



大學光學醫療體系
Universal Vision Biotechnology Group
大學眼科 · 大學眼鏡 · 大學醫美

Stock Code : 3218

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD.

2021

ESG Report

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Chairman's Message

“Medicine is fundamental. Details and quality are key.” Comprehensively improve the vision health for public

Universal Vision Biotechnology, UVB, has been the pioneer in Taiwan that introduced cataract surgery and refractive surgery technology and equipment to the market. The core of the Company's business is to provide our cooperative clinics with professional administrative supports and services including brand licensing, location assessment, store renovation and expansion, space and equipment leasing, drug and medical supply sales, and other general affairs. UVB has also assisted cooperative clinics in obtaining a number of national and international recognitions and certifications over years, such as SNQ (Symbol of National Quality), ISO9000 and the significant JCI (Joint Commission International) Accreditation. Together with our cooperative clinics, we are committed to bringing the best quality of medical care and improving vision health for the public.

UVB's management is teamed with professionals from ophthalmology as well as business administration backgrounds. Having a deep and thorough understanding of the vision health industry, we believe that the outdated approaches of medical care being cold, serious, and rigid should be injected with more personal touch and respect. Therefore, UVB is dedicated to offering patients a more comfortable and satisfying experience when receiving treatments at our cooperative clinics. Meanwhile, to make it a one stop shopping convenience for customers, we integrate self-operated optical services and products with medical care from the cooperative clinics, making vision health easier and better.

In adherence to the mission of improving medical quality and sustainable development with our cooperative clinics, UVB has taken concerted efforts for the continuous growth in 2021. While pursuing operational growth, the Company also implements good corporate governance, sustainable development and social responsibilities, in order to elevate operational quality and corporate value. We always pay attention to changes in the competitive environment, regulatory environment, and the macroeconomy as well so as to reduce the impact of the Company's operations on the environment.

In 2022, UVB established the “Nominating Committee” and the “Governance & Sustainable Development Office” to improve ESG practices with all employees. With the joint efforts of our colleagues, we completed the first voluntary ESG report. Besides, UVB has maintained at top 6%-20% among the OTC-listed companies in the 8th Corporate Governance Evaluation (2020). This year, UVB continues to dedicate to the principle of integrity and transparency, in addition to quarterly investor conferences and regular responses to investors' questions, we engaged in meeting international standards by publishing the annual report, quarterly financial statements, shareholders' meeting notices and agenda, and material information all in English in a timely manner, as part of the efforts to achieve the goal of ranking top 5% in Corporate Governance Evaluation.

Going forward, UVB will continue to expand on channels to serve more consumers, in the hopes of enabling the public to “See Clear, See Comfort, See the Future!” as our vision to strive for. We also endeavor to become the No. 1 brand in the vision biotech industry. We would like to share this goal with you all, and wish you good health, peace, and prosperity.

OU, SHU-FANG

Chairman of the Board, University Vision Biotechnology Co.,

Introduction

About the ESG Report

Thank you for reading the environmental social governance report (hereinafter referred to as the ESG report) issued by Universal Vision Biotechnology Co., Ltd. (hereinafter referred to as UVB). By taking the initiative of issuing the ESG report, UVB hopes to explain to employees, customers, investors, and other stakeholders the effort invested and the results achieved in terms of ethical management, medical service, business performance, employee welfare, environmental protection, social welfare and many other aspects under the goal of corporate sustainability. We sincerely hope that stakeholders can continue to follow us and provide us with valuable suggestions to assist us in continuing to proceed steadily on the path of corporate sustainability.

Basis and Audit for Writing

UVB voluntarily published the Report, which is compiled in accordance to Core Option framework of GRI standard published by Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) Index, as well as the requirements of “Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies”. The GRI and SASB information is provided in the appendix for the reference. In addition, the Task Force on Climate-Related Financial Disclosures (TCFD) framework has been gradually adopted in 2022 to facilitate the proposal of contingency strategies and identification of the impact of climate change on our operations.

This report has been confirmed by Governance & Sustainable Development Office of UVB that the content meets the general disclosure and material topic requirements of the GRI Sustainability Reporting Standards. The content has not been guaranteed or assured by an external independent organization.

Period and Scope of Disclosure

The information disclosure period of this Report is from January 1, 2021 to December 31, 2021. In order to ensure the integrity of the disclosure of sustainability data, some of the contents present the past performance of 2020 and 2021. If it spans different years, it will be explained in the body of the Report separately.

The scope of this ESG report focuses on UVB’s business activities in Taiwan, including the Headquarters of Nangang District Office and all branch stores in Taiwan. Among them, the financial data is consistent with the consolidated revenue data disclosed in UVB’s annual report, which was audited by Deloitte Taiwan in accordance with the International Financial Reporting Standards (IFRS) and is calculated in units of NT\$1,000. The environmental and social data, on the other hand, were compiled by the department in charge, confirmed by the head of the department, and presented in an internationally accepted calculation method.

Publication Frequency

This is the first ESG report voluntarily issued by UVB since 2021, and the report will continue to be issued every year in the future. In order to enhance the information transparency and availability of this report, we provide an electronic file of the complete report for interested parties to download on the company’s official website/Corporate Sustainable Development section.

UVB’s Official Website: <https://www.eyecenter.com.tw> (Before February 28, 2023)

<http://uvb.com.tw/> (after 2023.3.1)

Current publication date: September 2022

Next publication date: September 2023

Feedback and Contact Us

If you have any advice or suggestions regarding the content of this Report, please feel free to contact us via the following methods. We sincerely hope to receive more feedback to help us continuously improve.

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TEL: +886 (2) 2655-8000 ext.811

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1 Stakeholder Engagement

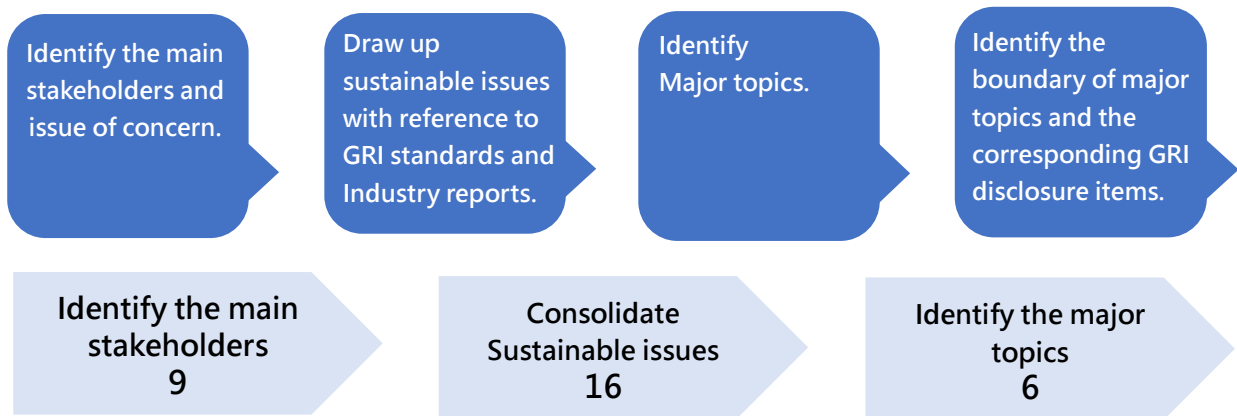
1.1 Identify the Stakeholders

1.2 Issues of Concerns for Stakeholders

1.3 Identify the Material Topics

1.4 Promote Corporate Governance and Sustainable Development

1 Stakeholder Engagement



It is a common belief in the latest international trends that in addition to pursuing their own profit, companies should also take into account environmental protection, labor rights, product safety, etc. in the provision of company products and services in order to achieve sustainable development. As a member of the global village, UVB should bring its industry influence into full play and promote sustainable ESG (Environmental, Social, Governance) policies and corporate social responsibility (hereinafter referred to as CSR) in the value chain, so that ESG is not just a slogan but rather integrated into our corporate culture.

1.1 Identify the Stakeholders

Stakeholders are groups that influence or are affected by the company. In order to communicate with stakeholders in a timely manner, the company built a two-way communication channel with stakeholders to understand the sustainability issues they care about and integrate them into the company's sustainable development strategy. With an open and transparent attitude, we conduct stakeholder engagement in accordance with the GRI Standards: 2016 issued by the Global Reporting Initiative (GRI). During the process, we disclose the main stakeholders, communication channels, issues of concern, and identification of material topics.

In order to identify the main stakeholders of the company, UVB held an internal meeting to discuss the closeness, dependence, influence, and importance of various stakeholders to the company so that a total of seven main stakeholders are fully identified, including government agencies, employees, customers, suppliers, shareholders and investors, social welfare groups and media. Through routine communication channels, each department is able to understand the reasonable requirements and expectations of the stakeholders.

1.2 Issues of Concerns for Stakeholders

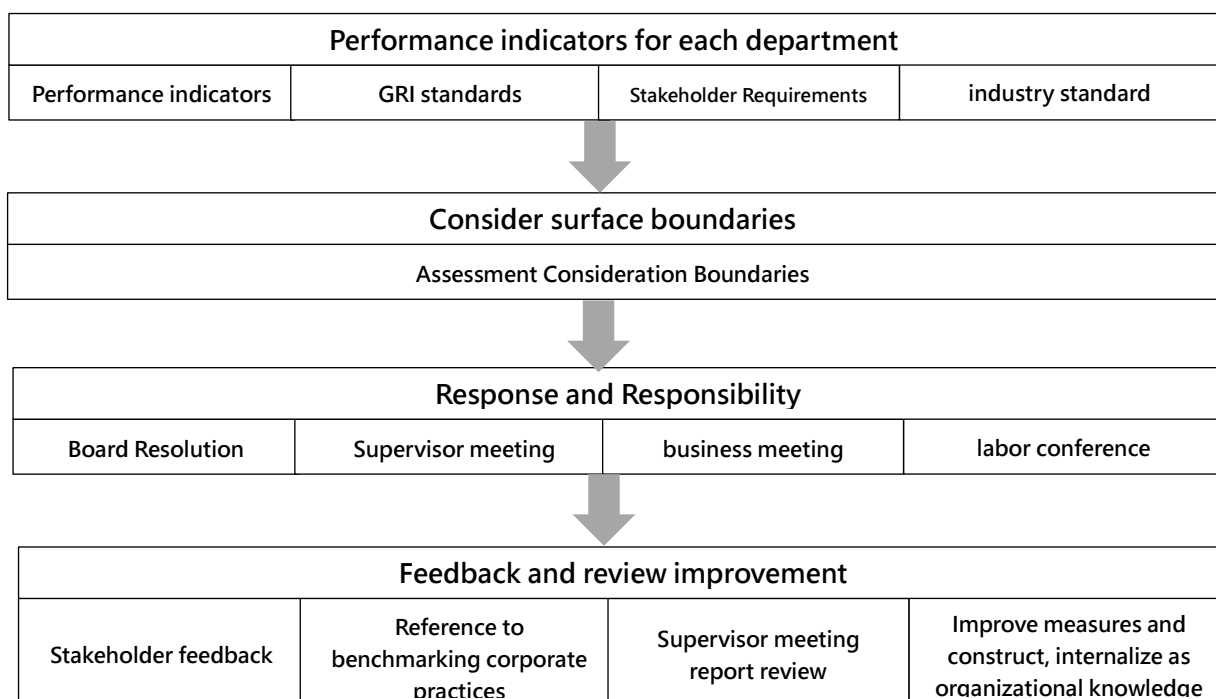
Maintaining good interaction with stakeholders is an important part of the company's sustainable operation. Through two-way communication channels, we hope to receive feedback from stakeholders in a timely manner and adjust the company's business strategy accordingly. Since the channels of communication and the issues of concern may vary depending on the stakeholders, UVB lists the communication channels and issues of concern for the main stakeholders after data collection and compilation.

After confirming main stakeholders and issues of concern, UVB makes reference to the GRI Standards: 2016, the sustainability trends and actions of the international biotechnology and pharmaceutical industry, and initially select sixteen sustainability issues that are closely related to the company's business operations, including seven governance/economic issues, four environmental issues, and five social issues, all of which are included in the list of sustainable issues.

Aspect	Sustainability Issue
Governance/ Economic	Business performance, legal compliance, information transparency, quality management, intellectual property rights protection, cyber security, grievance mechanism.
Environmental	Supply chain management, energy conservation and carbon reduction, water resources and wastewater management, waste management.
Social	Occupational safety and health, salary and remuneration, talent attraction, retention and cultivation, non-discrimination and equal opportunity policy, participation in social welfare.

Analysis of materiality of issues of concern

To pursue sustainable management and fully understand the importance of stakeholders' issues of concern to the Company and the Company's response, we evaluated the factors and issues that may affect the Company and identified relevant issues and those that may occur within or outside the Company with reference to the GRI Standards issued by the Global Reporting Initiative (GRI), so that the Company can establish effective and transparent communication channels. The process for identifying material factors and boundaries is as follows:



1.3 Identify the Material Topics

List of communication channels between the Company and stakeholders

Stakeholder	Topics of Concern	Communication Channels & Frequency	2021 Responses & Results
Governmental Authority	Legal Compliance Corporate Governance Risk Management	<ul style="list-style-type: none"> • Thorough communication with the authority • Comply with supervision and audit from the authority • Promotions of regulations and policies 	<ul style="list-style-type: none"> - Quarterly financial reports - Market Observation Post System - Attendance at regulation meetings
Employees	Employee Benefits Performance Evaluation Labor Relations Corporate Image	<ul style="list-style-type: none"> • Aperiodic email announcements regarding employee benefit information • Performance evaluations and interviews, every 6 months • Regular communications on corporate governance • Quarterly labor relations meetings 	<ul style="list-style-type: none"> - Aperiodic gatherings, grants for festivals, wedding, funeral and medical assistance - Health checkups, once a year - Advanced education and training programs - 2 performance evaluations and interviews - 5 labor relations meetings
Clients: Brand authorized Clinics of ophthalmology	Legal Compliance Service Quality professional development	<ul style="list-style-type: none"> • Technical service consultation, at least once a month • Service quality suggestion, at least once a month • Professional training courses, at least once a month • Consulting on medical regulations, if needed • Clinics space and equipment repairs, if necessary • Supply of consumables and sales of medicines, according to customer orders, telephone, email, etc. 	<ul style="list-style-type: none"> - Monthly on-site visits, communications and services - Monthly service quality counseling, communication discussion and improvement suggestions - Hold 2 physician meetings for SMILE surgery seminars and 2 physician meeting for cataract surgery seminars - Hold 12 professional training courses - Regular maintenance records and irregular repair records - Sales order arrangement, shipping and after-sales consultation
Clients: Customers of Optical Stores	Customer Communication Information Disclosure Service Quality	<ul style="list-style-type: none"> • Multiple communication channels including 0800 hotlines, Facebook page, and service emails • Customer care and relations program • Aperiodic customer satisfaction surveys • Product information and promotions updated on the website and social media • Comprehensive eyeglasses prescription process and service SOP • Attentive after sales service and return policy 	<ul style="list-style-type: none"> - 38,455 Facebook followers - 3,848 LINE followers - Overall 99% satisfaction, survey 2021

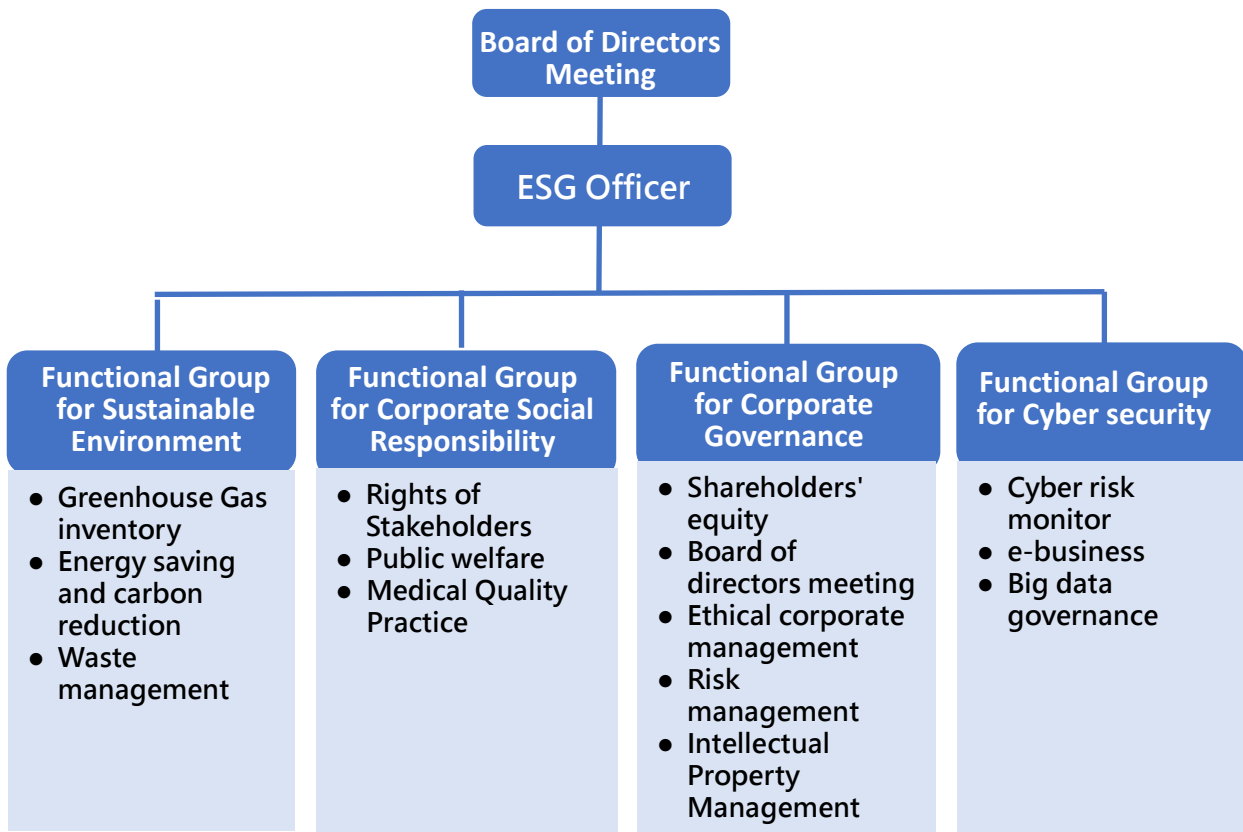
Stakeholder	Topics of Concern	Communication Channels & Frequency	2021 Responses & Results
Contractors & Suppliers: Medical Equipment and Supplies	Information Disclosure Supply Chain Management	<ul style="list-style-type: none"> • Host supplier conferences for mutual communications and open tendering • Supplier safety Requirements • Annual supplier evaluation • Quarterly supplier interviews • Weekly communications via emails and phone calls 	<ul style="list-style-type: none"> - Required courses of occupational safety and health for suppliers - Occupational safety and health added into construction contracts - Annual supplier conference
Suppliers: Optical Products	Corporate Image Supply Chain Management Product & Service Quality	<ul style="list-style-type: none"> • Corporate and product websites • Mutual emails, phone calls, video conferences, physical visits and meetings • Dedicated merchandising contact • Merchandising SOP 	<ul style="list-style-type: none"> - Communications and contracts with various suppliers - Mutual emails, phone calls, video conferences, physical visits and meetings
Investor & Shareholders	Business Performance Corporate Image Market Outlook Corporate Governance Shareholder Engagement	<ul style="list-style-type: none"> • Dedicated IR contact for investor requests • Material information announcements on the Market Observation Post System • Annual report & the general shareholders meeting • At least 2 investor conferences annually • Aperiodic investment forums & investor meetings 	<ul style="list-style-type: none"> - 44 Chinese and English material information announcements - 13 investor conferences - Invited to 10 investment forums (5 domestic & 5 foreign) - Hosted 110 domestic & foreign investor meetings
Nonprofit Organizations	Corporate Image Community Care Social Engagement	<ul style="list-style-type: none"> • Actively participate in charity events hosted by NPOs in the community • Host community health seminars and events • CSR community giveback 	<ul style="list-style-type: none"> - 26 community health events - 2 blood donation events - 1 charity running event - 3 million TWD and 4500 sets of safety goggle donations to the police and medical staff under COVID
Media	Corporate Image Social Charity	<ul style="list-style-type: none"> • 3-6 press conferences annually • 5-8 press interviews • Aperiodic press releases • Dedicated PR contact to take requests from the press 	<ul style="list-style-type: none"> - 3 press conferences - 21 press interviews - 4 interview sessions on the radio

1.4 Promote Corporate Governance and Sustainable Development

In order to fulfill our corporate social responsibility, make improvements in terms of economic, social, and environmental aspects, and achieve the goal of sustainable business development, UVB is determined to show all staff members its commitment to making CSR a reality. The Board of Directors Meeting through the Corporate Governance Best Practice Principles and the Sustainable Development Best Practice Principles, established the Governance & Sustainable Development Office (ESG Office) and appointed the ESG Officer as office supervisor. Under the ESG Office, there are four functional groups each carrying out a specific task to fulfill the corporate governance and sustainable development, including , sustainable Environment, corporate social responsibility, corporate governance and Cyber security , etc. Through regular communication channels, the functional groups of the ESG Office engage with the corresponding stakeholders to understand their requirements and expectations for the company. By convening ESG meetings, each functional group is able to discuss during the meeting so that a consensus can be reached under the cross-departmental brainstorming to respond appropriately to stakeholders.

