFETY

To provide a healthy working environment and to ensure worker safety, Great Tree has implemented an occupational safety and health management system. We are committed to complying with relevant laws, regulations, and standards, and we also prevent occupational accidents properly. Through health promotion, we aim to establish a friendly workplace and fulfill corporate social responsibility.

Great Tree is committed to the active promotion of labor safety and health as well as health promotion, in order to reduce the occurrence of occupational accidents. The Company continues to improve the safe and healthy working environment for employees according to the occupational safety and health management regulations and social responsibility international regulatory requirements, to prevent occupational injury and disease, and to reduce hazardous factors in the working environment. Through compliance with the labor safety and health regulatory requirements, we aim to establish a quality, safe and healthy corporate workplace.

OCCUPATIONAL ACCIDENT STATISTICAL ANALYSIS

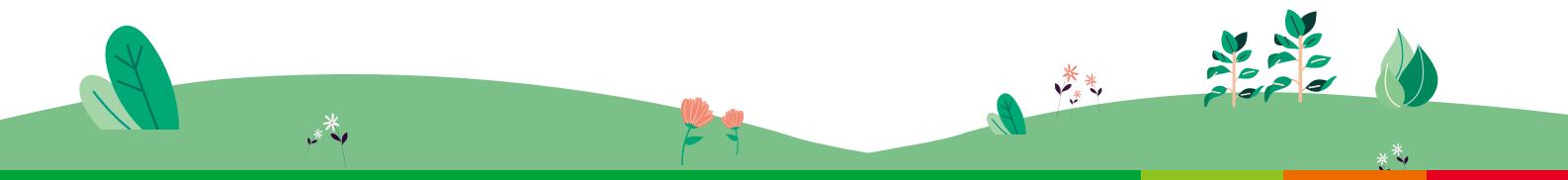
STATISTICS/YEAR		2022	2023	2024
TOTAL WORK HOURS		3,243,736	3,315,216	3,837,340
DEATH ACCIDENT DUE TO OCCUPATIONAL INJURY	NUMBER OF PEOPLE	0	0	0
	RATIO	0	0	0
SEVERE OCCUPATIONAL INJURY	NUMBER OF PEOPLE	0	0	0
	RATIO	0	0	0
RECORDABLE OCCUPATIONAL INJURY	NUMBER OF PEOPLE	2	5	0
	RATIO	0.616572989	1.508197354	0
DEATH ACCIDENT DUE TO OCCUPATIONAL INJURY	NUMBER OF PEOPLE	0	0	0
	RATIO	0	0	0
RECORDABLE OCCUPATIONAL DISEASE	NUMBER OF PEOPLE	0	0	0
	RATIO	0	0	0

Note 1 ➤ Ratio is calculated based on the unit of per million working hours.

Note 2 ➤ Severe occupational injury: refers to the death of any worker, or injury causing a worker to be unable to or having difficulty recovering back to the health condition before the injury within six months; however, the statistical data excludes the number of deaths.

Note 3 ➤ Recordable occupational injury or disease: refers to occupational injury or disease caused by any one of the following conditions, such as death, leaving job position, work restriction or job transfer, medical care exceeding first-aid procedure, or loss of consciousness, or major injury or disease diagnosed by physician or other medical professional equipped with licenses (even if such injury does not cause death, leave one's job position, work restrictions or job transfer, medical treatment exceeding first aid, or loss of consciousness); however, the statistical data shall include the number of deaths.

Note 4 ➤ Commuting traffic accidents are excluded from the occupational injury statistics.



