

## Sustainable Development

Evaluation Items	Facts of performance (Note 1)			Status on discrepancy and reasons in relation to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Description in Summary (Note 2)	
I. Whether or not the company has established a governance structure to promote sustainable development, and set up a full-time (or part-time) unit to promote sustainable development, which is handled by senior management authorized by the Board of Directors, and the Board of Directors supervises the performance?	✓		<p>On August 11, 2023, the Company established the Sustainable Development Committee, and Chief Sustainability Officer, President Tsai Te-Chung is leading all departments of the enterprise group to promote the sustainable development of the Company. Their duties and responsibilities include formulating the annual plans for promoting the implementation of sustainable development, reviewing and updating the "Sustainable Development Best Practice Principles" and other relevant norms. The President leads each department concerned to promote the annual programs, of which the sustainable development aspect includes:</p> <ol style="list-style-type: none"> <li>1. Leading the business to materialize net-zero</li> <li>2. Deepening business' sustainable governance</li> <li>3. Polishing sustainable information disclosure</li> <li>4. Reinforcing stakeholders' communication</li> <li>5. Promoting ESG related certification and digitalization</li> </ol> <p>Further, the four main themes of innovation, governance, transparency, and digitalization are supplemented to actualize the vision of sustainable development. The Company is also currently reinforcing accelerated advancement of sustainable development through various detailed executions, including the following:</p> <ol style="list-style-type: none"> <li>1. Maximize the utilization of green building materials (Engineering</li> </ol>	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

			<p>Department)</p> <ol style="list-style-type: none"> <li>Utilize the solar energy system renewable energy (Logistics Management Division, Engineering Department)</li> <li>Introduce into the energy-saving equipment and optimization of electronic verification system (Information Research and Development Division, Engineering Department)</li> <li>Participate in various public welfare activities, e.g., winter warmth donation, Covid-19 epidemic protection material donation, participation in public welfare book donation, and sponsoring the promotion of folk performing art at elementary schools and middle schools (President Office).</li> <li>Holding Hundred-Mile Health public welfare events (Retail Operations Division).</li> <li>Promote the greenhouse gas inventory program (President Office).</li> </ol> <p>Beginning on May 12, 2023, the Company has been reporting to the Board of Directors the execution of sustainable developments. Subsequently, annual periodic reports will continue to be performed to the Board of Directors. The contents of the implementation are as follows:</p> <ol style="list-style-type: none"> <li>The thorough implementation of the corporate governance: The Company puts forth maximum possible efforts in evaluation over corporate governance in concert with the Financial Supervisory Commission. The results of the 10th Official Corporate Governance Appraisal indicate that the Company ranked amidst the top 6%-20% of TPEX listed companies in the second tier.</li> <li>Development of sustainable environment: <ul style="list-style-type: none"> <li>The Company adopts timing-energy saving device for the store signboards.</li> <li>The Company equips all stores with smart sensor lights.</li> <li>Toward newly set up stores, the Company adopts environmental label</li> </ul> </li> </ol>	
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			<p>building materials and products (such as environmental protection and non-toxic green label building materials, fireproof building materials, inverter air conditioning, LED lamps).</p> <ul style="list-style-type: none"> <li>• For the entire stores, the Company adopts inverter air conditioning, systems and gradually implements the air conditioning project combined with the air purifier to accomplish energy saving targets in line with antibacterial, anti-haze removal and other high-performance facilities.</li> <li>• The Company adopts logistics warehouse roof solar installation systems to accomplish the targets of energy saving and carbon reduction benefits with extensive use of renewable energy.</li> <li>• The Company widely adopts low pollution electric trailers along with stackers and forklifts.</li> <li>• In 2023, the Company participated in green procurement of private enterprises and groups under the auspices of Taoyuan City Government of with total investment as NT\$14,741,304.</li> </ul> <p>3. Faithful efforts to safeguard welfare toward society:</p> <ul style="list-style-type: none"> <li>• The Company provides sound and wholesome working environment.</li> <li>• Safeguard physical and mental fitness toward the entire staff.</li> <li>• The Company provides and assures abundant employee benefits and smooth channels in promotion.</li> <li>• The Company offers integral, professional and cordial services toward customers.</li> <li>• The Company sponsors public welfare programs to entire society</li> <li>• The Company offers scholarships and other supports to the activities as necessary.</li> </ul> <p>4. Strengthen disclosure of the information of the corporate sustainable development:</p> <ul style="list-style-type: none"> <li>• The Company discloses the information into annual report, Market Observation Post System (MOPS) as well as the Investors Zone through</li> </ul>	
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			<p>the Company's official website.</p> <ul style="list-style-type: none"> <li>Starting from Fiscal 2016, we have announced the information simultaneously along with English and set up the Investors Zone in the English version.</li> </ul> <p>On a regular basis every year, the Company through its Board of Directors listens to reports from the management toward the operating strategies focusing on the sustainable development. The Board of Directors shall faithfully judge the possibility toward success in such development strategies. Meanwhile, we thoroughly look into development of the strategies and urge the managerial teams to faithfully go ahead from time to time on a nonscheduled basis.</p>	
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<p>II. Does the company conduct environmental, social and governance risk assessments according to the principle of materiality, and formulate relevant risk management policies or strategies accordingly?</p>	✓		<p>This disclosure covers the Company's sustainability performance in key locations for the period of January 2023, through December 2023. The risk boundary is duly assessed based on the Company's business operations notably in Taiwan, Chinese mainland and based on the relevance of the operation of the business and the degree of impact on major themes, we do not cover the subsidiaries into the report for the time being.</p>			<p>Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</p>
			Key issues	Contents of risk assessment	Descriptions	
			Environment	Impact upon and management over environment	<ol style="list-style-type: none"> <li>1. The Company is a medical care products retailer, and has no manufacturing process, yet, we continue to work on energy saving and carbon reduction operations, as well as on reducing greenhouse gas emissions. As there are no waste water, chemical, gas, noise or waste items that are harmful to the environment or human beings in our business activities, ISO14001 is not applicable to us, but the Company has ISO9001 quality system certification.</li> <li>2. The Company falls under the retail channel industry category, using mostly electricity and tap water, with no waste emissions, and the GHG emissions mainly come from the electricity emissions as covered by</li> </ol>	