In the future, in order to ensure the effective implementation of sustainable business development, we plan to convene a ESG meeting regularly in the future. In the meeting, the annual ESG goals and progress of each group were put forward while the performance & achievement rate of the previous year was confirmed through rolling review. Finally, the annual achievement results will be reported to the Board of Directors Meeting.

UVB ESG Office



2 About US

2.1 Business Philosophy

2.2 Technology and R&D

2.3 Quality Management

2.4 Safety Monitoring

2.5 Strategies and Actions

2.6 Supply Chain of Vision correction and Ophthalmology

2.7 Participation in External Associations

2.8 Honors and Awards

2 About US

Taiwan's leading vision care group as well as your total solution provider of lifelong eye health and beauty.

Universal Vision Biotechnology, one of the top eye care chain groups across Taiwan and China, was founded in 1992 by two professional ophthalmologists, Dr. Pi-Jung Lin and Dr. Shu-Fang Ou, and publicly listed in 2004 under the stock ticker 3218. With the businesses of Universal Eye Centers, Universal Optical and Universal Aesthetics, the group integrates and provides comprehensive services and products for your eye health and beauty including laser refractive surgery, cataract surgery, orthokeratology, eyeglasses prescription, contact lenses, eye supplements, eye medical aesthetics and more. Our purpose is for you to see clear, see comfort, and see the future!

Unique and novel business model of clinic franchise creates successful economies of scales and branding effect.

Served as a management platform, UVB headquarter supports multiple administrative and back office operations for its channels and breaks restrictions for independent clinics. UVB not only assists with the central procurement of medical supplies but also with the large capital investments of upscale medical equipment, greatly lowering the entry barriers and operating costs for individual ophthalmologists. Doctors are thus able to solely focus on and polish medical expertise and quality of their own. With more successful cases and word of mouth circulating among satisfied customers along with the expansion on clinic and optical channels, UVB has become a trusted vision care brand in Taiwan.

Company Name	Universal Vision Biotechnology Co., Ltd.
Market	OTC Company
Industry	Biotechnology & Medicine
Stock Code	3218 TT
Main Business	The leasing and maintenance of ophthalmic medical equipment, the trading of optical eyewear products and ophthalmic drug and consumables, the planning and leasing of ophthalmic clinic development sites, the provision of technical services and consulting services for ophthalmic clinic operation and management, and other business.
Chairman of the Board	Ou Shu-Fang
General Manager	Lu Kenneth
Location	4F, No. 3-1, Yuanqu St., Nangang District, Taipei City (Nankang Software Park G Building)
Capital	NT\$ 761,230 thousand
Consolidated sales revenue in 2021	NT\$ 2,631,801 thousand, including technical and medical services 53%, Product 24%, Medical consumables 15%
Number of Employees in 2021	649 (Consolidated)
Major product and service	Various glasses, lenses, and medicinal fluid for vision correction, as well as Universal lutein supplements series products relating to eye care. Provide technology and services of medical treatment for vision as well as vision biotechnology medical treatment in the eye center. Ophthalmic drugs used in the eye center. Plan business premises as well as talent training and recruitment for the eye center. Provide medical beauty technology and services.

Millstones

August 1994	Universal Optical Co., Ltd. was established with a paid-in capital of NT\$ 1,000,000. It initially engaged in the business of optical instruments, contact lenses, optometry, and eyeglass prescription.
August 1997	The first excimer laser refractive surgery instrument was introduced into our country from VISX, Inc. of the United States, and we teamed up with Cardinal Tien Hospital in technical cooperation, which became the first hospital to receive the service provided by the Company.
September 1997	The Company reinvested in the establishment of "Ta Ying Optical Co., Ltd.," a subsidiary that operates the business of medical instrument leasing and surgical blade trading.
September 1998	In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 24,000,000, with the paid-in capital being increased to the amount of NT\$ 25,000,000.
December 1999	In response to the need of business expansion, the Company was renamed Universal Vision Biotechnology Co., Ltd.
December 2001	In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 75,000,000, with the paid-in capital being increased to the amount of NT\$ 100,000,000.
August 2002	In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 100,000,000, with the paid-in capital being increased to the amount of NT\$ 200,000,000. The Company filed with the Securities and Futures Commission for the supplementary procedures for the public issuance, and became a public company.
August 2003	As the Company gained its market reputation as well as it can provide more complete services with instruments and techniques for the customer base in the medical center, it is assessed that Ta Ying Company no longer needs to continue to exist. Thus, the liquidation proceedings were initiated in July 2003, and the dissolution proceedings were completed in August of the same year. The stocks were registered in the emerging stock market for trading.
January 2004	
September 2004	The surplus was converted into capital in the amount of NT\$ 20,000,000, and the paid-in capital after the capital increase was in the amount of NT\$ 220,000,000.
November 2004	The stocks were listed on the OTC market.
August 2005	The surplus was converted into capital in the amount of NT\$ 58,959,000, and the paid-in capital after the capital increase was in the amount of NT\$ 278,959,000.
January 2006	The Company reinvested in the establishment of Universal Vision Biotechnology (Shanghai) Co., Ltd., a subsidiary that operates the trading business of ophthalmic surgical instruments and medical optical instruments.
March 2006	In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 35,000,000 was processed, with the paid-in capital being increased to the amount of NT\$ 313,959,000.
August 2006	The surplus was converted into capital in the amount of NT\$ 32,739,000, and the paid-in capital after the capital increase was in the amount of NT\$ 346,698,000.
November 2007	The surplus was converted into capital in the amount of NT\$ 54,952,000, and the paid-in capital after the capital increase was in the amount of NT\$ 401,650,000.
September 2008	The corporate bonds were converted into shares in the amount of NT\$ 114,000, and the paid-in capital after the conversion was in the amount of NT\$ 401,764,000.
July 2009	The corporate bonds were converted into shares in the amount of NT\$ 416,000, and the paid-in capital after the conversion was in the amount of NT\$ 402,180,000.
October 2009	The corporate bonds were converted into shares in the amount of NT\$ 49,860,000, and the paid-in capital after the conversion was in the amount of NT\$ 452,040,000.
January 2010	The corporate bonds were converted into shares in the amount of NT\$ 694,000, and the paid-in capital after the conversion was in the amount of NT\$ 452,735,000.
March 2011	The corporate bonds were converted into shares in the amount of NT\$ 8,083,000, and the paid-in capital after the conversion was in the amount of NT\$ 460,818,000.
July 2011	The corporate bonds were converted into shares in the amount of NT\$ 4,722,000, and the paid-in capital after the conversion was in the amount of NT\$ 465,540,000.
December 2011	In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 200,000,000, with the paid-in capital being increased to the amount of NT\$ 665,540,000.
July 2012	The Company implemented treasury shares and processed the cancellation of ordinary shares from treasury shares as well as the capital reduction in the amount of NT\$ 3,740,000, and the paid-in capital amounted to NT\$ 661,800,000.
September 2012	The subsidiary in mainland China signed a cooperation agreement with the "Shanghai Ruidong Hospital".
February 2013	The Company implemented treasury shares and processed the cancellation of ordinary shares from treasury shares as well as the capital reduction in the amount of NT\$ 570,000, and the paid-in capital amounted to NT\$ 661,230,000.
April 2014	The Company reinvested in the establishment of "Taixue (Jiangsu) Investment Co., Ltd.," a subsidiary that operates the business of investment in mainland China.
May 2014	The Company reinvested in the establishment of "Kunshan Universal Trading Co., Ltd.," a subsidiary that operates the trading business of import and export of medical machinery.
November 2014	The Company reinvested in the establishment of "Taixue Investment Holdings Co., Ltd.," a subsidiary that operates the business of investment.
June 2015	The Company reinvested in the establishment of "Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.," a subsidiary that operates the business of ophthalmic diagnosis and treatment as well as the wholesale and retail of eyeglasses.
July 2015	The subsidiary in mainland China signed a cooperation agreement with the "Suzhou Benq Medical Center". The Company reinvested in the establishment of "Taixue (Jiangsu) Medical Investment Management Co., Ltd.," a subsidiary that operates the business of medical management and investment.
October 2015	The Company reinvested in the establishment of "Taixue (Jiangsu) Glasses Co., Ltd.," a subsidiary that operates the wholesale and retail business of eyeglasses.
January 2016	The subsidiary in mainland China signed a cooperation agreement with the "Ningbo First Hospital".
April 2017	The Company's investee company in mainland China "Taixue (Jiangsu) Investment Co., Ltd." signed the "Cooperation and Investment Agreement" with "Hangzhou Dian Holding Co., Ltd." to jointly invest in the establishment of a new joint venture company "Taixue Medical Investment Management (Zhejiang) Co., Ltd." In order to meet the need of business growth, the Company undertook a cash capital increase in the amount of NT\$ 100,000,000, with the paid-in capital being increased to NT\$ 761,230,000. The Company reinvested in the establishment of "Taixue Dixon Medical Investment Management (Hangzhou) Co., Ltd.," a subsidiary that operates the business of medical management and investment.
July 2017	The Company reinvested in the establishment of "Hangzhou Taixue Ophthalmic Outpatient Department Ltd.," a subsidiary that operates the business of ophthalmic diagnosis and treatment as well as the wholesale and retail of eyeglasses.
March 2018	The subsidiary in mainland China signed a cooperation agreement with the "Hangzhou Xiaoshan Economic and Technological Development Zone Hospital".
July 2018	The subsidiary in mainland China signed a cooperation agreement with the "Hengdian Wenrong Hospital".
January 2019	The subsidiary in mainland China signed a cooperation agreement with the "Hangzhou Dian Health Examination Outpatient Department".
January 2020	The subsidiary in mainland China signed a cooperation agreement with the "Hangzhou Linping Children's Hospital Co., Ltd." to cooperate in the business of medical optometry.
May 2020	The Company reinvested in the acquisition of "Suzhou Haiweishi Ophthalmic Clinic (LP)", a subsidiary that operates the business of ophthalmology, surgery within the scope of outpatient surgery, as well as the wholesale and retail business of eyeglasses.
July 2020	The Company reinvested in the establishment of "Hangzhou Yuhang Taixue Ophthalmic Hospital Ltd.," a subsidiary that operates the business of retail and the sale of medical instruments, as well as medical services.
December 2020	The Company reinvested in the establishment of a new joint venture company, "Taixue Jinghua Co., Ltd.," a subsidiary that operates the wholesale and retail business of medical instruments, as well as the wholesale and retail business of western medicine.
October 2021	Due to the adjustment of regional division in Hangzhou, Hangzhou Yuhang Taixue Ophthalmic Hospital Ltd. was renamed "Hangzhou Lingping Taixue Ophthalmic Hospital Ltd."

2.1 Business Philosophy

Principle

“What the Great Learning teaches, is to illustrate illustrious virtue; to love the people; and to rest in the highest excellence.” - From the Great Learning, one of the Four Books in Confucianism.

Mission

See Clear. See Comfort. See the Future.

Core Values

Respect

Excellence

Sharing/Safety

Professional

Effective

Compassion

Trust



Vision

Universal Vision Biotechnology thrives to bring in world class state of the art medical technology and equipment as well as develop innovative medical techniques and treatments to the public. Meanwhile, with the pursuit of highest standard customized customer care, we aim to become the No.1 ophthalmology brand in Asia Pacific.

2.2 Technology and R&D

1. The technical level, and R&D of the business

The Company was formally established in August 1994, engaged in the business of optical instruments and optometry and optics. In August 1997, the Company introduced into Taiwan the first excimer laser refractive surgery instrument from VISX Company in the United States, and cooperated with Cardinal Tien Hospital in technology to start the research and development progress of laser vision correction. The sources of the Company's technology are mainly from the research project plans developed and conducted by the R&D personnel themselves long cultivated by the Company. The Company also maintains close technical cooperation with academic institutions or government research units.

2. Successfully developed technologies or products

The Company's R&D team combined traditional optometry technology with clinical medicine and statistics, researched on the advanced High Order interface software using excimer laser combined with wavefront aberration technology, developed data tailored for individual eyeballs, and further completed the application of individualized laser refractive technology in cooperation with the eye positioning tracking system. At present, there have been concrete achievements in the advanced High Order interface software technology, which is also used in cooperative clinics in various places, and therefore the quality of laser vision correction has been greatly improved; in addition, in terms of the instrument with cataract nucleus emulsification technology, it also applied for a US patent for the small incision nucleus cutter, which was a giant step in the improvement of the current ophthalmic cataract medical technology. In addition, in order to serve the elderly in remote areas, the Company has cooperated with the Industrial Technology Research Institute and Leo Systems, Inc. to research and develop the AI cloud retinal vision healthcare system, which had received a project subsidy from the Industrial Development Bureau of the Ministry of Economic Affairs. This project helps the screening and development of vision medical services demanded in remote regions with insufficient medical resources. In the future, the Company will cooperate with well-known domestic academic institutions to research, develop and apply application software and hardware facilities related to biotechnology vision optics, using laser refractive optics, cataract medicine and ophthalmology optics as the three major development axes with market development benefits to continue the research and breakthroughs. At the end of 2019, the Company introduced SMILE technology, which further improved laser safety. With the improvement of patient satisfaction, the market share has also increased, and it has become one of the mainstream surgical methods. The Company will continue to invest in the development and application of this technology to increase market share.

Universal Lutein Supplements are designed, researched and developed by a team of Universal ophthalmologists, and are manufactured by domestic top manufacturers with selected high-quality raw materials at home and abroad. Its micro-granule capsules and crispy gummy dosage forms are rare or even the only products on the market. The micro-granule dosage form, which coats the plant extract material layer by layer, wraps it into granules that can protect it from being damaged by stomach acid, so that more nutrients can be absorbed and used by the human body; the formula takes the recommendations of AREDS-2 as a reference to add in more eye-healthy ingredients in addition to the compound formula; the crispy fudge, the sugar raw material that was originally made at high temperature is controlled at a low temperature without destroying nutrients, is time-consuming to make. It also uses the properties of sugar to become an excellent choice for preserving raw materials, reducing the use of preservatives.

3. New products (services) planned to be developed

- (1) Provision of technical services as well as consulting, analysis, and consulting for refractive laser instruments for vision correction.
- (2) Expansion of sites for ophthalmology clinic and optometry center.
- (3) Development of application software for ophthalmic medical interface integration.
- (4) Research and development of materials for ophthalmic surgical instruments and optometry products.
- (5) Sales of ophthalmic medical care related products and provision of technical services.
- (6) Development and sales of nutritional supplements for vision care.
- (7) Expansion of the chain channel for "Universal Optical Store".
- (8) Sales of glasses, contact lenses, and related peripheral products.

2.3 Quality Management

1. Universal Eye Center, the Eye Expect You Can Trust

Universal Eye Center is a renowned ophthalmology clinic chain in Taiwan. With 25 branches across the island currently, we provide the most comprehensive and advanced medical services to patients. Universal Eye Center was also one of the pioneers to introduce laser vision correction surgery into Taiwan, having performed over 70,000 successful, the most cases nationwide.

Universal Eye Center established a cross-strait service network in 2014, bringing mature and latest ophthalmic technology into mainland China. Our outpatient centers have been expanded to Shanghai, Ningbo, Suzhou, Hangzhou and others in East China over years, allowing Taiwanese businessmen to receive convenient and high quality medical services in both places without time and distance constraints.

Recognitions

SNQ, Symbol of National Quality, for the high quality Laser Vision Correction Center in 2005 and onwards
JCI, Joint Commission International Accreditation, a global health care accreditation, in 2010, 2013, 2016, 2019

SNQ, Symbol of National Quality & National Biotechnology and Medical Care Quality Award for LASIK surgery to treat myopia in presbyopia in 2013

2. Universal Optical, Your Vision Guard with Medical Expertise

“Medical optometry, Scientific Prescription.” Standing out from all eyewear providers, Universal Optical combines ophthalmology and optometry specialties and offers top quality vision products and services to consumers, including wide ranges of fashionable eyeglasses frames, multifocal and progressive lenses for myopia and presbyopia, sunglasses, orthokeratology, rigid gas permeable lenses, regular/colored contact lenses, eye supplements, etc.

See Clear. See Comfort. See the Future.

With strong ophthalmology background, we take quality to the highest level.

All products and services are reviewed and recommended by the ophthalmologists and optometrists in the group.

A specialized prescription process with 16 steps was also developed to best personalize prescribed glasses for everyone.

Long trusted by the consumers, Universal Optical has grown into a renowned professional eyewear brand in Taiwan and also expanded to the China market.

“Professional, reliable, attentive and honest” is our motto and for people to “see clear, see comfort, and see the future” is our ultimate goal.

3. Universal Aesthetics Beauty is in the Eye of the Beholder

Universal Aesthetics, located at the hub of Taipei city, is a medical aesthetic clinic specializing in the beauty around the eyes. Extended from UVB's ophthalmology and optometry businesses, it was established to bring the ultimate services to complete all needs for your eyes and fulfill the "beauty in the eye of the beholder".

4. Universal Supplements

Universal Lutein Supplements

With the increasing usage of electronic devices and hence the early development of vision disorders, such as myopia and cataract, health awareness has been raised and the general public has been paying more attention to their eye and vision health. Other than all vision correction treatments, nutritional supplements also play an important role for eye protection.

Universal Vision Biotechnology thus collaborated with teams from biotechnology and food science and developed a collection of Universal lutein supplements specific for different ages in the family, hoping to take care of your vision in every way throughout a lifetime.

Product Introduction

A collection of 3 products designed for children, adults and elders of different ages

Third party tested and certified ingredients and formulas

Ingredients including phosphatidylserine from CHEMI Italy with 19 patents of manufacturing process and purification, kosher certified selenium and calendula lutein patented in US and Japan

Recognitions

SNQ, Symbol of National Quality

National Biotechnology and Medical Care Quality Award

The National Brand Yushan Award

■ Product Safety Monitoring

UVB has established a "Product Safety Monitoring" system, and formulated "manufacturer management operation methods", "product inspection operation methods", "adverse drug reaction notification operation methods", " Recall Mechanism and Handling Procedures" to improve product safety and medical quality.

Led by the Ophthalmology Business Division and the Optometry Business Division, coordinate procurement, acceptance, R&D, business, clinical, information and other related units to cooperate and cooperate to ensure the handling procedures and Precautions.

Medical personnel, patients, and customers may report information about defective products through a sales representative, the customer hotline, or the dedicated email address of the Company.

During the period covered by the 2021 Annual Report, UVB had no product safety-related issue that is legally required to be reported.