TYPE/YEAR		2022	2023	2024	HAZARD AND IMPROVEMENT DESCRIPTION
TYPE OF OCCUPATIONAL INJURY	FALL INJURY	1	3	0	<p>1.The whole box of diapers was brought down from the second-floor warehouse, but the operator slipped on the stairs and fell from the second floor to the first floor.</p> <p>2.Falling due to improper handling of goods / Improvement: Use the freight elevator as much as possible or request assistance from colleagues.</p>
	CUTTING INJURY	1	0	0	<p>During the opening of carton with knife, the operator accidentally cut his calf muscle and artery, resulting in hospitalization and surgery. / Improvement: Provide protective measures.</p>
	BITING INJURY	0	1	0	<p>An operator was bitten by a centipede during warehouse sorting and cleaning. Improvement: Improve the environmental hygiene.</p>
	ELECTRIC SHOCK	0	1	0	<p>An operator was injured due to electric shock during switching of power. / Improvement: Enhance education on electrical safety and provide protective measures.</p>



5.3 SOCIAL ENGAGEMENT

As a member of the broader society, Great Tree exists and collaborates mutually with investors, employees, local communities, and other stakeholders. Great Tree aims to leverage its influential power through encouragement and inspiration to fulfill its corporate social responsibility. We cooperate with local groups in each business location to ensure that resources are provided to those with genuine needs, thereby improving society to the best of our ability. As a healthcare channel, our customers are mostly women and elderly people. To thank consumers for their support and love, we continue to participate in the following educational, public welfare, and cultural activities to support various social welfare. Institutions and care for the disadvantaged:



SOCIAL ENGAGEMENT

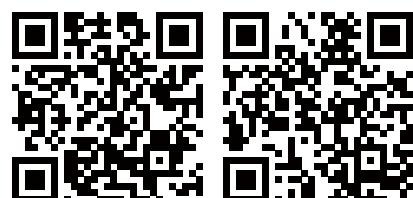
- Since 2024, we have continuously participated in the Cathay United Bank Foundation's Great Tree Program, calling on the public to pay attention to equal education rights for children and promoting the fundamental education development.



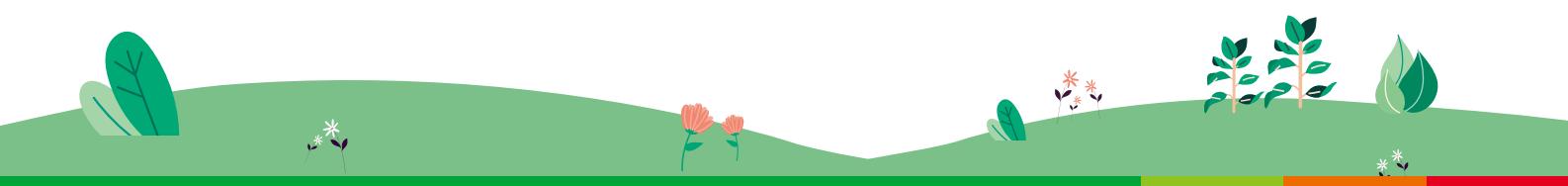
Cathay United Bank Foundation upholds the principle of "equal right to education for children" and has organized the "Great Tree Program" since 2004. Up to the present day, the Foundation has provided support to students in remote areas for 21 consecutive years, with the total amount of sponsorship reaching NTD 320 million and benefiting nearly 300,000 disadvantaged students.

The "2024 Great Tree Program Donation Ceremony" was held on October 17, 2024, at the Cathay Financial Conference Hall. With enthusiastic support from all sectors of society, the donation amount has increased from NTD 15 million in 2023 to NTD 20 million, and the number of counties and cities covered has also expanded from 6 to 10, including Keelung, Hsinchu, and Miaoli. In addition, the program has also provided sponsorship to the sports teams and special education funds of numerous schools, in order to encourage children to pursue their dreams.

"Great Tree Pharmacy" has supported and participated in this program for the third consecutive year. While upholding the philosophy of return to the society, we are committed to providing care and assistance to financially disadvantaged families or those facing significant hardship and having difficulty in affording tuition fees for their children, by providing them with subsidies to assist the growth of the children. In the future, we will continue to invest in children's education and welfare while focusing on the goals of providing support to disadvantaged groups in rural areas and promoting arts and culture, in order to realize the vision of social co-prosperity and to inspire greater positive changes.