					<p>Scope 2. The Company's energy saving and carbon reduction target is to lower the GHG emissions by 5% per ping per year. Water usage has reduced by 5% annually per <i>ping</i>. The total Scope 2 GHG emissions for 2023 is 6,673 tons of CO<sub>2</sub>e, which calculates to 35.02 (tons of CO<sub>2</sub>e/ping), an increase of 23.5%, when compared to 28.35 (tons of CO<sub>2</sub>e/ping) in 2022. The water consumption in 2023 is 19,262 kWh, and the calculated water consumption per ping is 1.01(kWh/ping), which is 5.6% less than 1.07(kWh/ping) used in 2022. Overall, in regard to the average carbon emissions and water usage amount per ping in year 2023, only the water usage amount has initially reached the targeted annual 5% reduction.</p>	
			Society	Occupational safety & health	<p>1. The scope of the Company's business includes store retail services and shopping mall operations. In an effort to safeguard the safety of the entire staff at the workplaces, we faithfully carry out occupational safety, infection control related</p>	

					<p>publicity on a monthly basis to improve the knowledge of disaster prevention and emergency response of the entire staff. We further carry out vector mosquito prevention and disinfection operations in various shopping malls on a regular basis.</p> <p>2. On a semiannual basis, both the Head Office and Logistics Warehouse would carry out firefighting equipment inspection and fire drills.</p> <p>3. All retail stores, shopping malls throughout Taiwan as well as the Head Office have been duly insured with fire insurance policies and public accident insurance policies as required by laws.</p> <p>4. All retail stores in entire Taiwan are equipped with access control devices, fire extinguishers carbon dioxide measurement and other devices as necessary.</p>	
				Products related safety	<p>1. Upon evaluation of the suppliers or contracted manufacturers into cooperation, the Company will offer varied evaluation criteria toward the nature or category of products amidst their supply (commissioned</p>	