■ Marketing and Customer Relations

UVB has a clear positioning, and the sales of medicines and consumables focus on Ophthalmology Medical & Optometry Glasses, and the main sales targets are ophthalmology clinic channel (B2B) and optometry store customers (B2C). The product name, outer box, package insert, and label of the purchased and sold products follow the "Drug Inspection and Registration Review Guidelines".

Formulate "Media Purchase Procedures " to promote the company's product information, publicize the company's image and other information, the marketing advertisements follow the "Pharmaceutical Affairs Act ", "Medical Care Act" , "Act Governing Food Safety and Sanitation "and other relevant standards.

The sales staff have been fully trained before promoting the products, in order to provide more professional information and maintain a good interactive relationship for clinic physicians and optometry customers.

Not have any product and service information and labeling, marketing communications in violation of applicable laws and regulations and was fined or warned by the competent authorities accordingly in 2021.

■ Customer Right and Privacy

Purpose of Privacy Management

UVB values the mechanism in UVB's privacy policy statement and privacy protection management mechanism enhances the Company's corporate social responsibility implementation. Providing open and transparent information about UVB 's privacy policy enables the customers to decide whether to share their private information. UVB aims to strengthening awareness of privacy management and eventually shaping a sound privacy protective relationship with our customers and other UVB data collectors.

Privacy Management Practices

One crucial goal of UVB's Cyber Security management consists of maintaining customer privacy. Per Taiwan's Personal Data Protection Act, the company has established a " Privacy Protection Policy " system, and formulate "Personal Data Protection Management Regulations" and " Cyber Security management Operation Regulations", which provides the contact information of the customer's privacy, and lets customers inquire, view, correct, stop collecting, or request for deletion.

UVB strictly adheres to the contents of customer contracts and confidentiality commitments. The Company uploads commercially confidential information, documents, and all customer-related data to the internal system for strict control. These documents can only be previewed after logging in to the system with an account and password and an online application.

In 2021, UVB did not receive any complaints of privacy violations.

The company has formulated the "Customer Service Handling Procedures" to effectively handle customer consultation services and complaint handling. We have disclosed a customer service hotline and a contact email on the Company's website to provide consumers with channels for inquiries or complaints. All cases have been properly handled and archived. We have also set up a 0800 toll-free hotline to general public inquiries. The Company is in compliance with the Personal Data Protection Act to protect both parties' rights and interests.

The adverse reactions cases in 2021 did not have material impact on the Company's finance and business, and we did not receive any complaint from clients or competent authorities that the Company leaked, lost, or stole clients' data in violation of the Personal Data Protection Act.

2.4 Competition niche

1. Innovative business model

The Company's business model derives from an innovative business philosophy in the medical industry, focusing on the integration upstream and downstream. It integrates upstream suppliers of instruments, pharmaceutical consumables and optical products, and integrates downstream channels through its own expertise in medical treatment for vision to provide complete services for downstream medical hospitals and clinics, pharmacies, and stores selling eye-related products. The Company adopts the business model of upstream and downstream integration with its expertise in ophthalmology and optometry, which greatly raises the entry threshold for competitors due to the professional characteristics of the medical industry. In addition, the Company formulates product and service strategies according to the overall needs of consumers for vision, and provides a complete set of and integral solutions for cooperative ophthalmology centers. It is a company with channels and capabilities to integrate technology and services.

2. The channel brand of "e Universal"

The Company provides the cooperative ophthalmology clinics with the authorized brand of "e Universal" that goes with the complete software and hardware equipment platform (such as interface software, femtosecond excimer laser, eyeball aberration analyzer), as well as distribution and sales of ophthalmic medicinal drugs and consumables with uniform quality. It even includes the business site selection and decoration together with the corresponding eyeglass prescription service and the storefront of Universal Vision, so that the best medical environment can be thoroughly replicated in a standardized manner. It allows the cooperative clinics to have a uniform professional image and quality, and the clinics based in the north, central and south to jointly market the professional brand of "e Universal". The number and functions of our instruments as well as our clinical experience in laser correction accumulated over the years are our advantages that other competitors cannot catch up on.

3. Standardized module replication

The Company has signed cooperation contracts with 25 ophthalmic clinics in Taiwan. The Company provides various equipment, facilities, and authorization of the brand "Universal Vision" required by ophthalmologists to operate a clinic in the form of standardized modules. With the professional judgment and prescription made by doctors, the business of ophthalmology clinics can be rapidly expanded. The Company plans to quickly replicate this successful operation model to significantly increase the number of cooperative clinics in the next few years.

4. Hire professionals and provide professional services with high added value

At present, the Company's employees who have a college degree or above account for 80% or more of the Company's entire employees. It also has a team of professional consultant physicians, administrative management professional managers, marketing and public relations professionals, financial and accounting professionals, and retains prominent personages in the academic and financial circles to serve as independent directors so as to guide and supervise the operation of the Company's finance and business. The optometry service personnel in the store are all highly professionally trained talents who have obtained the optician (optical technician) license, as well as the licenses related to the store service and lens production. In order to expand the marketing, the Company continues to recruit outstanding talents in various professional fields to form a professional service team, and further perfects the personnel system, affirming that "colleagues are the Company's most important asset" to cultivate and motivate multi-skilled employees, so that the ability of colleagues can be effectively exerted.

5. Perfect professional after-sales service

For the leasing of medical instruments, as well as contact lenses, pharmaceutical consumables, and technical services for laser eye surgery provided to cooperative clinics, the Company stipulates the method of providing repair, maintenance, and consulting services for the instruments in the cooperation contract it signs with the clinic. In addition, the Company is staffed with medical engineering technicians to provide the most immediate technical advice and maintenance, so that the clinic can maintain its normal operation.

2.5 Strategies and Actions

1. Short-term plan

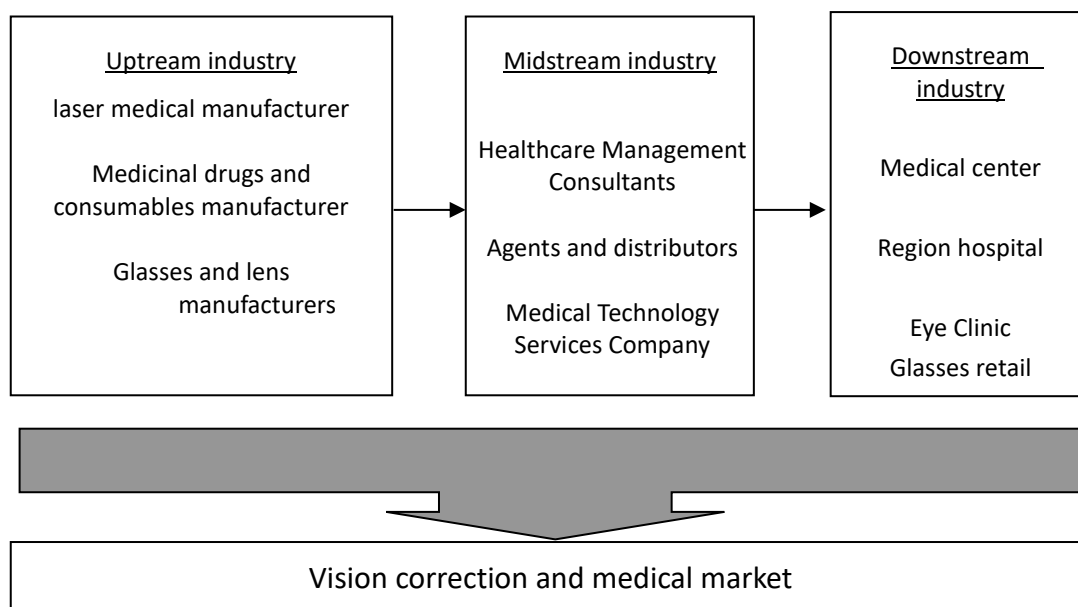
- (1) Continue to develop new medical instrument application technologies and introduce them into domestic ophthalmic clinical treatment.
- (2) Actively search for brand-authorized ophthalmic clinics with willingness to cooperate, expand existing marketing channels, and increase market share.
- (3) Commit itself to customer relationship management, implement segment marketing, and create maximum sales opportunities through the optical vision channel.
- (4) Establish and strengthen the purchase and distribution systems of medicinal drugs and consumables.

2. Long-term plan

- (1) Become a resource integration platform and chain channel innovation operator in the biotechnology and medical industry, and provide more comprehensive vision health related products and services in a one-time purchase model.
- (2) Continue to cultivate the cross-strait market.
- (3) Establish its own brand and provide products for the biotechnology vision industry; at the same time, become an international supplier of high-end software interfaces for biotechnology vision in response to market demand to sell products in the global medical and optometry markets.
- (4) Expand the marketing channel of vision biotechnology and vision optics with a global strategy, and build the largest vision biotechnology and medical channel in Asia.

2.6 Supply Chain of Vision correction and Ophthalmology

Relevance of upstream, midstream and downstream industries



For traditional laser medical instruments, medicinal drugs, medicinal materials, and optical glasses companies, the products they sell are often resold to hospitals, ophthalmology centers, optical shops, and others across the country through agents and distributors. The process of selling such products often end up with the mere form of purchase and sale and leasing, without being able to create added value for downstream clients; In recent years, the business model of medical management consulting companies and medical technology service companies has emerged. With the Company's own expertise in medical treatment for vision, it can provide users and clients with more professional technology and recommendations in the process of delivering or trading products. In addition, through the outcome of product integration and marketing, it can create more added value for downstream clients. Therefore, the effect of integrating merchandise through professional medical management consulting companies will bring more business opportunities to the industry.

2.7 Participation in External Associations

Vision correction and medical market is a highly regulated industry with fierce competition and a high degree of uncertainty. In addition to focusing on its own business operations, UVB also actively participates in external associations to understand the latest trends and legal news in the development of the industry. At the same time, Oneness Biotech also promotes positive interactions within the industry.

Participation Association

Optical Association

Taiwan Listed Companies Association

Taiwan Chain Stores and Franchise Association

Council for Industrial & Commercial Development, ROC

Taiwan Fengyun Entrepreneurs Association

Taipei Neihu Technology Park Development Association

National Association of small & Medium Enterprise, ROC

Monte Jode Science & Technology Association of Taiwan

National Innovation and Entrepreneurship Association, ROC

Institute for Biotechnology and Medicine Industry

Taiwan BioTech Association

2.8 Honors and Awards

- **JCI, Joint Commission International Accreditation, in 2010, 2013, 2016, 2019**
JCI identifies, measures, and shares best practices in quality of care and patient safety with the world, and furthermore accredits and certifies health care organizations and programs across the globe. JCI accreditation and certification is recognized as a global leader for health care quality.
- **SNQ, Symbol of National Quality & National Biotechnology and Medical Care Quality Award for Lasik surgery to treat myopia in presbyopia in 2013**
- **SNQ, Symbol of National Quality, for the high quality Laser Vision Correction Center in 2005**
- **SNQ, Symbol of National Quality & National Biotechnology and Medical Care Quality Award for Universal lutein supplements in 2014**
- **Winner for Cataract/Implant Surgery at Film Festival of The Asia-Pacific Association of Cataract and Refractive Surgeons (APACRS) in 2014**
The first ever award from APACRS in the Taiwanese ophthalmology history.
- **National Award of Outstanding Small and Medium Enterprises in 2006**
- **Model of Entrepreneurs in 2007**
- **EY Entrepreneur of The Year™ Taiwan in 2008**
- **ISO 9001 International Quality Management Standard Certification in 2007**
- **Aesthetic Medicine Clinic Quality Certification in 2013**
- **Taiwan Superior Commercial Service Brands in 2009**

3 Ethical Management

3.1 Governance in Practice

3.2 Risk Management

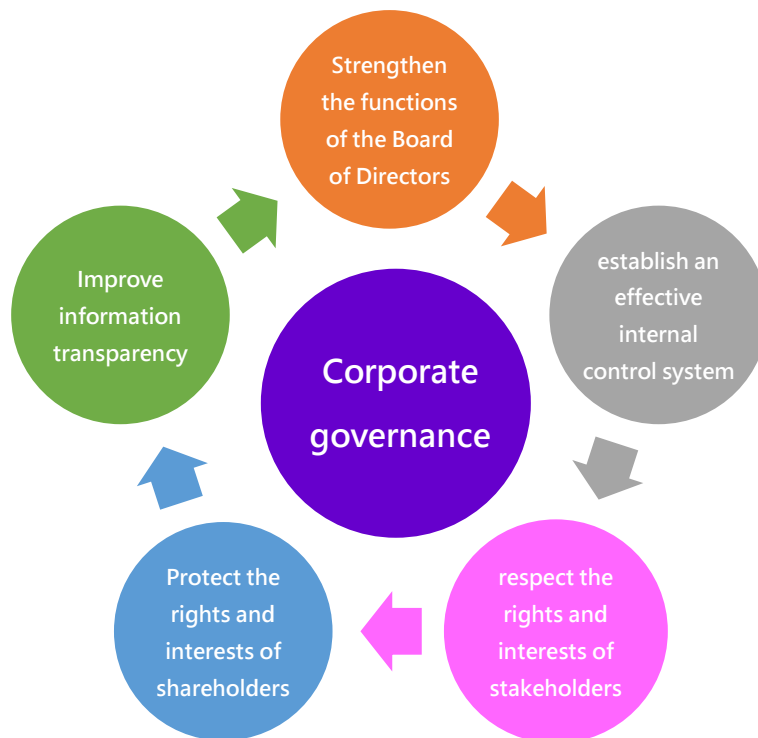
3.3 Legal Compliance

3.4 Cyber Security

3.6 Business Performance

3 Ethical Management

UVB has listed “operation performance,” “legal compliance,” “medical safety,” and “cyber security protection” as material issues for the sustainable development of the company. The company make efforts to promote a corporate governance culture of integrity and transparency, including strengthening the functional performance of the Board of Directors, implementing rigorous internal control systems and stable control of company finances, reducing operational risks, enhancing company competitiveness and social recognition; at the same time, create a corporate culture of integrity and responsibility, abide by all laws and regulations, implement ethical corporate management, and establish the company’s sustainable governance structure to ensure the sound development of the company’s operation, and protect the rights and interests of investors and other stakeholders.



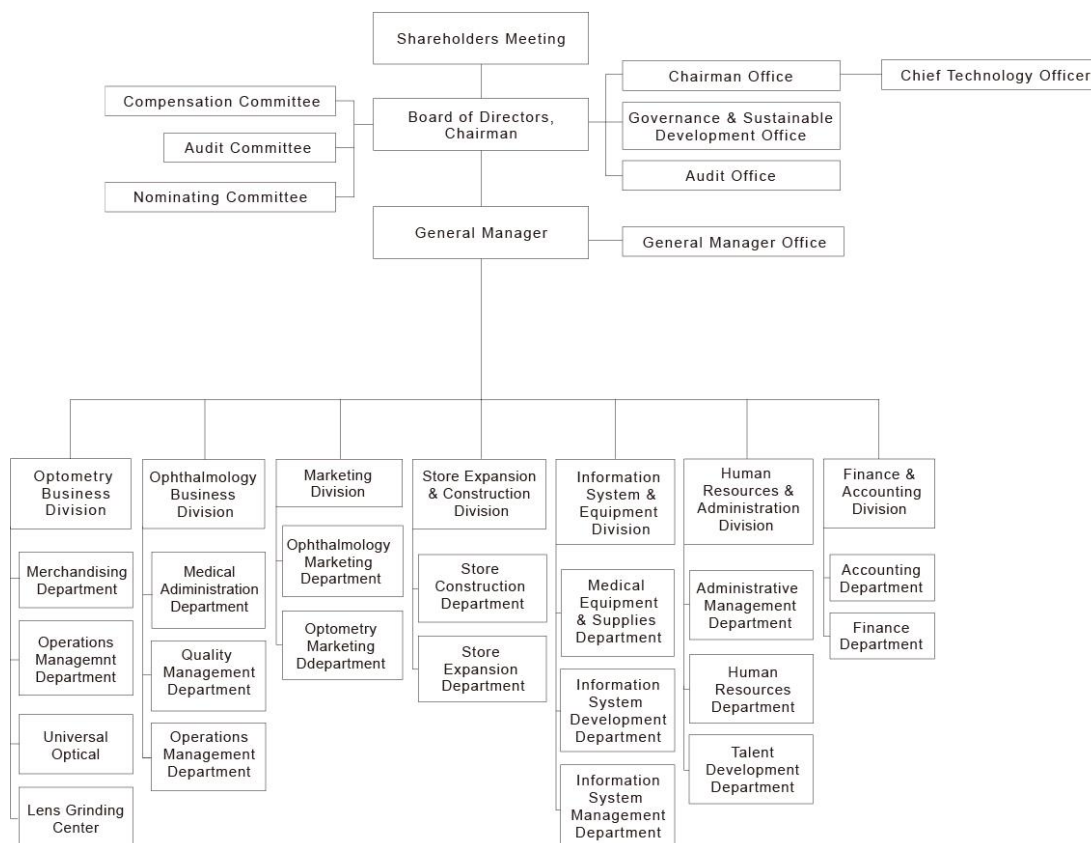
3.1 Governance in Practice

Attaching great importance to corporate governance, UVB pursues sustainable growth and ethical management while continuing to strengthen the corporate governance structure. Adhering to information transparency and an effective internal control system, we are devoted to protecting the rights and interests of stakeholders. First of all, in accordance with Regulations Governing Establishment of Internal Control Systems by Public Companies, we consider the company’s overall business activities, design the internal control system, and ensure its implementation. In response to changes in the internal and external environment, we regularly conduct reviews to ensure that the design and implementation of the internal control system are effective. Secondly, the Board of Directors passed the Corporate Governance Best Practice Principles and ensure its implementation accordingly. Through a sound management mechanism, we improve the business performance to achieve the goal of sustainable operation. Composed of all shareholders, the shareholder meetings make decisions on major issues for the company and regularly listen to reports from the Board of Directors, which is the company's highest decision-making authority. As the highest governance body, the Board of Directors is composed of all board members who exercise the due care of a good administrator by planning the company's business policies, reviewing the company's financial performance, and ensuring that the company's operations conform to a variety of laws and regulations. In order to make corporate governance perfect and strengthen corporate competitiveness, the Board of Directors has set up the Audit Committee and the Remuneration Committee to improve the operation of the board. There is also an independent Auditing Office under the Board of Directors, which regularly performs audits and reports audit results to the Audit Committee and the Board of Directors.

UVB entrusts the CPA firm with the regular audits of its financial statements. All information disclosures required by laws and regulations are public-disclosed in a correct and timely manner. Additionally, we assign a dedicated person to be responsible for the disclosure of company information, and at the same time establish a spokesperson system to ensure that all major information can be disclosed in a timely and reasonable manner. This way, the shareholders and stakeholders are able to refer to the information related to the company's financial status. In addition to the quarterly investor conferences held in 2021, we also reply to investors’ questions on a daily basis.

With the dedicated efforts of colleagues, we completed the first voluntary Corporate ESG report in 2022. In the “8th Corporate Governance Evaluation (2020)” result that announced in April, 2020, UVB has maintain to the top 6% to 20% among the OTC-listed companies.

Looking forward to the future, UVB will continue to deepen corporate governance, implement sustainable operations and fulfill corporate social responsibilities, and move towards the goal of being in the top 5% of the Corporate Governance Evaluation. We will also continue to work on the target of strengthening the Board of Directors, enhancing information transparency, and integrating sustainable governance strategies to the corporate governance system of Oneness UVB.



3.1.1 Board of Directors

The Board of Directors draws up the company's business strategy and is responsible for shareholders and other stakeholders. With a cautious and prudent attitude, the directors faithfully perform their duties and exercise the due care of a good administrator. Except for matters that should be resolved by the shareholders' meeting in accordance with the law or the Articles of Association, the Board of Directors should decide the execution of corporate business and the fulfillment of various governance policies.