• 20241025 Cathay Elevated Tree Program



SOCIAL ENGAGEMENT

- In 2024, we sponsored the “2024 Asian Beach Volleyball Open” hosted by the Chinese Taipei Volleyball Association, to actively support international events.



- In 2024, we continued to sponsor the pharmacy departments of colleges and universities, including “China Medical University” and Tajen University,” for the industry-academia collaboration and talent cultivation scholarship programs.

The 15th year of National Southern Pharmacy Cup successfully concluded on December 15, 2024.

A large number of students and alumni from five pharmacy departments across Taiwan gathered at Tunghai University for the enthusiastic event. The event not only demonstrated sportsmanship but also promoted the exchange of friendship among participants.

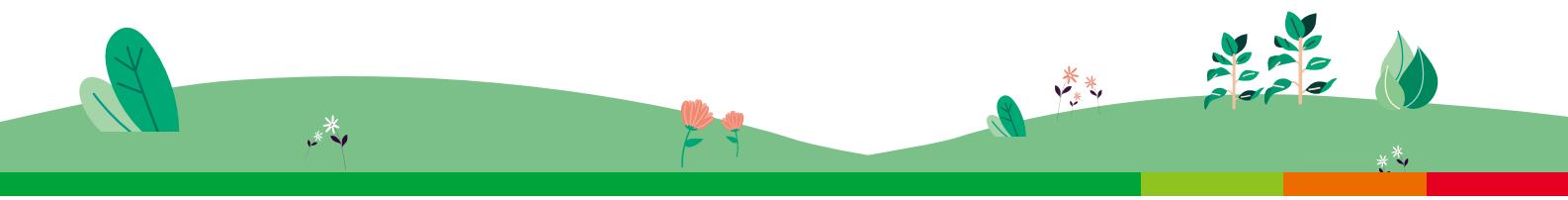
Great Tree Pharmacy was proud to be the main sponsor of this year's event. We sent several experienced supervisors and alumni to share their career insights and experience with younger students, in order to assist their transition from campus to the workplace and to build a clear career path.

Interactive lottery draws and refreshment activities were planned at the event site, including prizes such as a PS5, Apple Watch, and AirPods, along with free egg pancakes, allowing participants to replenish their energy and feel the warmth of Great Tree Pharmacy's support after the intense competition.

Great Tree Pharmacy is committed to promoting pharmaceutical expertise and fostering youth development. In the future, we will continue to collaborate with various colleges and universities and colleges to jointly support the growth of every pharmacy student.



• 0241215 National Southern Pharmacy Cup Sponsorship



SOCIAL ENGAGEMENT

- In 2024, we sponsored and provided supplies to the FengLang Pharmacy Service Club formed by the Department of Pharmacy of China Medical University, as they traveled to long-term care facilities and nursing homes throughout Taiwan to share health information.

Great Tree by Your Side – CMU “FengLang Pharmacy Service Club” Embarked on a Cycling Tour of Taiwan, Offering Home Visit & Health Check Service



• 2024 China Medical University FengLang Pharmacy Service Club

A group of 14 pharmacy students from China Medical University's FengLang Cycling Tour Service Club embarked on a 17-day cycling and health education tour around Taiwan, starting on July 13 of this year, after the COVID-19 pandemic eased this summer. Each morning, they cycled across scenic spots, and in the afternoons, they visited long-term care facilities and institutions to perform health education shows, making the experience both educational and entertaining. Although the journey was tough, it was filled with smiles, warmth, joy, care, and personal growth, making it a meaningful endeavor.