					<p>manufacture). For such products as food, the counterparts must obtain SGS certification proofs. In case of medical equipment, the counterparts must obtain medical material certificates and other licenses. Furthermore, we shall visit the manufacturers on the spot, their general direction to assure sound corporate governance, product development, factory health and safety, raw material control, machinery and equipment process control, finished product control, quality control, customer grievance settlement, environmental protection promotion assessment. In terms of a small direction, we must seriously look into the samples provided by the suppliers, the sound volume of the commodity in the market, whether it is the gap of the internal commodity or the positioning of Medfirst Healthcare Services commodity, the price and function into detailed review. A supplier is required to submit the relevant inspection report or certificate to verify the supplier's</p>	
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					<p>supply source and reliable quality.</p> <p>2. During year 2023 amidst the coronavirus pandemic (COVID-19), we visited five (5) suppliers in the factories to evaluate environmental sanitation, plant safety &amp; security, process, material management, customer management, environmental protection and other projects as well as communicating with suppliers about marketing plans closely from time to time.</p>	
			Corporate governance	Social economy and legal compliance	<p>The Company's intellectual property rights include notably trademarks, copyrights of marketing materials and trade secrets in order to ensure the validity of intellectual property rights to avoid employees from leaking trade secrets. We have formulated the "Fixed Asset Management Norms" and "Ethical Corporate Management Best Practice Principles" and further signed a "Labor Contract Letters" when employees join our Company to standardize process for the employees into safeguarding the Company's intellectual property rights and trade secrets, During Year 2023, we completed the renewal of 6 trademarks.</p>	

					<p>Meanwhile, our Audit Office performed audits on a regular basis every year. In fiscal 2023, there were no incidents of any employee involving divulgence of trade secrets and the implementation of the intellectual property was duly reported to the Board of Directors on November 10, 2023.</p>	
				Strengthening director functions	<ol style="list-style-type: none"> <li>1. In each and every year, the Company elaborately maps out sound advanced study programs toward directors on the relevant courses. In Year 2023, the Company well satisfies the government requirements in terms of total hours of advanced study programs.</li> <li>2. Directors' liability insurance is regularly purchased annually for directors and independent directors to protect them from lawsuit or claim judgements, and the renewal of directors' liability insurance for 2023, was reported to the directors on December 27, 2023.</li> </ol>	
				Communications with stakeholders.	<ol style="list-style-type: none"> <li>1. The Company maintains excellent communication channels with exchanging banks, employees, consumers, and suppliers. A</li> </ol>	