In order to establish a good operation system and a complete monitoring function for Board of Directors while also ensuring that independent directors can maintain their independence when performing their duties, UVB clearly defines the scope of duties for independent directors and the relevant resources that are given to them to exercise their duties. Additionally, the Board of Directors of UVB also established the Regulations Governing Procedure for Board of Directors Meetings and Scope of Independent Directors' Duties for the directors to follow. The directors also uphold a high degree of self-discipline to implement recusal. If any director or a juristic person represented by a director is a stakeholder with respect to any agenda item, the director shall state the important aspects of the stakeholder relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director shall not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting and shall not act as another director's proxy to exercise voting rights on that matter.

In order to enhance the operational functions of the Board of Directors, the company formulated the Rules for Performance Evaluation of the Board of Directors with the scope of evaluation covering the overall Board of Directors, individual directors, and functional committees. According to the procedures and evaluation indicators, the self-performance evaluation of the Board of Directors is carried out every year. According to the company's operation and development requirements, the performance evaluation indicators that meet and are suitable for implementation are set and submitted to the Remuneration Committee for regular review and recommendations. The evaluation result on the performance of the Board of Directors in 2021 was GOOD, and was submitted to the Board of Directors Meetings on March 31, 2022.

■ Diversity of the Board of Directors:

1. Board diversity policy:

The Company has formulated the "Corporate Governance Best Practice Principles", and the composition of the Board of Directors shall take diversity into consideration. In addition to the requirement that the number of directors who also serve as managers of the Company shall not exceed one thirds of the director seats, the Company has also formulated an appropriate diversity policy according to its own operation, operating mode, and development needs., including but not limited to the standards in the following two dimensions:

- (1) Basic conditions and values: gender, age, nationality, culture, etc.
- (2) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

The members of the Board of Directors have the necessary knowledge, skills, and literacy to perform their duties. In order to achieve the ideal goals of corporate governance, the overall capabilities of the Board of Directors are set out as follows:

- (1) Operation judgment skills.
- (2) Accounting and financial analysis skills.
- (3) Operations management skills.
- (4) Crisis handling skills.
- (5) Industry knowledge.
- (6) International market perspective.
- (7) Leadership skills.
- (8) decision-making skills.
- (9) Risk management knowledge and skills.

2. Board diversity status and objectives:

There are 8 directors for the 8th term of the Board of Directors of the Company. In addition to their ability to lead decision-making, crisis management, risk management, international market perspective, etc., each member also possess his/her own expertise in various fields for deep cultivation: The Chairperson Ou Shu-Fang and the director Pi-Jung Lin are both ophthalmologists; the director Chou Tsan-Der had been serving in the education and public affairs system for a long time, and used to be the administrative deputy minister of the Ministry of Education; the director Weng Su-Hei as well as the three independent directors Chen Yan-Jun, Xiao Min-Zhi, and Liu Vincent are all in the core management team of the enterprise, and they have been specializing in the operations management in the manufacturing and retail industries for a long time, leadership, and efficient decision-making respectively; and the independent director Yang Yun-Hua is a professor at the Law School of National Chengchi University and has a professional background in law.

The Company's independent directors account for one half of the total board seats. The Company also pays attention to gender equality in the composition of the Board of Directors. The target ratio of female directors is 25% or more, and the achievement rate is 100%.

■ Independence of the Board of Directors

1. Board structure:

The Company has established a director selection system. The selection process of all directors is open and fair, which is in line with the Company's "Articles of Incorporation", "Election of Directors Guidelines", "Corporate Governance Best Practice Principles", "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", "Article 14-2 of the Securities and Exchange Act", etc. The composition of the current Board of Directors consists of 4 independent directors (50%) and 4 non-independent directors (50%), of which 2 non-independent directors are in a spousal relationship (25%, less than half of all directors) and 1 non-independent director is an employee (12.5%), which complies with Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

2. The Board of Directors is independent:

The Board of Directors of the Company shall guide the Company's strategy, supervise the management team, and be responsible to the Company and its shareholders. For all the operations and arrangements of its corporate governance system, it shall ensure that the Board of Directors shall exercise its functions and powers in accordance with laws and regulations, the Company's Articles of Incorporation, or the resolutions of the Shareholders Meeting.

The Company emphasizes the functions of independent operation and transparency of the Board of Directors. Directors and independent directors are all independent individuals and independently exercise their due powers. All the 4 independent directors serve as members of the Audit Committee in accordance with the law, reviewing the management and control of the Company's existing or potential risks, and accordingly supervising the fair representation of the Company's financial statements and the effective implementation of internal controls.

In addition to the professional skills and expertise of the industry, the directors should also have rich practical experience and be familiar with the developmental trend of the industry. UVB's Board of Directors is composed of 8 directors (including 4 independent directors), each with a 3-year term in office. According to the law, the board meeting shall be convened at least once every quarter, and a total of 7 board meetings have been held from March 2021 to March 2022.

Title	Name	Actual number of attendance	Attend through proxy	Actual attendance rate (%) (note)
Chairperson	Quny Development Enterprise Co., Ltd. Representative: Ou Shu-Fang	7	0	100%
Director	Quny Development Enterprise Co., Ltd. Representative: Lin Pi-Jung	7	0	100%
Director	Quny Development Enterprise Co., Ltd. Representative: Chou Tsan-Der	7	0	100%
Director	Quny Development Enterprise Co., Ltd. Representative: Weng Su-Hei	7	0	100%
Independent Director	Chen Yan-Jun	7	0	100%
Independent Director	Xiao Min-Zhi	7	0	100%
Independent Director	Liu Vincent	7	0	100%
Independent Director	Yang Yun-Hua	4	0	100%

■ Information on the valuation cycle, period, evaluation scope, method, evaluation content, etc. of the self (or peers) assessment of the Board of Directors evaluation.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Conducted once a year	2021.01.01-2021.12.31	Including performance evaluation of the Board of Directors, individual board members, and functional committees	Internal self-assessment of the Board of Directors and functional committees, and the self-assessment of board members	<ol style="list-style-type: none"> 1. Performance evaluation of the Board of Directors: Including the level of participation in the Company's operations, the quality of the Board of Directors' decision-making, the composition and structure of the Board of Directors, the selection and further education of directors, and internal control. 2. Performance evaluation of individual directors: Including the understanding of the Company's goals and tasks, the directors' awareness of functions and responsibilities, the level of participation in the Company's operations, the management and communication of internal relations, the professionalism and further education of directors, and internal control. 3. Functional committee performance evaluation: Participation level in the Company's operations, awareness of the responsibilities of the functional committee, decision-making quality of the functional committee, composition of the functional committee and selection of members, internal control, etc.

According to UVB's "Board of Directors Performance Evaluation Guidelines", the performance evaluation of the Board of Directors, directors, and various functional committees (Compensation and Remuneration Committee and Audit Committee) for the previous year shall be completed in the first quarter of each year.

1. The evaluation is conducted by the deliberation unit by means of questionnaires. The evaluation report is reported to the Board of Directors after all the evaluation results are compiled.

2. The evaluation report has been reported to the Board of Directors on March 30, 2022. The 2021 measurement items and evaluation results are:

(1) The measurement items of the self-assessment of the performance of the Board of Directors include the five major aspects: "participation level in the Company's operation", "improving the quality of the board's decision-making", "composition and structure of the Board of Directors", "selection and further education of directors", and "internal control". The evaluation results were good, indicating that the overall operation of the Board of Directors of the Company was complete.

(2) The measurement items for the self-assessment of board members include the five major aspects: "understanding of the Company and awareness of functions and responsibilities", "participation level in the Company's operation", "internal relationship management and communication", "director's professionalism and further education" and "internal control". The assessment results indicate that the efficiency and effect of the operation of the Company's the directors are good.

(3) The measurement items for the self-assessment of the operational performance of the functional committee include the five major aspects: "participation level in the Company's operations", "awareness of functions and responsibilities of the Audit Committee as well as the Compensation and Remuneration Committee", "improving the decision-making quality of the Audit Committee and the Compensation and Remuneration Committee", "the composition and selection of members of the functional committee" " and "internal control". The assessment results indicate that the operation of the functional committee of the Company is good.

3. The results of the performance evaluation of the Board of Directors are used as the reference basis for the selection or nomination of directors; the performance evaluation results of individual directors are used as the reference basis for determining their individual remuneration.

■ **The objectives of strengthening the functions of the Board of Directors in the current year and the most recent year (such as setting up an Audit Committee and improving information transparency), and evaluation of their implementation status:**

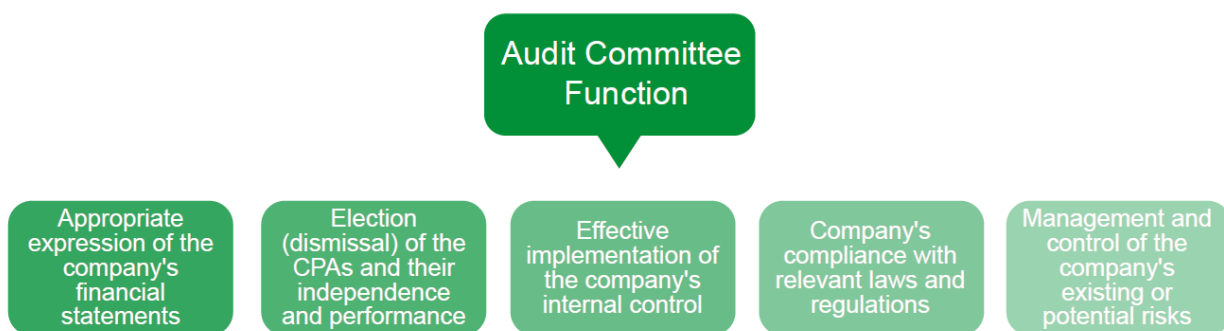
1. On October 17, 2021 and June 14, 2018, the Company set up the Compensation and Remuneration Committee and the Audit Committee, and formulated the relevant organizational rules to assist the Board of Directors to perform their supervisory duties.
2. As of the date of publication of the annual report the Company in 2021, the proposals that shall be submitted to the Audit Committee for approval and then submitted to the Board of Directors for a resolution in accordance with the “Company Act” and the “Securities and Exchange Act” have all been approved by the Audit Committee and submitted to the Board of Directors for approval and then for implementation in accordance with the law.
3. As of the publication date of the annual report of the Company in 2021, the proposals that shall be submitted to the Remuneration and Compensation and Remuneration Committee for approval and then submitted to the Board of Directors for a resolution in accordance with the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange” have all been approved by the Compensation and Remuneration Committee, and submitted to the Board of Directors for approval and then for implementation in accordance with the law.
4. The Company formulated the “Rules of Procedures for Board of Directors Meetings” in accordance with the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and implements them.
5. The Company formulated the “Board of Directors Performance Evaluation Guidelines” in accordance with the “Code of Practice for the Governance of Listed Companies”, and regularly implement the performance evaluation operations of the Board of Directors and functional committees.
6. In order to assist directors in performing their duties and improve the effectiveness of the Board of Directors, the “Standard Operating Procedures for Handling Director Requests” were formulated in accordance with the “Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEX Listed Companies” and are implemented.
7. The Company formulated the “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies”, so that the conduct of directors of the Company can be subject to and conform to the ethical standards.
8. During the term of office, the directors of the current term continued to participate in the further education courses on the topic of corporate governance organized by the institutions designated by the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies”

3.1.2 Functional Committees

For the purpose of developing supervisory functions and strengthening management mechanisms, the Board of Directors set up an Audit Committee and a Remuneration Committee. In addition to exercising its functions and powers independently in accordance with laws and regulations, functional committees shall be responsible to the Board of Directors and submit their proposals to the Board of Directors for approval.

■ The Audit Committee

The Audit Committee assists the Board of Directors in supervising the company's implementation quality of the relevant accounting, auditing, financial reporting, and financial control, and submits the evaluation results to the Board of Directors for discussion. The Board of Directors of UVB passed the Audit Committee Charter and set up the Audit Committee under the Board of Directors. All the independent directors serving as the Audit Committee members, one shall be the committee convener, and at least one shall have accounting or financial expertise. At least one meeting is held every quarter, and a total of five audit committee meetings were held from 2021 to June 2021.



Communication status between independent directors and internal audit supervisors and certified public accountants:

- (1) The certified public accountant shall explain to independent directors at least quarterly at the Audit Committee meeting about the impact on the Company in term of the Company's financial condition audited, adjusting entries, as well as revisions and release of IFRSs bulletins.
- (2) In addition to regularly reporting to the Audit Committee on the implementation status of internal audit, the audit unit also reports to or talks with independent directors irregularly.
- (3) Independent directors, audit supervisors, and certified public accountants shall communicate directly by e-mail, telephone or other means as necessary.
- (4) Communication status between independent directors and certified public accountants:

Date of meeting	Communication focus	Communication results
2021/03/24	<ul style="list-style-type: none"> ● Report on the fourth quarter 2020 financial statements ● Audit planning for subsidiaries in mainland China 	No comments
2021/05/12	<ul style="list-style-type: none"> ● Report on the first quarter 2021 financial statements 	No comments
2021/08/11	<ul style="list-style-type: none"> ● Report on the second quarter 2021 financial statements 	No comments
2021/11/10	<ul style="list-style-type: none"> ● Report on the third quarter 2021 financial statements ● 2021 audit planning and key audit matters ● Notice of recent fiscal and tax laws and regulations 	No comments
2022/03/30	<ul style="list-style-type: none"> ● Report on the fourth quarter 2021 financial statements 	No comments

- (5) Communication status between independent directors and the head of internal audit:

Date of meeting	Communication focus	Communication results
2021/03/24	<ul style="list-style-type: none"> ● Summary report on the execution results and tracking results of the previous year's audit plan ● Report on the implementation status of this year's audit plan ● Briefing on the audit tracking of information security projects ● Communication on the implementation status of store operation and inventory audit 	No comments
2021/05/12	<ul style="list-style-type: none"> ● Report on the implementation status of the first quarter audit plan ● Communication on the implementation status of store operation and inventory audit 	No comments
2021/08/11	<ul style="list-style-type: none"> ● Report on the implementation status of the second quarter audit plan ● Communication on the implementation status of store operation and inventory audit 	No comments
2021/11/10	<ul style="list-style-type: none"> ● Report on the implementation status of the third quarter audit plan ● Communication on the implementation status of store operation and inventory audit 	No comments
2022/03/30	<ul style="list-style-type: none"> ● Summary report on the execution results and tracking results of the previous year's audit plan ● Report on the implementation status of this year's audit plan ● Briefing on the audit tracking of information security projects ● Communication on the implementation status of store operation and inventory audit 	No comments

■ Remuneration Committee

In order to improve the remuneration system for board of directors and executives and evaluate whether the business performance of board of directors and executives and the remuneration received are fair and reasonable, the Board of Directors of UVB set up a Remuneration Committee under the Board of Directors in accordance with the Remuneration Committee Charter. With all 4 committee member roles served by independent directors of the company, the Remuneration Committee is convened at least twice a year, and a total of 6 meetings were held from Jan. 2020 to March 2022.

Title	Name	Actual number of attendance	Attend through proxy	Actual attendance rate (%) (note)	Remark
Convener	Chen Yan-Jun	4	0	100%	Re-elected on Nov. 10, 2021.
Committee	Xiao Min-Zhi	4	0	100%	Re-elected on Nov. 10, 2021.
Committee	Liu Vincent	4	0	100%	Re-elected on Nov. 10, 2021.
Committee	Yang Yun-Hua	2	0	100%	Newly-assumed on Nov. 10, 2021.

UVB's Remuneration Committee shall faithfully perform the following functions and powers with the care of good managers, and submit the suggestions to the Board of Directors for discussion:

- (1) Formulate and regularly review the policies, systems, standards and structures for the performance evaluation and director remuneration and managers of the Company.
- (2) Regularly evaluate and determine the remuneration of directors and managers.

Date of meeting (session)	Proposal content	Resolution results / Member's opinions
2021.03.24 (the 10 th meeting of the 4 th term)	1. 2020 distribution of employee compensation and director remuneration	All the attending members passed the proposal without objection.
2021.05.12 (the 11 th meeting of the 4 th term)	1. Payment for director remuneration. 2. Payment for manager remuneration. 3. Revision of the Company's "Compensation and Remuneration Committee Organizational Rules".	All the attending members passed the proposal without objection.
2021.12.29 (the 1st meeting of the 5 th term)	1. Car assignment for the Chairperson. 2. 2021 year-end bonus payment criteria and the distribution amount for managers.	All the attending members passed the proposal without objection.
2022.03.30 (the 2nd meeting of the 5 th term)	1. 2021 distribution of employee compensation and director remuneration. 2. Setting up a director of corporate governance.	All the attending members passed the proposal without objection.

3.1.3 Ethical corporate management

■ Formulation of policies and plans for ethical corporate management

1. UVB takes integrity and responsibility as the basis of its operating policy, to formulate UVB's "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct", which were approved by the Board of Directors to create a business environment for sustainable development.
2. UVB's "Ethical Corporate Management Best Practice Principles" covers the preventive measures for the behaviors in the subparagraphs of Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", and has formulated the "Ethical Norms Advocacy and Reporting System for Practitioners" and the "Work Rules" stipulating that employees who violate laws and regulations, fraudulent embezzlement, etc. will be given verbal warnings, reprimands, demerits, major demerits, demotion or dismissal (unemployment) according to the seriousness of the circumstances so as to prevent the occurrence of the above by strengthening the internal control system.
3. UVB has formulated the "Ethical Corporate Management Best Practice Principles", requiring directors and managers to set an example, abide by the principle of good faith, and establish a corporate culture of integrity. In addition, the "Ethical Norms Advocacy and Reporting System for Practitioners" and "Work Rules" have been formulated to explain the punishment and appeal system for violations, and the above plans are regularly reviewed and revised in due course depending on the operation situation.

■ Implementation of ethical corporate management

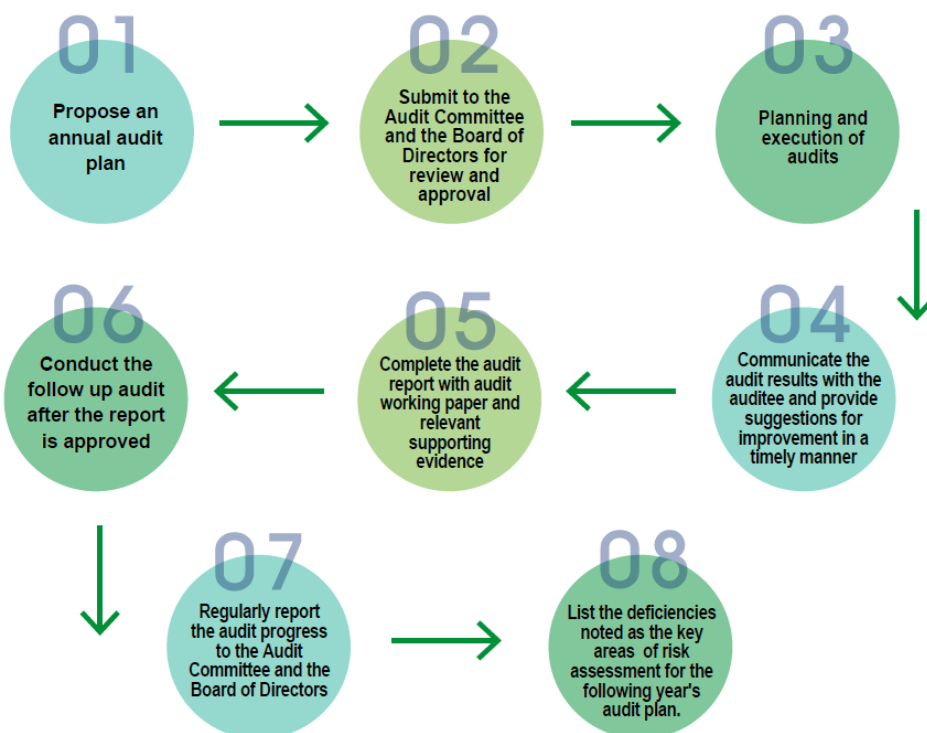
1. The daily business activities are fair and transparent, engaging in commercial activities, and confirming whether the transaction counterparty has a unethical record (such as a credit record, breach of contract record) before the transaction, and prevent transactions or contracts with those who have a record of unethical behavior. If a person is involved in ethical behavior, the contract may be terminated or rescinded at any time.
2. In order to improve the management of ethical corporate management, UVB designates the corporate governance team as the unit in charge, subordinate to the Board of Directors, responsible for the formulation and supervision of the ethical corporate management policy and prevention plan, to confirm that various operating activities are in compliance with the law. The unit in charge reported its implementation to the Board of Directors on May 12, 2021. The promotion results are described in the summary description of each evaluation item and operational status in this table.
3. UVB has established the "Ethical Corporate Management Best Practice Principles". Persons involving in the conflict of interest shall recuse themselves from matters of interest and shall not obtain any illegitimate benefits by taking advantage of their positions in the Company.
4. Those who have an interest in the resolutions set out by the Board of Directors or the legal person they represent may cause harm to the interests of the Company, may not either act on behalf of other directors to exercise their voting rights.
5. UVB's accounting system is formulated in accordance with the regulations of the competent authority and other relevant laws and regulations, and is determined in accordance with the nature of accounting affairs, actual business conditions, and development and management needs.
6. In terms of internal control, it has been clearly stipulated that each business shall be completed by each functional department, so as to achieve the function of division of labor and coordination; when engaging in transactions, it shall be handled in accordance with the Company's internal regulations and external regulations, follow the operating procedures, and clarify relevant rights and responsibilities. For jobs with conflicting duties, avoid concurrent duties or acting as agents for each other to prevent fraud, and supplemented by the self-inspection of each unit and the internal audit of the audit unit to achieve the purpose of internal control.
7. It conducts advocacy quarterly on the "Ethical Norms Advocacy and Reporting System for Practitioners", and provides a reporting channel for colleagues when they find violations of laws or ethics, including the "Ethical Corporate Management Best Practice Principles" in the training course for newcomers, and the duration of the course is 0.5 hours. In 2021, about 300 person-times participated and about 180 people were trained.