This event, the Cycling Tour Health Education and Home Health Check Service, is in its fifth year. After several months of recruitment and physical training, 14 pharmacy students participated this year with the support of alumni. They set off early on July 13 and safely returned to school on July 29, embodying the resilient spirit of the FengLang Pharmacy Service Club. During the “FengLang Pharmacy Service Club” cycling tour, the students spent their mornings cycling through Taiwan's cultural landmarks, using them as rest stops. In the afternoons, they visited various institutions, designing appropriate services with social workers based on the needs of each institution's clients.

To ensure the students' safety, Great Tree Pharmacy arranged support vehicles to accompany them. The pharmacy also provided nutritional supplements and pain relief sprays, ensuring that the students had the support of Great Tree Pharmacy, whether they were in remote areas or on the road.

The 17-day journey was not only a personal challenge for the students but also provided valuable services to different communities across Taiwan. The students taught proper medication use and contributed to improving healthcare at rural areas while collaborating with Great Tree to demonstrate care and commitment to people's health throughout Taiwan!

SOCIAL ENGAGEMENT

- In 2024, we continued to donate to the Taoyuan City Friendly Love and Care Association to organize various care activities, and several charity film activities were also organized in 2024 to invite disadvantaged children and families to watch together.



- 20240706 Charity Film for Disadvantaged Groups

On Saturday, July 6th, Chairman Cheng, Ming-Lung participated in the "Taoyuan City Charity Movie Screening for the Disadvantaged," an event co-organized by the Taoyuan City Excellence Love and Care Association, Councillor Liang, Wei-Chao's office, and Great Tree Pharmacy Co., Ltd. and students from Taoyuan, Zhongli Taiwan Fund for Children and Families Centers, Tao-Yuan Love-Your-Neighbor Association, Puren Elementary School, and Futai Elementary School were invited to watch the movie together. Parents and children were invited to watch Pixar's "Inside Out 2." Everyone received a set of drinks, popcorn, and wet wipes, making it a fun and enjoyable experience for both adults and children.

SOCIAL ENGAGEMENT



- In 2024, the Company continued donating to the Taishin Charity Foundation to help care for the disadvantaged.
- In 2024, Great Tree purchased mooncakes from the C-ARE-US Bakery – Zhubei Workshop as gifts for our employees to support the sustainable operation of the sheltered workshop and create stable employment opportunities for its workers.



• In 2024, we continued to cooperate with the Department of Health of the Taoyuan City Government and the Taoyuan City Pharmacists Association to organize health examinations and drug safety promotion activities in various communities in Taoyuan City on an irregular basis.

• For the 2024 Xiluo Mazu Taiping Marathon, which combines a marathon with cycling challenges, Great Tree's retail store colleagues voluntarily provided drinking water and supplies to participants, as well as timely professional medical consultation and services during the event.



SOCIAL ENGAGEMENT

- In 2024, we donated medical masks and daily necessities to the Zilian Charity Foundation of New Taipei City to provide assistance to disadvantaged children and families suffering from poverty and illness.**
- In 2024, Great Tree and the Children Development Association of Kaohsiung City jointly organize the "Baby Development Fitness" event, which not only enhanced parent-child interaction but also promoted the development of children's physical and motor skills.**



• 20240831 Baby Development Physical Fitness Event 1



• 20240831 Baby Development Physical Fitness Event 2

We are committed to the development of infants and young children. To address the importance of early childhood development, Great Tree Pharmacy and the Kaohsiung City Children Development Association organized the "Baby Development Physical Fitness" event. On August 31, 2024, Great Tree Pharmacy and the Kaohsiung City Children Development Association jointly organized the "Baby Development Physical Fitness" event, inviting parents and their children to participate. Through professional guidance and interactive games, participants can learn about developmental milestones for each age group and track their child's progress in physical skills and sensory integration.

Activities are designed to be both informative and fun, in order to assist parents to understand key milestones in infant and early childhood development. Through physical games, parent-child interaction is enhanced while promoting children's physical coordination and motor skills and strengthening family connections at the same time.