					<p>spokesperson system and a service hotline are also set up so as to respect and maintain the legal rights that all stakeholders shall possess. The Company's official website has set up a "Stakeholders Zone", which is managed by specialized personnel to safeguard related rights.</p> <p>2. The Company has formulated the Measures for the Administration of Complaints or Whistle-blowing, issues and set up whistleblowing hotlines and whistleblowing mailboxes, adopting a confidentiality mechanism for the whistleblowing and investigation process to soundly protect a whistle-blower in his or her identity and the content of whistleblowing, reports. The Company conducts investigations faithfully in accordance with the standard procedures.</p> <p>3. The Company has duly set up an investor mailbox <a href="mailto:ir@medfirst.com.tw">ir@medfirst.com.tw</a>, where the Company's spokesperson would constantly respond to all issues concerned.</p>	
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					4. In each and every year, the briefing data at the juristic person presentation and all sorts of information audio & video. All such contents are duly disclosed through the Investors Zone of the official website of Medfirst Healthcare Services, Inc. and Market Observation Post System (MOPS).	
III. Environmental Issues						
(I)	Does the company establish a proper environmental management system in response to its industry characteristics?	✓		The Company is a medical care products retailer, and has no manufacturing process, yet, we continue to work on energy saving and carbon reduction operations, as well as on reducing greenhouse gas emissions. As there are no waste water, chemical, gas, noise or waste items that are harmful to the environment or human beings in our business activities, ISO14001 is not applicable to us, but the Company has ISO9001 quality system certification.		Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II)	Does the company endeavor to upgrade the utilization efficiency of various energies, and use the regenerated material with a low impact on environmental load?	✓		<p>1. In response to the approach toward paperlessness era to enhance operational efficiency, the Company spares no efforts to promote suppliers into the use of electronic platforms to make procurements and bill for payments along with the use of inventory machines and tablets in merchandise acceptance testing with a change into the exchange of official documents in the front and back office into electronic format operations. For all our retail stores in the entire country, we adopt electronic invoices with efforts to recycle and reuse after the shelves in the event where a store is withdrawn. Our customers are invited to fill in the satisfaction questionnaire survey through the tablets.</p> <p>2. For decoration of our retail stores nationwide, we exclusively adopt materials that are made of environmentally friendly building materials, with green building materials labels with prudential selection of natural materials and low volatile organic materials building materials to minimize chemical</p>		Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

			<p>synthetic material hazards to assure low escape, low pollution, low odor under the national environmental protection certification for all sorts of building materials. Under no circumstances shall the Company ever use any building materials that have been expressly prohibited or eliminated by the state authority. That means the Company is not supposed to cause any harm to the human health with a sound display toward human health. In terms of selection toward building materials for stores nationwide, we take into serious account the health of our customers.</p> <p>3. We have adopted reusable all-steel counters, shelves, and contribute to environmental needs, playing a dedicated role in the environmental protection.</p> <p>4. In the aspect of the Great Health Logistics Center, we adopt solar energy system, i.e., the renewable energy to minimize air pollution and global warming. We adopt roof space not only to insulate heat and effectively use space to exert comprehensive effects along with the concept of sustainable development in terms of energy autonomy.</p>	
(III) Does the Company assess existing and potential risks and opportunities associated with climate change and adopt the corresponding responses and measures?	✓		<p><b>【Governance】</b></p> <p>The Board of Directors conducts supervision over climate related risks and opportunities. It is managed by the Sustainable Development Committee, and the management and risk assessment of the issues are performed by the various sustainable management teams governed by the Sustainable Development Committee. The Committee would regularly report the issues' overall execution and management state to the Board of Directors. After the Board of Directors at Medfirst officially established the Sustainable Development Committee on August 11, 2024, the organizational charter of the Committee is also simultaneously confirmed. At the same time, the establishment of the Committee has also officially activated all types of sustainable management teams. The various teams would follow the respective responsible issues to</p>	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