3.1.4 Internal Audit

In order to ensure that the auditors carry out the audit work in a fair and impartial manner, UVB has set up an Audit Office under the Board of Directors as an independent audit unit and shall appoint qualified persons in an appropriate number as full-time internal auditors according to its business size, business condition, management requirements, and the provisions of other applicable laws and regulations.

- First of all, the auditors carried out the audit work in accordance with the annual audit plan in the spirit of independence and objectivity and confirm that the execution of the company's internal business complies with laws and regulations and internal control systems. During the regular audit , if the auditee is not familiar with internal control procedures or operations, the auditors will promptly guide them, implement education and training as needed, point out the key risks and important control points, and explain how to effectively control them. The auditors will also fully communicate the results of various audits with the auditees. If major control deficiency is found or potential negative impact to the company is noted , the auditors will disclose the facts in the audit report, regularly report the internal audit results to the Audit Committee, and review the follow-up improvement on the identified deficiencies, etc. The audit supervisor also regularly attends board meetings to provide the Board of Directors with timely updates on the potential risks of business operations.
- Secondly, the Audit Office assists the Board of Directors and senior management to independently and objectively evaluate the completeness and effectiveness of the internal control system, provide suggestions for improvement in a timely manner, and reasonably ensure that the internal control system can be carried out continuously.
- Furthermore, in order to strengthen the professional capabilities of auditors, UVB arranges for auditors to continue their advanced training and participate in internal auditing seminars organized by institutions designated by the Securities and Futures Bureau to improve and maintain their audit quality and effectiveness. With auditors continuously monitoring UVB's implementation of various operating systems, the company has established good governance practices and risk control mechanisms to create a sustainable business environment.

In 2021, the Audit Office carried out a total of 288 audit projects, and there were no major non-conformities. All minor non-conformities have been improved within the time frame.



3.2 Risk Management

■ Implementation status of risk management policies

UVB manage the various risks that may be faced by the management, and develop an operation strategy as well as organizational culture that value risk factors. The highest unit of the risk management system, the Board of Directors is responsible for approving, reviewing, and supervising the company’s risk management policies to ensure its effectiveness.

UVB's major investment or business decisions are carefully evaluated by relevant internal departments, and then submitted to the Board of Directors for discussion and resolution.

In order to improve the performance of risk management, the company has integrated the spirit of risk management into its business strategy, and continuously promotes internally that risk management is not only the responsibility of a specific unit but a duty that all colleagues should recognize and share.

■ Risk measurement standards

This disclosure of information covers the sustainable development performance of UVB in its main bases from January 2021 to December 2021. The risk assessment boundary is based on the Company's overall operating activities.

UVB adheres to the core value of “the way of great learning consists in manifesting one's bright virtue, consists in loving the people, consists in stopping in perfect goodness”, and guards each product and service. Adhering to the pursuit of sustainable operation and profitability, incorporating corporate social responsibility, attaching importance to the rights and interests of stakeholders, emphasizing the principles of environmental, social and corporate governance and materiality, for the Company's management policy, operational activities and risk management policies or strategies, so as to achieve the goal of sustainable operations.

Conduct analysis and evaluation according to the principle of materiality, and formulate relevant management policies or strategies as follows:

Major issues	Risk assessment	Management policy or strategy
Environment	Environmental Protection	<ol style="list-style-type: none"> The store adopts energy-saving LED lamps and inverter air-conditioning equipment. Carry out equipment replacement policies for energy saving, water saving, electricity saving and other issues, and evaluate whether the operation will be affected due to climate change and take countermeasures. The store decoration has gradually used green energy building materials. Educate company employees on the temperature criteria for the use of indoor air conditioners and turn off the power when it’s not in use. Improve the utilization efficiency of various resources, classify various wastes and recycle resources.
	Energy saving	
	Carbon reduction	
Resource and waste management		
Society	Ensure employee rights and interests	
	Employee Salary with benefits	
	Labor-management relations	
	Occupational safety	
	Further education	
	Product safety	
	Supplier management	
Corporate governance	Social Economic and regulatory compliance	<ol style="list-style-type: none"> Ensure that all personnel and operations of the Company truly comply with relevant laws and regulations by establishing a governance organization and implementing an internal control mechanism to. Directors are arranged to participate in relevant further education courses every year in order to make directors aware of the latest regulations, systems and policies,. We purchase liability insurance for directors to protect them from lawsuits or claims when they have performed their duties as good managers and performed their duties. Set up a special area for stakeholders on the Company's website; understand the reasonable expectations and needs of stakeholders through appropriate communication methods, and appropriately respond to important sustainable development issues they are concerned about.
	Strengthen director functions	
	Communication with stakeholders	

3.3 Legal Compliance

To build a sustainable corporate, legal compliance is an indispensable foundation project, UVB strengthens the rigor and transparency of internal management, improve corporate governance and human resource management to implement laws and regulations.

There were no legal compliance violations in 2021.

Management Mechanism

■ Corporate Governance

Strengthen the functions of the Board of Directors and functional committees, push the Board of Directors to exercise the due care of a good administrator, supervise the company's financial operations and internal control system, pass Corporate Governance Best Practice Principles and Rules for Performance Evaluation of the Board of Directors, and disclose governance practices and other information on the company's official website in a timely manner to effectively enhance information transparency. In the future, we will gradually strengthen the evaluation criteria for corporate governance to improve the company's ranking in corporate governance.

■ Human Resource

Creating a corporate culture that complies with laws and regulations, UVB build a trustworthy corporate reputation by taking integrity and compliance as our core spirit. In accordance with laws and regulations, we develop company-related charters and internal control systems and construct good corporate governance through actual practices. According to the nature of their business, we also provide our colleagues with corresponding education and training on corporate governance, biotechnology and medicine, environmental protection, and labor human rights. This way, we are able to ensure that all colleagues abide by various laws and company internal regulations when engaging in their business. As part of the onboarding process, new employees are required to sign a non-disclosure agreement, which includes the need to maintain the company's trade secrets and ensure information security to avoid the leakage of trade secrets and cause damage to the company. Before entering into a contract with any transaction partner, a legal review is necessary to protect the company's rights and interests. Auditors conduct audits in accordance with major cycles and important tasks to confirm the execution status of colleagues' business, and effectively reduce the risk of violations. A communication channel for stakeholders is also set up on the company's official website so that our colleagues can respond in a timely manner if there are any breaches to laws or regulations.

Evaluation Mechanism

Since UVB takes many effective control measures related to legal compliance, there have been no major violations of laws and regulations in corporate governance, biotechnology and medicine, environment, and labor in recent years. At the same time, no major non-conformities were found in the internal audit.

3.4 Cyber Security

Cyber security is critical to whether the company's trade secrets can be fully protected. UVB has developed a cyber security policy, and has also taken specific precautionary measures internally to put cyber security protection into practice: The Information System and Equipment Division is responsible for the development of cyber security policies and execution plans, implement them, review and make improvements afterwards. In addition, the Audit Office is responsible for auditing, regularly reviewing the execution progress of cyber security, and keeping track of the improvement plan. In recent years, there have not been any cyber security incidents.

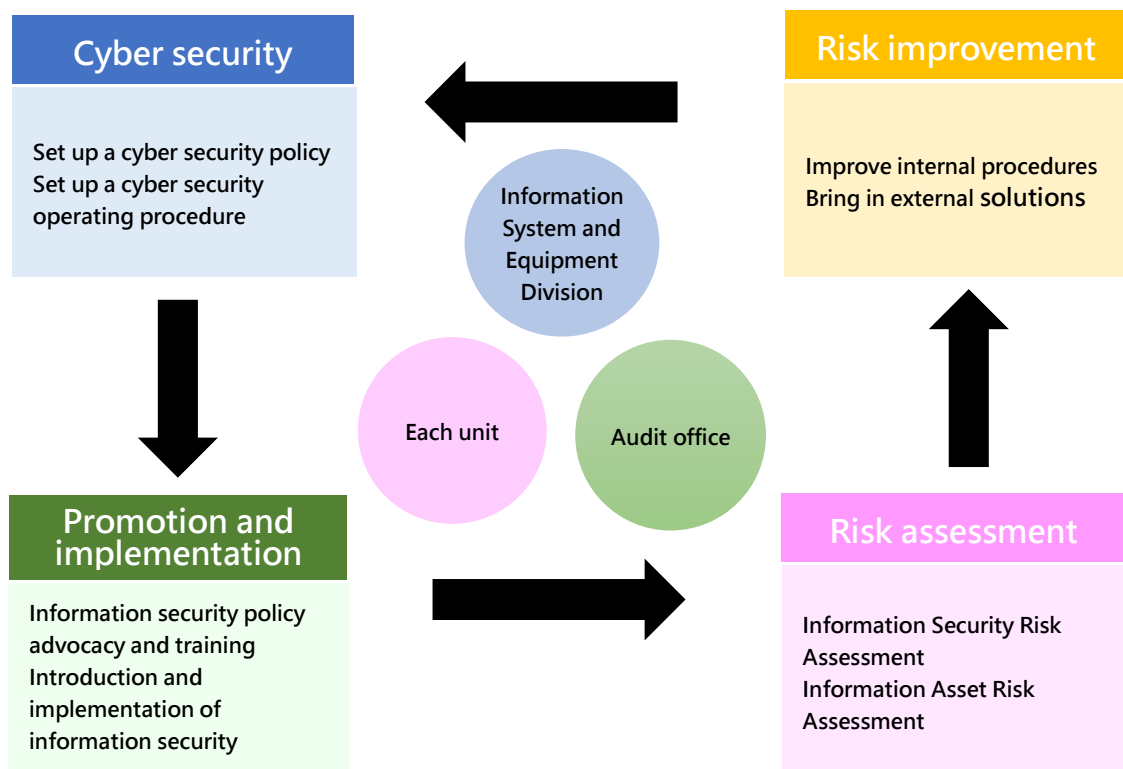
UVB plans to introduce the ISO 27001 cyber security Management System (ISMS) in 2023. After confirming the scope of verification, gap analysis and correction will be carried out: including the system and management aspects. The execution projects include risk assessment, vulnerability repair, security protection, risk verification, asset inventory and risk evaluation, and personnel education and training, and complete the establishment of related documents.

■ Cyber security management strategy and structure

The unit in charge of information security of the Company is the Information System and Equipment Division, which is staffed with one director and several professional information personnel, is responsible for formulating internal information security policies, planning and implementing information security operations, and the promotion and implementation of information security policies, reports the Company's information security governance overview to the Audit Committee.

The Company's information security supervision and inspection unit is the Audit Office, which is staffed with one audit director and several dedicated auditors, is responsible for supervising and inspecting the implementation of internal information security matters. If relevant deficiencies are found in the inspection, the inspected unit will be required to submit relevant improvement plans and specific actions, which will be tracked for the improvement results so as to reduce internal information security risks.

Organizational operation mode - The PDCA cycle management is adopted to ensure the achievement of reliability goals and continuous improvement.



■ **Cyber security policy**

In order to implement the effective operation and implementation of UVB's various information management systems, we maintain the confidentiality, integrity, and availability of important information systems so as to ensure the safe operations of information systems, equipment, and networks.

UVB has established an information security management mechanism, including the following three major items:

- System norms: Formulate the Company's information security management systems and guidelines, and standardize the information-related operation behavior of colleagues.
- Application of new technology: Import and build information security management related software and hardware, and implement information security management measures.
- Personnel training: Regularly conduct information security education and training to enhance the information security concept of all colleagues and implement various information security measures.

Described as follows:

- System norms: The Company has formulated a number of information security management guidelines and systems to regulate the information security behavior of the Company's personnel. It regularly inspects whether the relevant systems conform to the changes in the operating environment every year, and makes adjustments in a timely manner according to needs.
- Application of new technology: In order to prevent various internal and external information security threats, in addition to adopting a multi-layer network architecture design, the Company also builds various information security protection systems and mechanisms, such as high reliability architecture (HA) of high availability, host environment backup, data backup (transaction records, differential backup, and full backup), off-site backup mechanism to improve the security of the overall information environment. In addition, in order to ensure that the operation behavior of internal personnel conforms to the Company's system norms, asset management system tools are also introduced to implement equipment and personnel information security management measures.
- Personnel training: The Company regularly organizes information security education and training courses and establishes an online learning (E-Learning) system to enhance internal personnel information security knowledge and professional skills.

■ **Specific management plan:**

Information Security Management Measures		
Type	Description	Relevant operations
Authority management	Management measures for personnel account, authority management, and system operation behavior	Personnel account permission application management and review Regular personnel account permissions inventory
Access control	Control measures for personnel access to internal and external systems and data transmission channels	Internal / external access control measures Operation behavior tracking record
External threat	Internal potential weaknesses, poisoning channels, and protective measures	Host / computer vulnerability inspection and update measures Virus protection and malware detection Malicious attacks prevention equipment
System availability	System availability status and handling measures when service is interrupted	Routine inspection of computer room System / network availability monitoring and reporting mechanism Response measures to service interruption Information backup, local / remote backup mechanism, regular data restoration test Host restore test Regular disaster recovery drills

■ **Resources invested in cyber security management**

Two part-time staff are in place to be in charge of information security development. A budget in the amount of 6 million and more is prepared for information security software and hardware updates.

3.5 Intellectual Property Rights Protection

In order to practice the business philosophy of “See Clear, See Comfort, See the Future!” and achieve to become the No. 1 brand in the vision biotech industry, the company actively encourages innovation and independent research and development, and has formulated "Intellectual Property Rights Management Regulations" It is expected to create company value by accumulating intellectual property achievements. In addition to strengthening the competitive advantage with intellectual property rights, we also continue to pay attention to and study the latest cases and regulatory requirements related to intellectual property rights at home and abroad, in response to potential operational risks.

■ Patent and Trademark Management

1. Application: In order to protect the company's research and development results and enhance brand recognition and brand value, the company through specialized units and professional external offices, according to the business layout, assist in the retrieval of patents and trademarks, and immediately in various countries Apply for registration.
2. Maintenance: The company has obtained patents and trademarks by a dedicated unit to keep and record rights-related documents, and regularly review the use of approved patents and trademarks to assess the necessity of continued maintenance.

■ Trade secret protection measures

1. When employees join the company, it is agreed that employees have the obligation to keep personal business and company business secrets, and employees should abide by the obligation to protect the company's confidential technology or information after taking office or leaving the company.
2. For confidential information that needs to be disclosed externally, confidentiality documents must be signed with the recipient.
3. The company's internal computer system has authority control, and a special unit is responsible for regular publicity of information security operations.

■ The company continues to carry out intellectual property management operations. The main implementation situations in recent years are as follows:

1. Regularly check the status of patent and trademark applications.
2. In 2021, there will be no trademark or patent infringement cases.
3. In 2022, formulate intellectual property management measures that are combined with operational goals.

To ensure the proper management of the company’s intellectual property, prevent infringement of the intellectual property rights of others, as well as strengthening the transparency and effectiveness of corporate governance management, UVB formulated the "Intellectual Property Management Regulations" in September 2022 ,and the intellectual property management plan and execution status will be uploaded to the company’s website regularly since October 2022. The company will also report to the Board of Directors at least once a year.

Accumulative Number of Intellectual Property as July 31,2022

Item / Location	Taiwan	China	U.S.	Applying
Patent	15	5	2	
Trademark	71	56	-	30

3.6 Business Performance

Stable business operation and profitability are indispensable factors in sustainable business development. UVB has developed multiple businesses including a glasses chain stores, and in sectors like laser vision correction and medical beauty. In recent years, UVB has transformed its independent eyewear stores into optometry centers which are aligned with its eye clinics, through which it has raised its sales and earnings, reasons include: (1) The vision restoration economy is coming, its oligopolistic position in the Taiwan vision correction market, as the largest ophthalmologic medical chain group; (2) precise market positioning focused on blue-ocean markets; (3) successful transformation of its channel structure to drive strong earnings growth; (4) its moat in Taiwan on economies of scale; and (5) potential earnings is expected to grow in China.

■ Sales (supply) areas of major products (services)

Unit: NT\$ thousand; %

Item \ Year	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Taiwan	1,260,470	88.83	1,624,757	79.14	1,983,628	75.37
Mainland China	158,509	11.17	428,384	20.86	648,173	24.63
Total	1,418,979	100.00	2,053,141	100.00	2,631,801	100.00

■ Market share

UVB currently has 25 cooperative ophthalmic clinics and 33 Universal optical operating bases across the country. Based on the currently constructed channel platform, the operating performance reflected in the market share and position of each market is set out as follows.

(1) In the laser surgery for vision correction market, it is currently estimated that about 20,000 to 30,000 people in Taiwan undergo surgery every year. Calculated based on the ratio of femtosecond laser surgery performed by the Company's cooperative eye clinics, it is estimated to account for about 50% of the overall market share, taking a leading position in the domestic market.

(2) In the optics and optometry market, according to the statistics released by the German GfK marketing research consulting company, the annual demand for general glasses is in an approximate amount of NT\$ 18 billion to NT\$ 20 billion, and the demand for contact lenses and medicinal fluid is in an approximate amount of NT\$ 7 billion to NT\$ 8 billion, with the total amount remaining at NT\$ 29 billion ~ NT\$ 32 billion; and the market share is estimated to be about 2% based on the UVB's revenue. However, compared with other competitors whose business model relies merely on the sale of products, the Company's operating method is the only one that combines medical professional technology with the original and professional "i precision intelligent optometry technique", coupled with the professional optometry instruments of Carl Zeiss optics from Germany to offer the optometry service effectively separated from the other market. This professional "medical optometry, scientific eyeglasses prescription" model will stand out in the optics and optometry market and industry and help increase the market share.

(3) In the ophthalmic medical market, the total number of patients with eye diseases in Taiwan is currently about 6 million a year. With the increase of population, the trend in aging, and the increase of civilized diseases, the output value of this industry will grow steadily year by year. The number of the average monthly outpatient visits to the ophthalmology clinics cooperating with the Company is about 70,000 person-times, with the service provided to 800,000 patients per year, accounting for about 13% of the market share.