SOCIAL ENGAGEMENT



- 20240606 Department of Governmental Ethics, Taoyuan City Government and Great Tree Pharmacy Promoted Public Welfare and Integrity
- **Department of Governmental Ethics, Taoyuan City Government and Great Tree Pharmacy Promoted Public Welfare and Integrity**

On June 6, 2024, the Department of Governmental Ethics of the Taoyuan City Government met with Great Tree Pharmacy, one of Taiwan's Top 1,000 companies, to promote the integration of ethical management and sustainable business practices, and to engage in the joint promotion of social welfare and corporate sustainability.

Mr. Ming-Lung Cheng, Chairman of Great Tree Pharmacy, stated that after this exchange event, we were able to gain a better understanding of how to strengthen corporate social responsibility, and Great Tree would continue to commit to transparency and sustainable business practices, in order to make a greater contribution to society.

The Department of Governmental Ethics of the Taoyuan City Government stated that it would continue to collaborate with more businesses to jointly promote social welfare and the establishment of ethics, in order to drive the sustainable development of enterprises and promote positive corporate development, thereby achieving social harmony and co-prosperity.



APPENDIX I GRI CONTENT INDEX

STATEMENT OF USE		Great Tree Pharmacy Co., Ltd. has disclosed the content for the period from January 1 to December 31, 2024 according to the GRI Standards			
GRI 1 ADOPTED		GRI 1: Foundation 2021			
APPLICABLE GRI SECTOR STANDARDS		NA			
TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
GRI 2: GENERAL DISCLOSURES 2021					
THE ORGANIZATION AND ITS REPORTING PRACTICES	2-1	Organizational Details	2.1 Company Profile	17	
	2-2	Entities included in the organization's sustainability reporting	About the Content of Our Report	05	
	2-3	Reporting period, frequency and contact point	About the Content of Our Report	05	
	2-4	Restatements of information	About the Content of Our Report	05	
	2-5	External assurance	About the Content of Our Report	05	
ACTIVITIES AND WORKERS	2-6	Activities, value chain and other business relationships	2.3 Supply Chain Management	25	
	2-7	Employees	5.1 Talent Sustainability	60	
	2-8	Workers who are not employees	5.1 Talent Sustainability	60	



TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
GRI 2: GENERAL DISCLOSURES 2021					
GOVERNANCE	2-9	Governance structure and composition	3.1.1 Board of Directors	39	
	2-10	Nomination and selection of the highest governance body	3.1.1 Board of Directors	39	
	2-11	Chair of the highest governance body	3.1.1 Board of Directors	39	
	2-12	Role of the highest governance body in overseeing the management of impacts	3.1.1 Board of Directors	39	
	2-13	Delegation of responsibility for managing impacts	1.4 Sustainable Development Committee	13	
	2-14	Role of the highest governance body in sustainability reporting	1.4 Sustainable Development Committee	13	
	2-15	Conflicts of interest	3.1.1 Board of Directors	39	
	2-16	Communication of critical concerns	3.1 Governance Practice	36	
	2-17	Collective knowledge of the highest governance body	3.1.2 Continuing Education Status of Directors	41	
	2-18	Evaluation of the performance of the highest governance body	3.1.3 Board Self (or Peer) Evaluation	42	
	2-19	Remuneration policies	3.2 Functional Committees	44	
	2-20	Process to determine remuneration	3.2 Functional Committees	44	
	2-21	Annual total compensation ratio	-		According to the confidentiality regulations, salary information is considered confidential information; therefore, no salary details are to be disclosed.

TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
GRI 2: GENERAL DISCLOSURES 2021					
STRATEGY, POLICIES AND PRACTICES	2-22	Statement on sustainable development strategy	Message from the Management	03	
	2-23	Policy commitments	2.3 Supply Chain Management	25	
	2-24	Embedding policy commitments	2.3 Supply Chain Management	25	
	2-25	Processes to remediate negative impacts	1.2 Stakeholder Communication Channel and Concerned Topics 3.1 Governance Practice	08 36	
	2-26	Mechanisms for seeking advice and raising concerns	3.1 Governance Practice 3.4 Legal Compliance 5.1 Talent Sustainability	36 48 60	
	2-27	Legal Compliance	3.4 Legal Compliance	48	
	2-28	Membership associations	2.1 Company Profile	17	
STAKEHOLDER ENGAGEMENT	2-29	Approach to stakeholder engagement	1.2 Stakeholder Communication Channel and Concerned Topics	08	
	2-30	Collective bargaining agreements	Currently, no employees have initiated the formation of a union. To date, employees have not requested a collective agreement with the company, and no collective agreement has been signed. Therefore, the Company has not established any union; however, labor-management meetings are convened according to the laws.		
GRI 3: MATERIAL TOPICS 2021					
MATERIAL TOPIC	3-1	Process to determine material topics	1.3 Material Topics Identification	10	
	3-2	List of material topics	1.3 Material Topics Identification	10	

TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
ECONOMIC ASPECT					
ECONOMIC PERFORMANCE					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	2.2 Overview of Operations	22	
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct Economic Value Generated and Distributed	2.2 Overview of Operations	22	
	201-2	Financial implications and other risks and opportunities due to climate change	Appendix II Climate-related Information	93	
	201-3	Defined benefit plan obligations and other retirement plans	5.2 Friendly Workplace	67	
	201-4	Financial assistance received from government	2.2 Overview of Operations	22	
	INFORMATION SECURITY				
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	3.5 Information Security	49	
ENVIRONMENTAL ASPECT					
ENERGY					
GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	4.2 Energy Saving and Carbon Reduction	54	
	302-3	Energy intensity	4.2 Energy Saving and Carbon Reduction	54	
	302-4	Reduction of energy consumption	4.2 Energy Saving and Carbon Reduction	54	

TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
WATER AND EFFLUENTS					
GRI 303: WATER AND EFFLUENTS 2018 MANAGEMENT DIRECTIVES	303-1	Interactions with water as a shared resource	4.3 Water Source Management	57	
GRI 303: WATER AND EFFLUENTS 2018	303-3	Water withdrawal	4.3 Water Source Management	57	
EMISSIONS					
GRI 305: EMISSION 2016	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Energy Saving and Carbon Reduction	54	
	305-4	GHG emissions intensity	4.2 Energy Saving and Carbon Reduction	54	
	305-5	Reduction of GHG emissions	4.2 Energy Saving and Carbon Reduction	54	
WASTE					
GRI 306: WASTE 2020 MANAGEMENT DIRECTIVES	306-1	Waste generation and significant waste-related impacts	4.4 Waste Management	58	
GRI 306: WASTE 2020	306-3	Waste generated	4.4 Waste Management	58	
SUPPLIER ENVIRONMENTAL ASSESSMENT					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	2.3 Supply Chain Management	25	
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	New suppliers that were screened using environmental criteria	2.3 Supply Chain Management	25	
	308-2	Negative environmental impacts in the supply chain and actions taken	2.3 Supply Chain Management	25	

TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
SOCIAL ASPECT					
LABOR-MANAGEMENT RELATIONS					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	5.2 Friendly Workplace	67	
GRI 401: LABOR/MANAGEMENT RELATIONS 2016	401-1	New employee hires and employee turnover	5.2 Friendly Workplace	67	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Friendly Workplace	67	
	401-3	Parental leave	5.2 Friendly Workplace	67	
	SALARY	The number of full-time employees of non-supervisor positions, the average salary and median salary of full-time employees of non-supervisor positions of the enterprise, and the difference of the aforementioned three figures from the previous year shall be disclosed	5.2 Friendly Workplace	67	
LABOR/MANAGEMENT RELATIONS					
GRI 402: LABOR/MANAGEMENT RELATIONS 2016	402-1	Minimum notice periods regarding operational changes	5.2 Friendly Workplace	67	
OCCUPATIONAL SAFETY AND HEALTH					
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 MANAGEMENT DIRECTIVES	403-1	Occupational health and safety management system	5.2 Friendly Workplace	67	
	403-6	Promotion of worker health	5.2 Friendly Workplace	67	
GRI 403: OCCUPATIONAL SAFETY AND HEALTH 2018	403-9	Work-related injuries	5.2 Friendly Workplace	67	
	403-10	Work-related ill health	5.2 Friendly Workplace	67	