		<p>assess and manage operations related to climate change risks.</p> <ol style="list-style-type: none"> <li>1. Sustainable Development Committee will regularly report to the Board of Directors on matters related to sustainability issues annually, the Board will serve the roles of supervision, control, and management.</li> <li>2. Chief Sustainability Officer is collaboratively elected by the members of the Sustainable Development Committee. All the sustainable development teams under the governance of the Committee are set up by the various departments in accordance with their respective business arenas, and the teams have their exclusive task assignments.</li> </ol> <p>【Strategy】</p> <p>In terms of the risks and opportunities of sustainable issues, Medfirst will identify short-, mid-, and long-term climate related risks and opportunities. At the same time, impacts on climate related risks and opportunities in the aspects of the business, strategy, and financial planning are also set forth in various departments and units.</p> <ol style="list-style-type: none"> <li>1. Transition Risk <p>As Medfirst is still focusing on physical store operation as its primary business operation, it is also considering the fact that the concepts of climate change and sustainable management have been continuously penetrated into the society, and that the government policies have also been continually gearing towards the development of net-zero carbon emission. In case that there will be carbon tax payments in the future, it will definitely bring impacts upon the physical store management. In order to prepare in advance and to gradually respond to the occurrence of such scenario, Medfirst has already introduced the following adjustments and management operations.</p> <ol style="list-style-type: none"> <li>(1) For signboards of all retail stores, we adopt timing devices to minimize the energy consumption through the uniquely designed fan function.</li> </ol> </li> </ol>	
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|  |  |  | <p>(2) Toward the newly open stores, we elaborately adopt environmental protection and energy-saving label products, e.g., T5 and LED lamps, inverter air conditioning equipment, air doors and the like to implement the concept of energy conservation and environmental protection in the hands-on operation.</p> <p>(3) In terms of lighting needs, we adopt LED lighting to meet the entire needs and also install "smart sensor lighting devices" in certain areas. The lighting function will be activated when in an event while pedestrians pass to primarily prevent unnecessary waste. We hope that through such practical actions, we shall let the public understand how important the energy conservation and carbon reduction.</p> <p>(4) For roofs of Great Health Logistics Center, we set up with a solar installation system characterized by pollution-free when generating electricity from renewable energy. Such a device can help the roof insulation and cooling by up to 3-5 degrees to save the cost of air cooling and air conditioning to accomplish the benefits of energy saving and carbon minimization.</p> <p>(5) Our logistics constant temperature storage areas are equipped with automatic rolling doors. The normal temperature area is set on the rooftop and the ventilation equipment is set on the walls where the natural ventilation environment is formed through the convection device with the positive and negative pressure fan equipment to minimize the power consumption of the entire air conditioner and the fan systems.</p> <p>(6) We widely adopt electric stackers and trailers, giving no chance at all for use of diesel machinery that tends to pollute the environment. On a regular basis, we maintain battery quality to assure adequate charging efficiency to minimize power loss.</p> |  |
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2. Opportunity