■ The supply and demand condition and growth potential of the market in the future

(1) Vision biotechnology industry

In the U.S. market, more than 1.5 million laser vision correction surgeries are performed every year. In recent years, the general myopia patients in Taiwan have improved their understanding of laser surgery, and the safety and precision of the surgery itself has also greatly improved. There are currently about 30,000 person-times undergoing corrective surgeries per year, and it is expected that the number of consumers who are willing to have and can afford to undergo surgeries will increase year by year in the future; In terms of the supply, due to the booming trend in corrective surgery in recent years, many practitioners have joined the market with the intent to compete for the big pie, resulting in fierce price competition. A great number of suppliers are willing to reduce the price only for the sake of maintaining the order. However, after the self-adjustment of market out of the incident concerning the retirement from performing surgery, only some of the suppliers with competitive advantages in cost, brand, channels, and technology can continue to survive. It is expected that with the stable supply in the future, the price of surgery will return to normal levels, and the market supply will also be dominated by a few suppliers with competitive advantages in cost, brand, channels, and technology.

(2) Optometry and optical industry

Due to the successive emergence of alternative products and correction methods for ordinary glasses and contact lenses, the optical industry will no longer focus on traditional vision correction lenses. With the change of consumption habits, new products are oriented to metal eyeglass frames made of technical materials, or colored eyeglass frames, lenses, disposable contact lenses, or sunglasses related to popularity and fashion sense are the mainstream of development. It is estimated that the overall market output value of the market can be maintained within the range of about NT\$ 29 billion to NT\$ 32 billion, and there is room for growth with the prosperity and price level; As for the supply side of the market, due to the fierce competition among suppliers and the increasing demands of consumers on the quality of eyeglasses, only a channel platform with professional medical experience and brand image can stand out in the optical and optometry industry and play an important role as a market supplier in the future.

(3) Medical vision industry

The market of this industry is mainly based on the market of national health insurance, supplemented by self-paid medicines and nutritional foods. It is expected that in the future, with the increase of population, the trend in aging and the increase in diseases of civilization, the output value of this industry will grow steadily year by year. Since most of the market suppliers are regional clinics, the competitors with brand and cost advantages can use their cost advantages and brand awareness to widen the gap with their peers after they join in the market the future.

4 Sustainable Environment

4.1 Energy Management

4.2 Greenhouse Gas Emissions

4.3 Water Resources and Wastewater Management

4.4 Waste Management

4.5 ESG Procurement

4 Sustainable Environment

UVB adheres to the core value of “the way of great learning consists in manifesting one's bright virtue, consists in loving the people, consists in stopping in perfect goodness”, while pursuing corporate growth, we care about the environment and the community neighborhood environment. The daily operations of Headquarters and stores follow the United Nations Sustainable Development Goals (SDGs): “SDG 11: Sustainable Cities and Communities,” “SDG 12: Responsible Consumption and Production,” “SDG 13: Climate Action,” “SDG 14: Life Below Water,” “SDG 15: Life on Land” to reduce the impact of company operations on land, air, water and ecology.

UVB has no manufacturing and production activities, nor is it an energy-intensive and major energy-consuming industry. It is not a source of greenhouse gas emissions that should be reported and registered by Environmental Protection Administration, Executive Yuan (Taiwan). Therefore, it is not directly affected by climate change related regulations such as the Greenhouse Gas Reduction Law. Standardize the risks to be undertaken.

Although UVB is not an energy-intensive and major energy-consuming industry, the risk of being subject to climate change-related laws and regulations is relatively low. However, climate change has become a global challenge, and it is imperative to mitigate the impact of climate change. UVB will continue to pay attention to changes in relevant domestic and foreign laws and regulations, actively handle greenhouse gas inventory, emission control, and implement energy-saving and carbon-reduction policies, so as to fulfill the company's responsibilities and obligations in environmental protection.

4.1 Energy Management

Oneness Biotech highly values on the issues of climate change, energy management, and environmental protection. With a view to improving energy efficiency, and controlling and reducing GHS emissions, the Company employs energy saving and carbon reduction measures. According to the statistics of electricity consumption from 2020 to 2021 follows below:

Power Consumption	Headquarters -Nankang	Branches and Stores	Total (kWh)
2020	158,026	630,277	788,303
2021	109,596	587,528	697,124

Note: The above statistics are only for the parent company.



Continuously improve the lamps and air conditioners used in all stores, adopt energy-saving LED lamps and inverter air-conditioning equipment, and actively educate company personnel to develop behaviors that are more friendly to the environment. The company is not a manufacturing company, so ISO14001 is not applicable.



Offices are required to turn off the lights during lunch breaks and turn off the lights and air-conditioners after getting off work. Enforcing the energy conservation advocacy and all members engage in energy-saving activities to reduce unnecessary energy waste. Energy-saving lamps and energy-saving equipment are adopted in the main passage areas while lighting is turned off in areas not in operation.



SDGs 11:Sustainable Cities and Communities



SDGs 13:Climate Action

4.2 Greenhouse Gas Emissions

Climate anomalies caused by greenhouse gas emissions are the most challenging issues that the entire world is now facing. The Scope 1 of greenhouse gas emission of UVB is the number of liters of official vehicles refueling, the Scope 2 of greenhouse gas emission is the amount of electricity consumed by Taipower Company. UVB's greenhouse gas emissions are self-management to calculate independently in order to understand the current situation and trends to allow early response.

From 2020 to 2021, the boundary of electricity consumption includes the Headquarters office- Nangang, Benches and stores. The electricity consumption is based on the carbon emission coefficient of electricity announced by Taipower Corporation and the carbon emission coefficient of fuel oil announced by the Environmental Protection Agency. The total emissions are converted as follows:

Iten	Unit	2021	2020
Petrol liters	liter	25,662.87	24,829.83
Diesel liters	liter	3,563.99	2,892.69
Scope 1 (direct)	Ton/CO ₂ e	70.05	66.30
Total electricity consumption	kWh	697,124.00	788,308.00
Scope 2 (Energy Indirect)	Ton/CO ₂ e	349.96	395.73
Scope 1 + Scope 2	Ton/CO ₂ e	420.01	462.03
GHG Emission Intensity	Ton/CO ₂ e ÷ million turnover	0.2132	0.2844
Net turnover (parent company)	NT dollar	1,969,645,844	1,624,756,540

Note: The above statistics are only for the parent company.

Policies for Climate Change or Greenhouse Gas Management

The greenhouse gas emissions of UVB are mainly indirect emissions, and the emission sources mainly come from the electricity required for air conditioning, equipment and lighting. The impact of climate change on the global environment is becoming more and more significant. UVB complies with the requirements of environmental protection laws and regulations, continues to promote energy conservation and carbon reduction measures, maintains sustainable operations, and fulfills its corporate responsibilities.

1. Promote and implement energy saving and carbon reduction measures, and communicate policies to employees, suppliers, customers and other stakeholders.
2. Strengthen publicity and encourage all employees to develop the habit of saving energy and resources.
3. Turn off lighting equipment in unmanned areas in a timely manner, and turn off lights in office areas during lunch breaks to save energy.
4. Establish an electronic form system to reduce paper usage.
5. Promote the sharing of official vehicles, reduce the number of vehicle attendance and reduce fuel consumption.
6. Establish a greenhouse gas emission inventory, conduct regular inspections, and manage and control emissions.

4.3 Water Resources Management

UVB attaches great importance to water resource management. However, the company is not a manufacturing industry, there is no sewage discharge from the production process or laboratory. The water consumption of the Headquarters of Nangang office, branches and stores were relatively small, and there is no major ecological impact on the water resources.

Water consumption from 2020 to 2021 as described below:

Iten	Unit	2021	2020
Water consumption	metric Tons	3,572.00	4,755.00
Water consumption Intensity	metric Tons ÷ million turnover	1.7907	2.9266
Net turnover (parent company)	NT dollar	1,969,645,844	1,624,756,540

Note: The above statistics are only for the parent company.

Sustainable Benefits



SDGs 14: Life Below Water



SDGs 15: Life on Land

4.4 Waste Management

UVB is committed to the sustainable operation of the enterprise, and continuously strives to reduce the possible impact of waste on the environment. Through various voluntary actions, it avoids excessive packaging of products and jointly implements the responsibility of being environmentally friendly.

UVB advocates convenient and paperless services such as online trading platforms and electronic payment to effectively reduce the energy consumption of customers' round-trip transportation and the use of paper. Fulfill corporate social responsibility.

1. Save paper

(1) Electronic document forms and processes reduce the use of paper and toner.

(2) Complete utilization of paper: use 70P photocopying paper, promote double-sided printing; set up a waste paper recycling box to facilitate the reuse of the reverse side of the paper.

2. Waste Statistics

UVB has no manufacturing and production activities. The general waste in the headquarters office and branch stores is under the overall management of the building management committee, which cannot be calculated effectively, so the total weight of waste cannot be provided.

Sustainable Benefits



SDGs 12: Responsible Consumption and Production



SDGs 15: Life on Land

■ Quantitative management goals for greenhouse gas reduction and water reduction

Taking 2021 as the base year, the university reveals the quantitative management goals of greenhouse gas reduction and water reduction by 5% in 2022 and 2023:

Item	Unit	2021 Actual	2022 Target	2023 Target
GHG Emission Intensity	Ton/CO2e ÷ million turnover	0.2132	0.2025	0.1924
Water consumption Intensity	metric Tons ÷ million turnover	1.7907	1.701	1.616

4.5 ESG Procurement

UVB actively reduces greenhouse gas emissions derived from corporate operations, and makes specific contributions to energy conservation and carbon reduction. We have given priority to purchasing products or services that have been verified by the government with the Green Mark, Energy Label, Water Efficiency Label, Green Building Material Label, so as to promote the sustainable use of resources.

In the part of commodity procurement, UVB prioritizes suppliers who focus on ESG issues. In 2021, the procurement of suppliers concerned about ESG issues accounted for about 72% of the total procurement amount, an increase of 7% compared with 2020. We will continue to look for sourcing opportunities from suppliers that focus on ESG issues.

Unit : NTD

Year	2021	2020
Net purchase	567,049,285	440,410,343
Purchase amount of Suppliers concerned about ESG Issues	410,762,187	285,651,100
Proportion of purchase amount of Suppliers concerned about ESG Issues	72%	65%

Note: The above statistics are only for the parent company.

5 Social Engagement

5.1 Happy Workplace

5.2 Talent Attraction, Retention and Cultivation

5.3 Human Rights Management

5.4 Healthy and Safe Working Environment

5.5 Participation in Social Welfare

5 Social Engagement

UVB is committed to improving the quality of ophthalmic medical care and implementing the corporate sustainable management philosophy with the tenet of "full life cycle of the whole person, the whole eye". As an ophthalmology leader in Taiwan, UVB continues to give back to the community and is dedicated to the improvement of eye and vision health for the general public.

In terms of social participation, UVB follows the United Nations Sustainable Development Goals (SDGs) to promote employee welfare, create a happy workplace, and move towards a sustainable corporate; externally, UVB cooperates with public welfare organizations and invests in social care activities all year round to promote the sustainable development of Taiwanese society.

5.1 Happy Workplace

A "strong cultivating corporate culture" and "fair performance system" is created to enable employees to maintain strong mental stamina and follow standards and methods in their work in this highly competitive industry. Employees are nurtured to experience "harvest and joy" as a promise of reward for their hard work. We provide employees with a happy and safe workplace environment, actively promote diversification and equal employment opportunities, implement gender equality policies, and create a friendly atmosphere of mutual respect between labor and management. The company adheres to the United Nations Sustainable Development Goals (SDGs): "SDG 3: Good Health and Well-being," "SDG5: Gender Equality," "SDG8: Decent Work and Economic Growth," and hopes to create a friendly and stimulating working environment and encourage employees to enhance their self-worth. We strongly believe that the sustainable development of corporates, the continuous establishment and development of talents are the absolute keys to success.

In terms of promoting employment, UVB actively undertakes its responsibility as a "responsible employer" and a "stabilizing social force." As of the end of 2021, UVB have 649 employees, these colleagues enjoy the full protection of the Labor Standards Act, thus highlighting the company's desire to work collaboratively with employees to build UVB as a sustainable development corporate.

■ Gender Equality

The University attaches great importance to gender equality in the career development of employees, actively implements the sustainable development goal of "SDG 5: Gender Equality", and does not discriminate in the selection, cultivation and retention of talents based on the gender of employees.

In terms of human resource structure, as of the end of 2021, the average length of service of the current employee structure of UVB is 3.9 years and the average age is 34 years old.

Regarding the education background, 90% of the employees have above College and University. In general, our workforce infuses a youthful and productive momentum to UVB.

The proportion of female supervisors in management positions is more than 60% ($96/150=64\%$), which shows that UVB only implements gender equality in employee development, and provides a stable working environment and guarantee.

■ Fair pay

The company is committed to implementing an equal and friendly workplace. The overall salary is better than that of OTC biotechnology and medical companies, and does not differ due to factors such as gender, age, race, and nationality, so that employees can develop their personal value in an equal workplace environment. And contribute to the director.

In 2021, the company's salary and compensation ratio between men and women in Taiwan, no matter whether it is a supervisory position or a general position, there is no significant difference in the annual salary and compensation ratio between female and male employees.

■ Human Resource Structure (including employees of subsidiaries)

Year		2020			2021		
Gender		Female	Male	Total	Female	Male	Total
Number of employees	Business	239	174	413	320	180	500
	administration	94	38	132	100	49	149
	R&D	0	0	0	0	0	0
	Total	333	212	545	420	229	649
Average age		33	38	35	32	38	34
Average years of seniority		3.18	4.90	3.85	3.11	5.29	3.88
Educational level %	Ph. D	5	3	8	4	3	7
	Master	15	12	27	14	13	27
	College and University	283	155	438	368	182	550
	Senior high	26	35	61	32	28	60
	Under senior	4	7	11	2	3	5
Number of new employees		164	77	241	217	72	289
Number of resigned employees		111	44	155	128	57	185
Rank	Manager	78	50	128	96	54	150
	Non-manager	255	162	417	324	175	499

5.2 Talent Attraction, Retention and Cultivation

■ Multiple recruitment channels

In order to continue to growth and innovate, UVB must heavily rely on human capital and recruit talents in medical, R&D, information, marketing and sales. The company recruits outstanding talents that meet the needs of the company through multiple channels such as campus recruitment, 104 Job Bank, internal employee recommendations and talent hunting consultants. At the same time, we will closely communicate and cooperate with academic research units and hospitals to ensure the innovation and marketability of products and services. In response to organizational development and expansion, the number of employees in 2021 increased by 19% compared to 2020.

■ Various employee welfare measures, further education, training, retirement systems, and their implementation status, as well as labor-management agreements and various employee rights and interests protection measures.

1. Employee Welfare

In order to strengthen employee welfare measures and improve employee welfare, the Company established an Employee Welfare Committee on January 03, 2003, and regularly held dinner parties, distributed wedding and funeral subsidies, condolences for injuries and illnesses, gifts for three major festivals, etc. All employees participate in labor insurance and nation health insurance.

Aperiodic email announcements regarding employee benefit information, (Health checkups and employee travel, once a year), Welfare Committee information, education and training course information.

Aperiodic gatherings, grants for festivals, wedding, funeral and medical assistance.

2. Further education and training

The Company's training fee for the year 2021 was NT\$ 892,000, and various educational and training sessions were designed and organized for all colleagues. In addition, an enterprise management consulting company was commissioned to make up for the insufficiency of the Company's internal training, so that employees can work in a growing environment.

Education and training: send employees to take external training or attend workshops organized by relevant academic institutions irregularly and organize internal educational training periodically to improve the skills of employees and further create the overall benefit of the Company and employees. The education and training achievements in 2021 are as follows:

Item	Total Persons	Total Hours	Average Hours	Total Expenses
New employee orientation	289	4070	17.5	106,930
Professional training	383	3726	10	689,325
General education training	491	2751	5.25	95,745
Total	1163	10547	10.9	892,000

3. Retirement system and its implementation status:

The Company has formulated the retirement guidelines, which have been in line with the implementation of the Labor Pension Act (hereinafter referred to as the "New System") since July 1, 2005. The payment of the pension is made by the Company by setting aside not less than 6% of the monthly salary on a monthly basis to be deposited in the individual dedicated account for labor pensions. The original labor retirement reserve appropriation account under the Labor Standards Act had been settled in accordance with the law on June 30, 2011.

4. Labor-management agreements and various measures to protect the rights and interests of employees

The Company is an industry subject to the Labor Standards Act, and all operations are carried out in accordance with the Labor Standards Act. The labor-management relationship is harmonious, and there is no labor-management dispute in 2021.

The Company has established a labor-management meeting by election in accordance with the law, and regularly holds meetings on corporate governance communication and coordination, labor-management relations, and labor-management cooperation matters.

- **Performance evaluations and interviews : every 6 months, 2 performance evaluations and interviews in 2021.**
- **Quarterly labor relations meetings : 5 labor relations meetings in 2021.**

■ Remuneration Policy

According to the Company's Articles of Incorporation, the Company shall distribute 1% to 10% of the profit for the year as employee compensation. However, if the Company still has accumulated losses, it shall make up for the loss. Employee compensation may be in stock or cash, and the recipients of the stock or cash may include employees of subordinate companies who meet certain conditions. The distribution of employee compensation shall be reviewed by the Compensation and Remuneration Committee, submitted to the Board of Directors for resolution, and reported to shareholders.

■ Performance Management

Work goal setting, management and assessment basis

1. Semi-annual action plan formulation (project work and routine affairs)
2. Weekly, monthly and quarterly work progress management and tracking
3. Semi-annual work review form review score
4. Execution of annual appraisal

Goal setting process: Top→Down

1. In order to achieve the KPI of the enterprise, there is an action plan for the department/job, which is implemented by each unit
2. Everyone's job role contributes to the achievement of corporate goals

Metrics should be set according to the "SMART" principle

S—Specific

The formulation of each goal clearly states that it must be specific and not a generalization.

M—Measurable

Each objective should be set with quantitative indicators as far as possible.

A—Achievable

All goals must be achievable, realistic and challenging.

R—Relevant

Each objective must relate to the focus of job performance.

T—Timely has a time range

Each goal must be completed within a limited time.

■ Salary Structure

The company's governance and operation management policy is not only aimed at the expression of actual operating results, but also closely links management indicators, departmental work goals and individual performance, fully integrates corporate operations and implements our founding purpose, vision and mission, and sustainable management.

- ◆ Monthly salary: Applicants' expectations and salary market conditions must meet the salary standards for graded positions. Job salary, additional license, expiry of probationary period, and job promotion.
- ◆ Bonuses: monthly or quarterly operating bonuses, year-end bonuses, employee remuneration distribution, project/incentive bonuses
- ◆ Year-end bonus

The total year-end bonuses for 2020 and 2021 are between 3% and 7% of the current year's pre-tax profit and loss, and are issued according to the assessment standards.

Assessment standard: 4 (level) = excellent; 3 (level) = good; 2 (level) = good, for the standard, most of them; 1 (level) = those who have not reached the probationary period or the performance is not as expected or otherwise special Considerer; 0 (grade) = poor (end of year not given).

5.3 Human Rights Management

■ Human Rights Policy

In order to fulfill corporate social responsibility, UVB protects the basic human rights of all employees, customers and stakeholders. We follow the “United Nations Universal Declaration of Human Rights”, the “United Nations Guiding Principles on Business and Human Rights”, the “United Nations Global Compact” and the “ILO Declaration on Fundamental Principles and Rights at Work”, respect internationally recognized basic human rights, and abide by the labor laws and regulations of the place of operation, and formulate human rights policies and specific management plans.