TOPIC	DISCLOSURE ITEM	ITEM DESCRIPTION	CHAPTER	PAGE NO	REASON FOR OMISSION/NECESSARY EXPLANATION
TRAINING AND EDUCATION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	5.1 Talent Sustainability	60	
GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee	5.1 Talent Sustainability	60	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.1 Talent Sustainability	60	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2 Friendly Workplace	67	
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	3.1.1 Board of Directors	39	
	405-2	Ratio of basic salary and remuneration of women to men	5.2 Friendly Workplace	67	
SUPPLIER SOCIAL ASSESSMENT					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	2.3 Supply Chain Management	25	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	New Supplier with Use of Social Standard for Screening and Selection	2.3 Supply Chain Management	25	
	414-2	Negative environmental impacts in the supply chain and actions taken	2.3 Supply Chain Management	25	
CUSTOMER HEALTH AND SAFETY					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	2.5 Product Safety Management	33	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1	Assessment of the health and safety impacts of product and service categories	2.5 Product Safety Management	33	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.5 Product Safety Management	33	

APPENDIX II CLIMATE-RELATED INFORMATION

1. IMPLEMENTATION OF CLIMATE-RELATED INFORMATION

ITEM	IMPLEMENTATION STATUS			
2. DESCRIBE HOW THE IDENTIFIED CLIMATE RISKS AND OPPORTUNITIES AFFECT THE BUSINESS, STRATEGY, AND FINANCES OF THE BUSINESS (SHORT, MEDIUM, AND LONG TERM).	RISKS AND OPPORTUNITIES		COUNTERMEASURES	FINANCIAL IMPACT LEVEL
	SHORT TERM	To comply with international carbon reduction policies, stricter GHG emission controls may be implemented.	Set GHG reduction goals, increase the use of renewable energy, or purchase green electricity certificates.	Medium
	MEDIUM TERM	Increase in energy costs leads to increased corporate operating costs, and consumers prefer to choose low-carbon and eco-friendly products.	Implement water and energy-saving measures, increase energy and resource use efficiency, collaborate with suppliers focused on carbon reduction, and include carbon reduction performance as a key procurement criterion.	High
	LONG TERM	Rising average temperature leads to increased electricity for air conditioning and water consumption, resulting in higher operating costs.		High