			<p>In response to increasingly severe climate changes, the whole world is facing the challenges of ESG sustainable operation; and the Taiwanese government is also gearing towards continual planning of net-zero emission. Medfirst's primary force still focuses on the physical branch store channel – if Medfirst could proceed with low-carbon earned income or enhancement of performance effectiveness, it would have better opportunity to increase the Company's profits and assist with the accomplishment of Taiwan's net-zero goal. Therefore, Medfirst will continue to promote the following plans in the future.</p> <p>(1) Promoting internal paperless operations. Accelerating internal operational procedure through electronic operational procedure, while reducing the amount of carbon emission. Introducing AI and related skills through electronic operation; increasing the organization's internal operational efficiency so as to reduce internal costs and increase profits.</p> <p>(2) While promoting optimization of various operations, it is also possible to strengthen employees' recognition and happiness towards the Company, so that it would indirectly enhance employees' performance effectiveness.</p> <p><b>【Risk management】</b></p> <p>Currently, through the data analyses and collection performed by the various teams under the Sustainable Development Committee, climate related risks and opportunities are organized, and the risks and issues more relevant to Medfirst are also listed and assessed. After listing out and confirming significant climate risk issues, all the teams would further analyze in accordance with the key items. In addition, the Committee would also set forth annual goals, budget, and plans; amidst them all, the Committee will also follow ISO 14064-1 greenhouse gas inventories standards to execute greenhouse gas inventories and other plans.</p>	
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		<p>Analyses of climate risks are still currently considered of initial-stage identification. Differentiation will be subsequently completed gradually, and ESG related reports will be published at any time.</p> <p><b>【Indices and targets】</b></p> <ol style="list-style-type: none"> <li>1. The Company's energy-saving and carbon-reduction goals are currently temporarily set as 5% annual reduction of greenhouse gas emission amount per ping and 5% annual reduction of water usage amount per ping. 2023 Range 2 greenhouse gas emission amounts total 6,673 tonnes of CO<sub>2</sub>e, where greenhouse gas emission amount per ping is calculated to be 35.02 (tonnes CO<sub>2</sub>e / ping), which is a 28.35 (tonnes CO<sub>2</sub>e / ping) increase from 2022. Quantity of water used in 2023 was 19,262 cubic meters; the quantity of water used per ping was calculated as 1.01 (cubic meters / ping), which was a 3.6% reduction from the 1.07 (cubic meters / ping) of 2022.</li> <li>2. The equipment at the newly opened branch stores implements T5 and LED lighting with environmentally friendly / energy-saving labels, and they are installed with "smart sensor lights". The logistics center is installed with air ventilating equipment, which through positive and negative pressure fan equipment with convection installation, a natural ventilating environment is created, so that electricity use amounts from air-conditioners and fans are reduced.</li> </ol>	
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(IV)	Does the Company calculate the GHG emissions, water consumption and total wastes during the past two years, and formulate policies to achieve energy efficiency, reduction of carbon emissions, GHS emissions, water consumption or manage wastes?	✓	<div>GHG emissions for the past two years: (Information of Scope 2 covers all stores and headquarters in Taiwan)</div> <div>1. Statistical table of total carbon emissions in the past two years:</div> <table><tr><th>Years</th><th>Scope 2</th><th>Total pings of floor space</th><th>Emissions per unit area (ton/ping)</th></tr><tr><td>2022</td><td>5,190</td><td>18,308</td><td>28.35</td></tr><tr><td>2023</td><td>6,673</td><td>19,052</td><td>35.02</td></tr></table> <div>2. Statistical table of total water consumption in the past two years: (Covers all stores and headquarters in Taiwan)</div> <table><tr><th>Years</th><th>Total water consumption (KL)</th><th>Total pings of floor space</th><th>Average water consumption (KL/ping)</th></tr><tr><td>2022</td><td>19,676</td><td>303</td><td>1.07</td></tr><tr><td>2023</td><td>19,262</td><td>312</td><td>1.01</td></tr></table> <div>3. Statistical table of wastes in the past two years: (Covers all stores and headquarters in Taiwan)</div> <table><tr><th>Years</th><th>Wastes (tons)</th></tr><tr><td>2022</td><td>0</td></tr><tr><td>2023</td><td>0</td></tr></table> <div>The Company falls under the retail channel industry category, using mostly electricity and tap water, with no waste emissions, and the GHG emissions mainly come from the electricity emissions as covered by Scope 2. The Company's energy saving and carbon reduction target is to lower the GHG emissions by 5% per ping</div>	Years	Scope 2	Total pings of floor space	Emissions per unit area (ton/ping)	2022	5,190	18,308	28.35	2023	6,673	19,052	35.02	Years	Total water consumption (KL)	Total pings of floor space	Average water consumption (KL/ping)	2022	19,676	303	1.07	2023	19,262	312	1.01	Years	Wastes (tons)	2022	0	2023	0	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
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IV. Maintenance of Society Issues								
(I)	Does the company formulate related management policies and procedures in accordance with related laws and international covenants on human right?	✓	<p>Here at the Company we faithfully adhere to the laws and ordinances concerned prevalent in Taiwan and the venues where the business operations are carried out, along with such internationally recognized human rights standards e.g., the “International Bill of Human Rights”, the “Ten Principles of the United Nations Global Covenants”, the “Core Labor Standards of the Basic Conventions” of the International Labor Organization. Besides, we treat and respect entire staff with dignity, including those working under contracts and on the timekeeper basis as well as the interns.</p> <p>On a regular basis every year, the Company reassesses its own business operations, internal management and other related activities with serious note toward the major social issues, market data reference, and the like in an attempt to identify and assess the groups at all sorts of potential risks notably human rights risks to evaluate such human rights issues based on potential risks with continuous efforts to oversee and enhance the results of implementation.</p> <p>Toward the human rights management policies and concrete programs, we hereby summarize below:</p> <table><tr><th>Human rights management policies</th><th>Concrete programs</th></tr><tr><td>Efforts to provide secure, safe and wholesome working environment</td><td>1. Amidst the frequent use of equipment such as stackers, forklifts and air compressors in logistics warehouses as the workplaces</td></tr></table>	Human rights management policies	Concrete programs	Efforts to provide secure, safe and wholesome working environment	1. Amidst the frequent use of equipment such as stackers, forklifts and air compressors in logistics warehouses as the workplaces	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
Human rights management policies	Concrete programs							
Efforts to provide secure, safe and wholesome working environment	1. Amidst the frequent use of equipment such as stackers, forklifts and air compressors in logistics warehouses as the workplaces							