- **Diversity, inclusiveness and equal opportunity**
- **Prohibition of forced labor and child labor**
- **Provide fair and reasonable compensation and working conditions**
- **Provide a safe, hygienic and healthy working environment**
- **Respect employees’ liberty of assembly and association**

■ Communication feedback and complaints channel

UVB attaches great importance to the opinions of all parties, and is committed to providing open and transparent communication channels. The company has a complaint hotline and mailbox, and holds quarterly labor-management meetings, and an interview is conducted with new employees when their probation period expires and with resigned employees, etc., so that colleagues can make use of various channels to give feedback on the organizational system and work environment.

The official website provides a contact platform for investors, customers, employees, suppliers, communities, and news media to give feedback. It is published in the “Stakeholders Area” based on categories and lists all communication and feedback content since 2021 in order to provide our response and attention to multiple voices.

■ Internal communication and complaint channels

Employee complaint email: winnie.chan@eyecenter.com.tw

5.4 Healthy and Safe Working Environment

UVB maintains strict standards for workplace safety, formulates "Occupational Health and Safety Management Manual", establishes the workplace safety management mechanism, and creates a safe workplace. The Company identifies, evaluates, and manages hazards in workplace to reduce potential threats while generating teaching materials with reference to common occupational accidents to educate our employees and to strengthen their safety awareness in order to prevent accidents.

■ Work environment and employee personal safety protection measures

The company has promulgated the "Anthropogenic Hazard Prevention Program", "Abnormal Workload Promoting Disease Prevention Implementation Program", etc. for labor safety and hygiene measures, including accidents, fire safety, electrical operation safety, machinery and equipment operation safety, first aid and rescue, and the preparation, maintenance and use of protective equipment. , accident notification and reporting, etc., all have relevant regulations and regular education and training to ensure a good working environment and employee personal safety protection.

- When employee arrive on duty, they all carry out safety and health education and training according to the law (61 people trained in 2021, a total of 183 hours); and regularly hold first aid and fire drill training courses (2021 annual training course date is November 17).
- In addition, it also provides employee health check and related health care knowledge courses, so that employees can be well cared for (184 staff health check in 2021, 1 day health training course).
- Regularly conduct fire escape drills for employees to strengthen employees' safety escape concept (in 2021, due to COVID 19, crowds were avoided, and no fire drill was held; in 2022, a fire drill was held on September 27).
- Regular occupational safety publicity information sharing, 12 times of occupational safety publicity in 2021.

■ Occupational Injuries have occurred from 2020 to 2021.

Year	2020	2021
Number of Occupational Injuries	3	3
Number of employees	545	649
Occupational Injury Rate	0.55%	0.46%

- **The official website provides a contact platform “Sexual Harassment Prevention Area”, content include:**
 - **The purpose:**

In order to prevent sexual harassment and protect the rights and interests of victims, the company has formulated the main points of sexual harassment prevention complaints and investigation and handling in accordance with the provisions of Paragraph 1 and 2 of Article 7 of the Sexual Harassment Prevention and Control Act.
 - **Scope:**

These regulations apply to the sexual harassment behavior of the employees of the company to which the Sexual Harassment Prevention and Control Law should be applied, but the sexual harassment behavior should be handled by the Gender Work Equality Act or the Gender Equality Education Act, and this method does not apply.
 - **If you discover or learn about sexual harassment incidents, the complaint hotline:**

Hotline: (02) 26558000 Human Resources Department
Fax line: (02) 26557890
email: hr@eyecenter.com.tw
 - **Operational regulations related to the prevention and control of sexual harassment incidents:**

Sexual Harassment Prevention Complaint, Investigation and Handling Points
Sexual Harassment Complaint
Workplace Sexual Harassment Prevention Measures Complaints and Punishments

5.5 Participation in Social Welfare

UVB is well aware of the responsibilities and missions that enterprises shoulder to the society. By actively participating in various activities, the power of the enterprise will be properly exerted and bring changes and influences to the society.

■ The implementation status of the promotion of sustainable development in 2021

1. In Taiwan, assisted cooperative clinics to conduct a total of 30 free clinics, serving a total of nearly 1,200 people in public welfare vision health free clinics; and a total of 8 vision care lectures;
2. In China, a total of 459 sessions of free eye care medical counseling for children and adolescents were held in mainland China, serving nearly 133,000 people; 1,055 sessions of free cataract medical counseling were held, serving nearly 75,000 people; and a total of 122 speeches on vision care.
3. Assist cooperative clinics to participate in the Taipei City and New Taipei City Health Bureau's promotion of high myopia prevention and control programs for school children.
4. When you gain the benefit from the society, you always return the good back to the society. The Company takes practical actions to care for social welfare. During the increasingly severe period of the COVID-19 pandemic situation, the medical nurses and police in the hot areas of both Taipei City and New Taipei City were facing huge challenges. For this purpose, UVB assisted to fundraise NT\$ 3 million to bring out the best of all society to take physical actions to support the medical and police personnel; In addition, we also teamed up with Carl Zeiss to make a joint donation of 4,500 sets of anti-pandemic goggles to the Social Welfare Department of the Taipei City Government, the Social Welfare Department of the New Taipei City Government, and the ROC Friends of Police Association. It is our hope that, with practical actions, we can jointly become the most powerful backing for the front-line personnel to fight against the “pandemic” together with one life on the same island !

Chapter 6 Appendix : GRI Content Index

- The material topics of the year.

The ESG report is not guaranteed/assured by an external independent agency.

Topics	Disclosure	Content	Chapter	Page	Note
GRI 102: General Disclosures					
Organizational Profile	102-1	Name of the Organization	2. About Us	11	
	102-2	Activities, brands, products, and services	2. About Us	11	
	102-3	Location of headquarters	2. About Us	11	
	102-4	Location of operations	2. About Us	11	
	102-5	Ownership and legal form	2. About Us	11	
	102-6	Markets served	2. About Us	11	
	102-7	Scale of the organization	2. About Us	11	
	102-8	Information on employees and other workers	5.1 Happy Workplace	48	
	102-9	Supply chain	2.6 Supply Chain of Vision correction and Ophthalmology	19	
	102-10	Significant changes to the organization and its supply chain	2. About Us	11	
	102-11	Precautionary principles or approach	3.2 Risk Management	35	
	102-12	External initiatives	—	—	Without participating in external initiatives
	102-13	Membership of associations	2.7 Participation in External Associations	20	
Strategy	102-14	Statement from senior decision-maker	Chairman's Message	03	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	3.1 Governance in Practice	24	
	102-17	Mechanisms for advice and concerns about ethics	3.1 Governance in Practice	24	
Governance	102-18	Governance structure	3.1 Governance in Practice	24	
	102-19	Delegating authority	1.4 Promote Corporate ESG	10	
	102-20	Executive-level responsibility for economic, environmental, and social topics	1.4 Promote Corporate ESG	10	
	102-21	Consulting stakeholders on economic, environmental, and social topics	1.4 Promote Corporate ESG	10	
	102-22	Composition of the highest governance body and its committees	3.1 Governance in Practice	24	
	102-25	Conflicts of interest	3.1 Governance in Practice	24	
	102-36	Process for determining remuneration	3.1 Governance in Practice	24	
Shareholder Engagement	102-40	List of stakeholder groups	1.1 Identify the Stakeholders	06	
	102-41	Collective bargaining agreements	NA	—	No unions were established, and no collective bargaining agreements were signed
	102-42	Identifying and selecting stakeholders	1.1 Identify the Stakeholders	06	
	102-43	Approach to stakeholder engagement	1.2 Issues of Concerns for Stakeholders	07	
	102-44	Key topics and concerns raised	1.2 Issues of Concerns for Stakeholders	07	

Topics	Disclosure	Content	Chapter	Page	Note
GRI 102: General Disclosures					
Reporting Practice	102-45	Entities included in the consolidated financial statements	About the ESG report	04	
	102-46	Defining report content and topic boundaries	1.3 Identify the Material Topics	08	
	102-47	List of material topics Restatement of information	1.3 Identify the Material Topics	08	
	102-48	Changes in reporting	No significant change	–	
	102-49	Changes in reporting	–	–	This report is published for the first time
	102-50	Reporting period	About the ESG Report	04	
	102-51	Date of most recent report	–	–	This report is published for the first time
	102-52	Reporting cycle	About the ESG Report	04	
	102-53	Contact person for questions regarding the report	About the ESG Report	04	
	102-54	Claims of reporting in accordance with the GRI Standards	About the ESG Report	04	
	102-55	GRI content index	About the ESG Report	04	
	102-56	External assurance	NA	04	This report is not guaranteed / assured by an external independent agency
Economic Aspect					
● Economic Performance					
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundaries	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	2.1 Business Philosophy 2.2 Technology and R&D 2.3 Quality Management 2.4 Competition niche 2.5 Strategies and Actions 3.6 Business Performance	14 15 16 20 21 42	
	103-3	Evaluation of the management approach	3.6 Business Performance	42	
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed	3.6 Business Performance	42	
	201-2	Financial implications and other risks and opportunities due to climate change	3.2 Risk Management	37	
GRI 203 Indirect Economic Impacts	203-1	Infrastructure investments and services	3.2 Risk Management 3.3 Legal Compliance 3.4 Cyber Security	16 20 21	
GRI 205 Anti-corruption	201-1	training about anti-corruption policies and procedures provided supported Communication and	3.1 Governance in Practice	24	
	205-3	Confirmed incidents of corruption and action taken	–	–	No such incidents occurred in 2021
GRI 206 Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, and anti-trust, and monopoly practices	–	–	No such incidents occurred in 2021

Topics	Disclosure	Content	Chapter	Page	Note
Environmental Aspect					
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	302-4	Reduction of energy consumption	4.1 Energy Management	45	
Water and Effluents					
GRI 303 Water and Effluents	303-3	Water withdrawal	4.3 Water Resources and Wastewater Management	47	
Emissions					
GRI 305 Emissions	305-2	Energy indirect (Scope 2) greenhouse gas emissions	4.2 Greenhouse Gas Emissions	46	
	305-5	Reduction of greenhouse gas emissions	4.2 Greenhouse Gas Emissions	46	
	305-6	Emissions of ozone-depleting substances(ODS)	4.2 Greenhouse Gas Emissions	46	
	305-7	Nitrogen oxides(NOx), sulfur oxides(SOx), and other significant air emissions	4.2 Greenhouse Gas Emissions	46	
Waste					
GRI 306 Waste	306-2	Management of significant waste-related impacts	4.4 Waste Management	47	
	306-3	Waste generated	4.4 Waste Management	47	
	306-4	Waste diverted from disposal	4.4 Waste Management	47	
● Environmental Compliance					
GRI 103 Management Approach	103-1	Explanation of the material topic and its boundaries	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	3.3 Legal Compliance	38	
	103-3	Evaluation of the management approach	3.3 Legal Compliance	38	
GRI 307 Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	3.3 Legal Compliance	38	

Topics	Disclosure	Content	Chapter	Page	Note
Social Aspect					
Employment					
GRI 401 Employment	401-1	New employee hires and employee turnover	5.1 Happy Workplace	50	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Talent Attraction, Retention and Cultivation	52	
	401-3	Parental leave	5.2 Talent Attraction, Retention and Cultivation	52	
GRI 402 Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	5.2 Talent Attraction, Retention and Cultivation	52	
Occupational Safety and Health					
GRI 403 Occupational Safety and Health	403-1	Occupational safety and health management system	5.4 Healthy and Safe Working Environment	55	
	403-2	Hazard identification, risk assessment, and incident investigation	5.4 Healthy and Safe Working Environment	55	
	403-3	Occupational health services	5.4 Healthy and Safe Working Environment	55	
	403-4	Worker participation, consultation, and communication on occupational safety and health	5.4 Healthy and Safe Working Environment	55	
	403-5	Worker training on occupational safety and health	5.4 Healthy and Safe Working Environment	55	
	403-6	Promotion of worker health	5.4 Healthy and Safe Working Environment	55	
	403-7	Prevention and mitigation of occupational safety and health impacts directly linked by business relationships	5.4 Healthy and Safe Working Environment	55	
	403-9	Work-related injuries	5.4 Healthy and Safe Working Environment	55	
	403-10	Work-related illness	5.4 Healthy and Safe Working Environment	55	
Training and education					
GRI 404 Training and Education	404-1	Average hours of training per year per employee	5.2 Talent Attraction, Retention and Cultivation	52	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2 Talent Attraction, Retention and Cultivation	52	
Diversity and Equal Opportunity					
GRI 405 Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	3.1 Governance in Practice 5.1 Happy Workplace	26 50	
GRI 406 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	5.3 Human Rights Management	54	No incidents of discrimination in 2021
GRI 409 Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.3 Human Rights Management	54	No such incidents in 2021
GRI 412 Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	5.3 Human Rights Management	54	The Company has formulated policies and management scheme regarding human rights

Topics	Disclosure	Content	Chapter	Page	Note
● Quality Management					
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	2.3 Quality Management	16	
	103-3	Evaluation of the management approach	2.3 Quality Management	16	
GRI 416 Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	2.3 Quality Management_ Product Safety Monitoring	18	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.3 Quality Management_ Product Safety Monitoring	18	
GRI 417	417-1	Requirements for product and service information and labeling	2.3 Quality Management_ Marketing and Customer Relations	19	
	417-2	Incidents of non-compliance concerning product and service information and labeling	2.3 Quality Management_ Marketing and Customer Relations	19	
	417-3	Incidents of non-compliance concerning marketing communications	2.3 Quality Management_ Marketing and Customer Relations	19	
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.3 Quality Management_ Customer Right and Privacy	19	
● Legal Compliance					
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	3.3 Legal Compliance	38	
	103-3	Evaluation of the management approach	3.3 Legal Compliance	38	
GRI 419 Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	3.3 Legal Compliance	38	
● Cyber Security					
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	3.4 Cyber Security	39	
	103-3	Evaluation of the management approach	3.4 Cyber Security	39	
Cyber Security	-	Number of breaches to Cyber Security	3.4 Cyber Security	39	No Cyber security incidents in 2021
● Intellectual Property Rights Protection					
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	1.3 Identify the Material Topics	08	
	103-2	The management approach and its components	3.5 Intellectual Property Rights Protection	41	
	103-3	Evaluation of the management approach	3.5 Intellectual Property Rights Protection	41	
Intellectual Property Rights Protection	-	Accumulated number of patent applications	3.5 Intellectual Property Rights Protection	41	

Appendix B

Sustainability Accounting Standards Board (SASB) Content Index

Industry Category : HEALTH CARE DISTRIBUTORS

Code	Accounting Metric	Category	Disclosure	Chapters	Page
Fleet Fuel Management					
HC-DI-110a.1	Payload fuel economy	Quantitative	0 (The optical glasses products, ophthalmic instruments and equipment, and ophthalmic drug consumables distributed by the company are all delivered directly to customers by suppliers, without transportation equipment and without consumption of transportation fuel.)	-	-
HC-DI-110a.2	Description of efforts to reduce the environmental impact of logistics	Discussion and Analysis	The company places an order with the supplier in advance in accordance with the demand schedule when purchasing, and strives to pursue the unified shipment of the ordered products without out-of-stock. When delivering the goods, the products that meet the needs of the same customer should be delivered as much as possible to avoid multiple times. Transportation adds to the environmental burden.	4.2 Greenhouse Gas Emissions	46
Product Safety					
HC-DI-250a.1	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	0 (The company did not have such incidents in the reporting year.)	-	-
HC-DI-250a.2	Description of efforts to minimize health and safety risks of products sold associated with toxicity/chemical safety, high abuse potential, or delivery	Discussion and Analysis	All the products distributed by the company need to be approved by the competent authority before they can be imported. During product inspection and registration, a product biocompatibility report is also provided to ensure that the product will not produce toxicity when it comes into contact with the human body.	2.3 Quality Management_ Product Safety Monitoring	18
Counterfeit Drugs					
HC-DI-260a.1	Description of methods and technologies used to maintain traceability of products throughout the distribution chain and prevent counterfeiting	Discussion and Analysis	The company has introduced the TIPTOP ERP management system, and the procurement and shipment operations are controlled through the system, and complete records are kept from ordering to suppliers to delivery to clients. "Adverse Drug Reaction Notification Operation Method", "Recall Mechanism and Handling Operation Method" and other regulations to improve product safety and medical quality.	2.3 Quality Management_ Product Safety Monitoring	18
HC-DI-260a.2	Discussion of due diligence process to qualify suppliers of drug products and medical equipment and devices	Discussion and Analysis	The company has formulated the "Code of Ethics and Conduct" and the "Ethics and Morals Publicity and Reporting System for Practitioners", and strictly abides by the "Pharmaceutical Affairs Law", "Pharmaceutical Affairs Law Enforcement Rules" and other regulations related to pharmaceuticals and medical care. Internal education and training are held on a regular basis to ensure compliance with requirements.	2.3 Quality Management_ Product Safety Monitoring	18

Code	Accounting Metric	Category	Disclosure	Chapters	Page
HC-DI-260a.3	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	Discussion and Analysis	The medicines, consumables and equipment suppliers distributed by the company have been reviewed and approved by the competent authority, and the products distributed by the company have been reviewed and approved by the competent authority, and can only be imported after passing through multiple checks, so there is no possibility of selling counterfeit products.	2.3 Quality Management_ Product Safety Monitoring	18
Product Lifecycle Management					
HC-DI-410a.1	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	The medicines, consumables and equipment distributed by the company are all packaged by the supplier before shipment. After receiving the shipment, the company will continue to use the original packaging and deliver it directly to the customer, and will not repack or change the packaging.	4.4 Waste Management	47
HC-DI-410a.2	Amount (by weight) of products accepted for take-back and reused, recycled, or donated	Quantitative	0 (The company did not have such incidents in the reporting year.)	-	-
Business Ethics					
HC-DI-510a.1	Description of efforts to minimize conflicts of interest and unethical business practices	Discussion and Analysis	The company regards "business performance", "compliance with laws and regulations", "medical security" and "information security protection" as major issues of corporate sustainable development, and strives to promote a corporate governance culture of integrity and transparency.	3.1 Governance in Practice	26
HC-DI-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery, corruption, or other unethical business practices	Quantitative	0 (The company did not have such incidents in the reporting year.)	-	-
Activity Metric					
HC-DI-000.A	Number of pharmaceutical units sold by product category	Quantitative (NT\$ thousand)	Glasses frames and lenses 165,779 Long-wearing contact lenses and OL Lens 211,047 Disposable Contact Lenses and Potions 86,679 Health food and others 155,210	2021 Annual Report, p.79	-
HC-DI-000.B	Number of medical devices sold by product category	Quantitative (NT\$ thousand)	Laser Consumables 1,398,983 Pharmaceutical consumables 399,541	2021 Annual Report, p.79	-

Appendix C

Task Force on Climate-Related Financial Disclosures (TCFD)

According to The Global Risks Report 2022 issued by World Economic Forum, enterprises, governmental organizations, and civil leaders interviewed consider climate action failure and extreme weather as the top 2 most severe risks of the top 10 global risks over the next 10 years. "extreme climates" are the risk with the highest probability of occurrence and that failure to act against climate change will have the greatest impact on the world in long run, causing environmental damage and loss of biodiversity. Mitigating climate change has become the world's most urgent problem that should be solved.

In addition, the report also mentioned that after the "26th United Nations Climate Change Conference (COP26)" at the end of 2021, current scientific evidence has confirmed that the global temperature increase in 2021 has risen by 1.2°C compared to the global average temperature before the industrial revolution. . COP26 believes that all countries in the world must indeed achieve the goal of net zero emissions (Net Zero) by 2050, and introduce "long-term climate strategies (Long-term strategies, LTSs)" and "nationally determined contributions (NDCs)" in order to At the end of the 21st century, the most optimistic global warming rate of 1.8°C is reached.

Implementing ESG strategies and promoting low-carbon operations has become a global development trend, UVB recognizes the enormous impact of climate change on the economy, society, and the environment. As the leader of vision biotechnology brand company in Taiwan, we must heed our corporate social responsibility and respond to the challenges brought forth by climate change. To measure and analyze the impact of climate-related risks and to formulate control measures, we adopted the framework from the Task Force on Climate-related Financial Disclosure (TCFD) issued by the Financial Stability Board (FSB). Based on the framework, we disclosed our governance, strategies, risk management and metrics, and targets to help investors and stakeholders understand UVB's climate actions.