ITEM	IMPLEMENTATION STATUS		
	EXTREME CLIMATE IMPACT	FINANCIAL IMPACT	TRANSFORMATION ACTIONS
3. DESCRIBE THE IMPACT OF EXTREME CLIMATE EVENT AND TRANSFORMATION ACTION ON THE FINANCE.	PERSONNEL	Personnel unable to work or suffering injuries led to disruptions in ERP system maintenance and daily accounting processes, affecting the delivery of business information and resulting in operating losses.	Remote backup system has been established to mitigate the operational disruption risk and financial impact.
	ASSETS	Damage or loss of buildings and equipment can result in decreased revenue, causing abnormal cash flow and weakening of financial status.	Regularly assess whether your natural disaster insurance coverage is adequate.
	PRODUCT INVENTORY	Shortages in product inventory and a significant increase in electricity prices can lead to higher purchase costs and a substantial reduction in corporate profits.	Expand diverse purchase and product diversification to mitigate operational risks. Improve the Company's energy consumption efficiency and low-carbon transformation products, reduce operating costs, and enhance product competitiveness.
	LOGISTICS AND TRANSPORTATION	Disruptions in transportation routes can cause unsuccessful product delivery and shortages of goods, resulting in business losses and reputation damage.	Implement global supply chain and diversify procurement sources to reduce risks. Increase local procurement to shorten transportation distance and to reduce carbon emissions.
	LEGAL COMPLIANCE	Costs and penalties incurred due to non-compliance with climate-related laws and regulations in various countries.	Each subsidiary understands and reports local climate-related regulations to headquarters in order to avoid violations due to inadequate legal understanding, which could result in increased operating costs.
4. DESCRIBE HOW THE PROCESSES FOR IDENTIFYING, ASSESSING, AND MANAGING CLIMATE RISKS ARE INTEGRATED INTO THE OVERALL RISK MANAGEMENT SYSTEM.	The Company's climate risk identification, assessment and management processes will gradually be integrated into the risk management policies and procedures for execution in accordance with the requirements of the competent authorities.		
5. IF THE SCENARIO ANALYSIS IS USED TO ASSESS RESILIENCE AGAINST CLIMATE CHANGE RISK, IT IS NECESSARY TO DESCRIBE THE SCENARIO, PARAMETERS, ASSUMPTIONS, ANALYSIS FACTORS USED, AND THE KEY FINANCIAL IMPACTS	The Company has not conducted scenario analysis on climate change risks.		



ITEM	IMPLEMENTATION STATUS
6. IF TRANSFORMATION PLAN FOR MANAGING CLIMATE-RELATED RISK IS AVAILABLE, THE PLAN CONTENT SHALL BE EXPLAINED, AND THE INDICATORS AND GOALS FOR IDENTIFYING AND MANAGING PHYSICAL RISKS AND TRANSFORMATION RISK SHALL BE DESCRIBED.	The Company has assessed possible transformation risk and physical risk as well as potential opportunities associated with climate change and has taken corresponding measures. Please refer to Item 2 for further details.
7. IF THE INTERNAL CARBON PRICING IS USED AS A PLANNING TOOL, IT IS NECESSARY TO EXPLAIN THE PRICE ESTABLISHMENT BASIS.	The Company has not implemented internal carbon pricing.
8. IF A CLIMATE-RELATED GOAL HAS BEEN SET UP, IT IS NECESSARY TO DESCRIBE THE INFORMATION OF THE ACTIVITY COVERED, GREENHOUSE GAS EMISSIONS SCOPE, PLAN SCHEDULE, ANNUAL ACHIEVEMENT PROGRESS, ETC. IF CARBON OFFSETS OR RENEWABLE ENERGY CERTIFICATES (RECS) ARE USED TO ACHIEVE RELEVANT GOALS, IT IS NECESSARY TO EXPLAIN THE CARBON REDUCTION SOURCE AND QUANTITY FOR THE OFFSET OR THE QUANTITY OF RECS.	The Company has not set climate-related goals.
9. GHG INVENTORY INSPECTION AND ASSURANCE STATUS, AND REDUCTION GOAL, STRATEGY AND SPECIFIC ACTION PLAN.	Not applicable. (The Company's paid-in capital is below NTD 5 billion. According to the Sustainable Development Roadmap for TWSE- and TPEx Listed Companies, the Company is required to complete parent-company inventory by 2026 and obtain parent-company assurance by 2027. Nevertheless, the Company has accelerated the timeline and plans to complete the inventory for the parent company by 2025.)

1-1

GHG inventory and assurance status in the most recent two years

1-1-1

GHG inventory information in the most two years: Not applicable.

1-1-2

GHG assurance information in the most recent two years: Not applicable.

1-2

GHG Reduction Goal, Strategy and Specific Action Plan

The Company has yet to set GHG reduction goals, strategies and specific action plans.