Source : Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures (June 2017)

01 Governance

UVB stay highly attentive of our climate change risks and opportunities to ensure that we can fulfill our responsibilities to society, the environment, and all our stakeholders. All members of our management team from our chairman to senior managers consider climate change to be an important corporate issue and work to monitor and manage climate topics using an effective governance framework.

The Board of Directors of UVB is the highest governance unit to drive sustainable development. Based on the principles of ethical governance and protection of shareholders' equity, the Board of Directors oversees a wide range of environmental risks and opportunities, including climate change-related impacts.

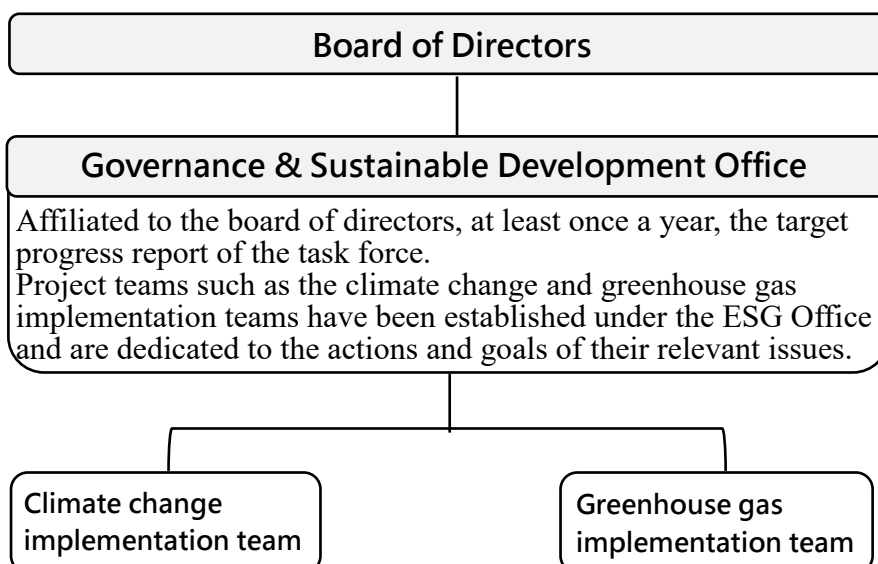
In order to implement sustainable measures, the Board of Directors approved the "Sustainable Development Best Practice Principles" and established ESG Office to carry out various sustainability actions. In terms of climate action, the Office acts as a platform for horizontal connection and vertical integration, self-management completed 2021 and 2020 greenhouse gas inventory and disclosure, and the converted total emissions are as follows:

Iten	Unit	2021	2020
Scope 1 (direct)	Ton/CO2e	70.05	66.30
Scope 2 (Energy Indirect)	Ton/CO2e	349.96	395.73
Scope 1 + Scope 2	Ton/CO2e	420.01	462.03
GHG Emission Intensity	Ton/CO2e ÷ million turnover	0.2132	0.2844
Net turnover (parent company)	NTD million dollar	1,969.6458	1,624.7565

Each team, based on its responsibilities, evaluates potential climate-related risks and opportunities, formulates countermeasures, plans, executes, and discloses greenhouse gas inventory, and regularly tracks carbon reduction performance.

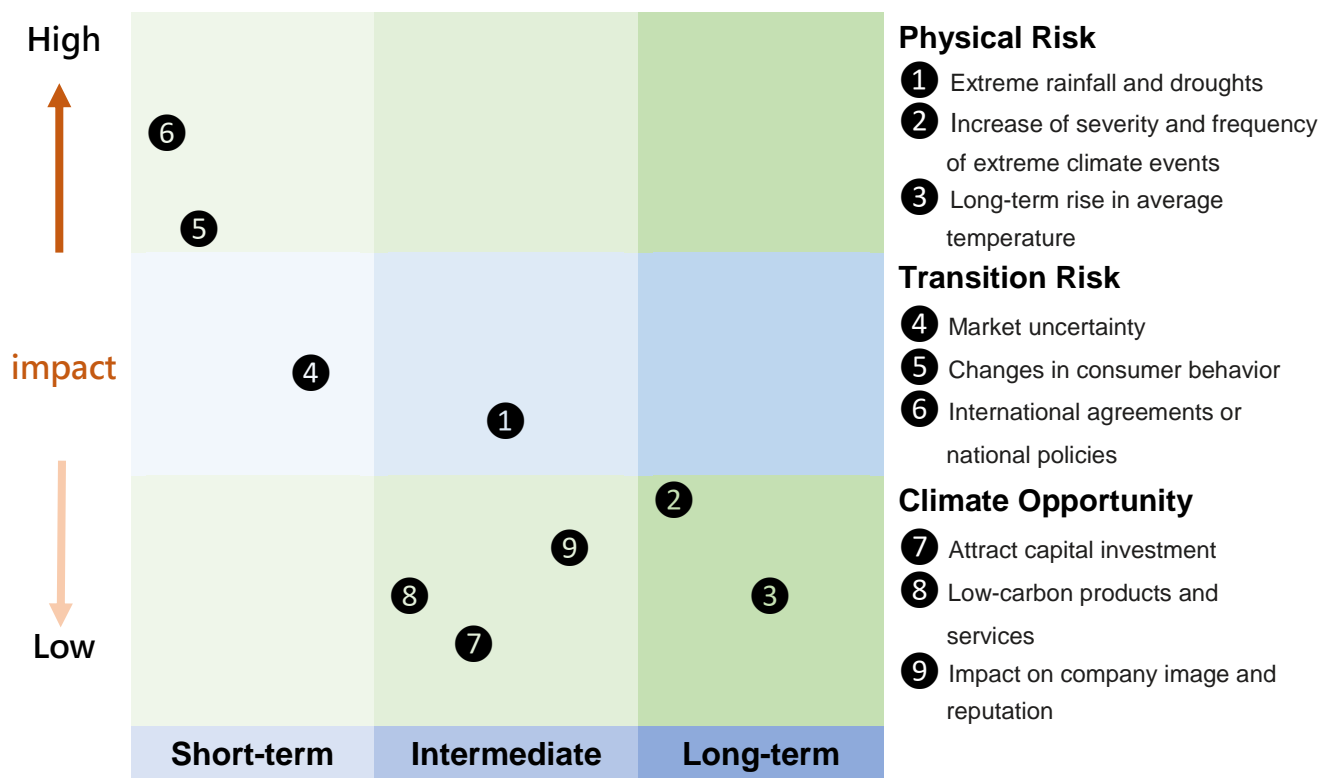
2021 years as the base year, revealing the GHG reduction management goals for 2022 and 2023:

Item	Unit	2021 Actual	2022 Target	2023 Target
GHG Emission Intensity	Ton/CO2e ÷ million turnover	0.2132	0.2025	0.1924



02 Strategy

ESG Office assess the current major climate risks and opportunities faced by UVB using the TCFD items and used these to build a TCFD materiality matrix, to analyze short term, intermediate, and long-term potential physical and transition risks as well as related business opportunities. The Company then formulated mitigation and adaptation strategies to enhance corporate climate resilience, as shown below:



■ Climate Risk and Opportunity Analysis

Physical Risk	Extreme rainfall and droughts	Increase of severity and frequency of extreme climate events	Long-term rise in average temperature
Description	Affect the harvest of main raw materials of health care products, resulting in difficulties in obtaining raw materials and increasing costs.	Supply chains for commodities such as medicines and consumables are disrupted.	The average temperature is rising year by year, and the power consumption of air conditioners in operating bases is increasing.
Possible Timeline	Mid-term	Long-term	Long-term
Degree of Impact	Medium	Low	Low
Financial Impacts	Increase in operating costs	Increase in operating costs decrease in revenue	Increase in operating expenses
Response Measures	Diversify production sources and increase material preparation to enhance resilience of supply chains	Monthly occupational safety publicity to strengthen the response to natural disasters. The supplier's long-term supply strategic partner.	The air conditioner is set at 28 degrees in the office space and operating stores. Frequency conversion and LEDs are used to save electricity when air conditioners and lighting equipment are replaced.

Transition Risk	Market uncertainty	Changes in consumer behavior	International agreements or national policies
Description	Increased raw material costs due to climate change impacts on sourcing regions.	The price of a product or service increases due to passing on costs, and consumers buy less. High temperature and strong light in extreme climates may trigger new demand transformations such as cataracts, dry eye syndrome, and polarized lenses.	Labor costs and verification fees required by laws and regulations such as greenhouse gas inventory and verification. The human cost of climate-related disclosures.
Possible Timeline	Short-term	Short-term	Short-term
Degree of Impact	Medium	High	High
Financial Impacts	Increase in operating costs Increase in operating expenses	reduce in profit Increase in revenue	Increase in operating expenses
Response Measures	The supplier's long-term supply strategic partner. Implement energy saving and carbon reduction activities in offices and operating stores.	Development of new products or services.	Make good use of the website resources of competent authorities and public associations to reduce personnel learning costs.

Climate Opportunity	Attract capital investment	Low-carbon products and services	Impact on company image and reputation
Description	Expand ESG disclosures to attract investor interest: Corporate ESG disclosures are a key factor in the achievement of sustainable development goals.	Provide low-carbon products and services to meet increased demand for green consumption: In order to reduce greenhouse gas emissions, governments worldwide have begun to enact carbon levies on enterprises; enterprises are moving towards low-carbon practices to reduce the risks and costs of carbon emissions.	Increasing investor interest in ESG performance: At present, investors are paying increasing attention to the Environmental (E), Social (S), and Governance (G) performance of these corporations. There is therefore a need for these companies to continually enhance their sustainability actions and performance to attract investors.
Possible Timeline	Mid-term	Mid-term	Mid-term
Degree of Impact	Low	Low	Low
Financial Impacts	Increase in operating expenses	Increase in operating costs	Investments, capital funding, and financing
Response Measures	Faced with the impacts of climate change, UVB has prepared disclosures based on the TCFD framework in response to global climate targets and to strengthen our own emphasis on climate change risks.	Although energy consumption are not major issues of the company, we still use the results of greenhouse gas inventory to introduce circular economy thinking, reduce waste and strengthen climate and environmental issues to improve our colleagues. Recognize with cooperative units to reduce carbon emissions generated during operation.	UVB actively responds to the ESG performance requirements of international investors. We continue to implement sustainability actions in all aspects and publicly disclose these actions in our (ESG Report).

■ Scenarios for resilience

Based on the recommendations of the TCFD guidelines, we used the worst-case scenarios to assess the business impact of climate change, and incorporated the results into the risk management procedures to take appropriate adaptation actions.

◆ Analysis of Physical Risks of Climate Change

In accordance with the TCFD framework, UVB sets the benchmark scenario and the 2°C scenario, and identifies and analyzes the short, medium and long-term climate risks and opportunities in the company's business scope and the entire life cycle of assets.

In terms of transition risks, the university's benchmark scenario and 2°C scenario refer to the RCP8.5 and RCP 2.6 climate scenarios of the United Nations Panel on Climate Change (IPCC) respectively, and conduct risk assessments on immediate physical risks and long-term physical risks:

Immediate Physical Risk : Facility/equipment damages arising from and increased frequency and severity of severe typhoons.

If the frequency and severity of strong typhoons increase, UVB's operating bases may face the risk of damage, which will result in repairs to damaged store signs or equipment, resulting in an increase in the company's operating costs. If the operating bases cannot operate normally, which will affect the company's service quality, resulting in a decrease in customer satisfaction and a decrease in revenue.

According to the IPCC report, the number of tropical cyclones (typhoons) is expected to decrease, but the strongest category 4 (with a wind speed of 58-70 meters per second, equivalent to a strong typhoon) and category 5 (with a wind speed greater than 70 meters per second, equivalent to a strong typhoon) cyclones are expected to occur more frequently; my country's TCCIP also pointed out that the typhoon rainfall intensity will increase by 20% to 40%, which means that some areas may be flooded, which will cause cost. The assets of the company's operating sites are damaged, so that budgets need to be invested in repairs, and even affect the interruption of the company's operations. According to the internal estimate of UVB, the potential financial risk to the company's operation due to strong typhoon and heavy rainfall is NTD 6 million per year. ((There are 33 business sites in Taiwan. It is estimated that if one business site in the north, central and south is damaged each year, the repair cost will be NTD2 million each time.)

Long-term Physical Risk : Increased energy consumption due to rising average temperature.

According to information from the Taiwan Energy Bureau, every 1 degree drop in air-conditioning temperature will increase electricity consumption by 6%, and universities rely solely on air-conditioning systems to maintain the operation of offices, warehouses, and stores. Therefore, when the temperature of the whole Taiwan rises, it will cause Company operating costs rise.

In the context of RCP8.5, my country's TCCIP research pointed out that Taiwan's average temperature will rise by 0.90°C from 2021 to 2040, 1.65°C from 2041 to 2060, 2.53°C from 2061 to 2080, and 2.53°C from 2081 to 2100. 3.37°C. It can be found that the average temperature in Taiwan will continue to rise. Assuming that the university's demand for electricity consumption remains unchanged, the electricity consumption in 2021 (annual electricity consumption of 697,124 degrees) will be maintained. In response to the increase in the average temperature of the whole Taiwan by 1 degree, the electricity consumption will increase by 6%, and the average electricity cost per kilowatt-hour will be maintained. It is NT \$3.88, so in 2040, it is estimated that the electricity bill of university light will increase by NT \$146,000 thousand per year, and in 2060, 2080, and 2100, it will increase to NT \$268,000 thousand, 411,000 thousand, and 547,000 thousand respectively.

In the context of RCP2.6, my country's TCCIP study pointed out that Taiwan's average temperature will rise by 1.02°C from 2021 to 2040, 1.35°C from 2041 to 2060, 1.31°C from 2061 to 2080, and 1.31°C from 2081 to 2100. 1.2°C. It can be found that the average temperature in Taiwan will reach the highest peak in 2041-2060, and then continue to cool down. Assuming that the university's demand for electricity consumption remains unchanged, the electricity consumption in 2021 (annual electricity consumption of 697,124 degrees) will be maintained. In response to the increase in the average temperature of the whole Taiwan by 1 degree, the electricity consumption will increase by 6%, and the average electricity cost per kilowatt-hour will be maintained. It is NT \$3.88, so it is estimated that the electricity bill of university light will increase by NT \$166,000 thousand in 2040, NT \$219,000 thousand, 213,000 thousand, and 195,000 thousand in 2060, 2080, and 2100, respectively. In addition, according to the TCCIP research, the temperature rise in summer will be 0.6-1°C higher than the average temperature in summer, so it can be predicted that the electricity bill will rise even more in summer.

◆ Analysis of Transition Risks of Climate Change

UVB is not an energy-intensive company and based on the risk identification procedure, transition risks will not have a significant impact on its operations. We still pay close attention to global climate-related measures and analyze the financial impact of the transition risks. Based on the assessment results, it can be determined that transition risks have no significant impacts on the Company's operations.

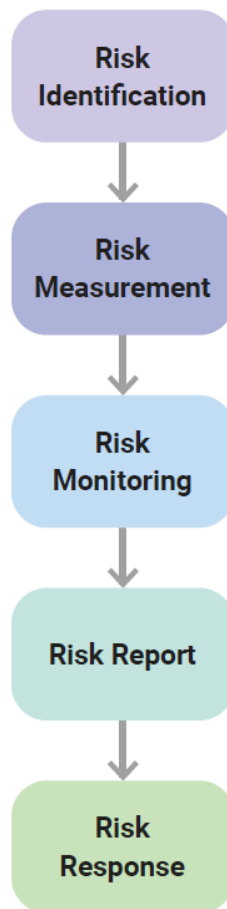
In order to mitigate the impact of transition risks, we persist in our efforts to implement various energy conservation measures and search for potential carbon reduction opportunities.

03 Risk Management

In order to enhance the Company's corporate governance, establish an effective risk management mechanism, assess and supervise the risk-taking ability and the current risk management situation, UVB expected to approve the "Risk Management Policies and Procedures" in 2023 as the Company's highest guiding principle of risk management.

Trough the policies and procedures, the Company integrates and manages various potential strategic, operational, financial and hazardous (climate change, legal compliance, market competition) risks that may affect operations and profitability, carries out risk warnings and takes appropriate preventive measures, or maintains operational activities in the event of an accident.

The responsible unit identifies relevant risk factors, analyzes the potential impact of each risk on the Company's operations, and develops and adopts measures to control risks within the Company's tolerable range. The board of Directors receives regular reports from the Risk Management Task Force and supervises the status of risk management execution by the Company and its important subsidiaries.



04 Metrics and Targets

The current and future potential risks and opportunities of climate change

Although energy consumption, water use, and waste management are not major issues of the company, we still use the results of greenhouse gas inventory to introduce circular economy thinking, reduce waste and strengthen climate and environmental issues to improve our colleagues. Recognize with cooperative units to reduce carbon emissions generated during operation.

the Company has been identifying climate change risks, including the analysis of the direct or indirect impacts brought by extreme weather and the risks and opportunities brought by regulatory, technical, or market demand transformational impacts and other humanity, social aspects for the Company's operational activities. Based on the analysis findings, the risk management strategy plan is created as the core of the climate change action and related opportunities are identified to mitigate risks and grab business opportunities. The evaluation results are hereby summarized as follows :

Type of Risk	Climate Change Risk Identification	Climate Change Opportunity Identification	Countermeasure
Source of Energy	Requirements for clean energy/insufficient power supply/water shortage	<ul style="list-style-type: none"> When equipment is added, we will cooperate with the government's subsidy policy, and apply for related energy-saving subsidies. To promote electronic management system 	<ul style="list-style-type: none"> Colleagues are encouraged to commute through public transportation tools or riding a bicycle, and Plant greenery in the office to reduce carbon emissions. Promoted green consumption : Daily purchases of office supplies were based on products carrying the Green Symbol. Establish an electronic quality management system to ensure the operational efficiency of low carbon activities at all stages. For purchasing office equipment, air conditioning, illumination, and water-saving equipment qualified for energy-saving subsidies will be purchased and related subsidies will be applied with the government.
Products and Services	Low-carbon products and services	Low-carbon products and services are promoted in response to climate change	<ul style="list-style-type: none"> When purchasing products, introduce company products that pay attention to ESG concepts. Establish an energy-saving and carbon-reducing working environment, and serve the public with low-carbon emission-intensive services.
	Find new business opportunities	The international society continues to value environmental protection awareness and the care for lives on earth.	<ul style="list-style-type: none"> High temperature and strong light in extreme climates may trigger new demand transformations such as cataracts, dry eye syndrome, and polarized lenses.

Climate Management Results and Goals

TCFD Core Elements	Climate Management Key Results	Development Goals
Governance	The Boards is the responsible unit for risk , opportunity, decisions and supervising for climate change issues. Governance & Sustainable Development Office, affiliated to the Board of Directors, is responsible for drafting strategies, evaluating, supervising and implementing climate-related issues and matters, and reporting to the Boards at least once a year.	<ul style="list-style-type: none"> Continue to improve management teams knowledge about the related issues or initiatives on low-carbon, science and global climate. The management teams strengthen the supervision of the company's continuous low-carbon implementation plans.
Strategy	The Company is committed to the green supply chains, driving the environmental awareness of the biotechnology industry and achieve the goal of effectively reducing greenhouse gas emissions.	<ul style="list-style-type: none"> Continue to promote low-carbon products and services To list net zero emissions as a long-term development goal
Risk Management	Governance & Sustainable Development Office convenes sessions to identify risks and opportunities related to climate change, and establishes plans for major risks and opportunities to trace progress and results and achieve environmental goals	<ul style="list-style-type: none"> Strengthen the negotiation mechanism with providers and customers to improve the company's influence.
Metrics and Targets	To set and achieve carbon reduction targets The proportion of ESG procurement in the company's product purchases	<ul style="list-style-type: none"> To set the company's greenhouse gas reduction target, and regularly disclose the results.