				<p>subject to high-risk, places, we on a weekly basis conduct the fire inspections and equipment maintenance inspections of logistics warehouses to ensure safety &amp; security of employees' working environments and equipment. We duly set up noise monitors to check and make sure of the volume of the environments to prevent employees from potential risks. We further set up logistics box flipper devices to minimize the potential chance of causing musculoskeletal injuries.</p> <p>2. In the Company, we operate business within the scope including notably store retail and shopping mall operations to ensure the workplace safety &amp; security of the entire staff. Frequently on a monthly basis, we carry out publicity toward occupational safety and infection control to improve employees' knowledge of disaster prevention and prompt response to emergency. We further regularly carry out vector mosquito control and disinfection operations in various shopping malls to assure a sound working environment.</p> <p>3. Taking into account of the health of entire staff, we seriously adopt store decoration</p>	
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				<p>materials which are made of environmentally friendly substances to assure a friendly working environment, with green building materials labels, natural materials and low volatile organic substance building materials to minimize chemical synthetic materials as far as possible.</p> <p>4. Toward the store signboards, we adopt timer device to save energy. For the air conditioning system we adjust the air conditioning temperature in a timely manner, making excellent use of fans to minimize energy consumption and assure the overall air conditioning environment comfort.</p> <p>5. On a semiannual basis, our Head Office and logistics warehouse carry out firefighting equipment inspection along with fire drills.</p> <p>6. The Company offers health examinations for entire staff on an annual basis.</p> <p>7. For all stores, shopping malls and head offices in entire Taiwan, we have purchased wholesome fire insurance and public accident insurance as required by laws.</p>	
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				<p>8. All our retail stores throughout Taiwan are equipped with access control devices, fire extinguisher setting, carbon dioxide measurement and other devices to provide a healthful and safe working environment entire staff.</p>	
			<p>Elimination of all sorts of unlawful discrimination to ensure equality in job opportunities</p>	<p>1. In our open recruitment of talents, we firmly ensure that all job seekers and colleagues are absolutely free of potential discrimination, any unfair terms based on respective race, religion, partisan, gender, age facts and backgrounds.</p> <p>2. We provide friendly working environment toward colleagues with mentally and physically handicapped problems to demonstrate their maximum potential.</p>	
			<p>Ban from unlawful infringement and with friendly assistances toward employees in maintaining a work-life balance</p>	<p>1. We seriously focus on importance of the safety toward colleagues themselves with continued concern to advocate occupational safety amidst the sound working environment.</p> <p>2. The Company assures a 1-hour lunch break at noon to grant entire staff with sufficient lunch break time.</p> <p>3. The Company hires outsourced professional masseurs to provide professional massage services. All colleagues are advised to make reservation</p>	

				for massages either during or after working hours to relax themselves both physically and mentally.	
			Ban on forced labor	<ol style="list-style-type: none"> <li>1. Pursuant to the labor decree, within the Company, the working hours of the colleagues may be extended along with the normal working hours with the total daily working period not in excess of twelve hours.</li> <li>2. We assure a sound leave system and encourage to be serious toward work-life balance.</li> </ol>	
			Review and evaluation on a regular basis about the relevant system and behaviors.	We attentively listen to the demands and suggestions from the entire staff through labor meetings, colleague feedback and the like and revise relevant system norms and adjust actions in a timely manner accordingly.	
			We set up a sound customer and employee data protection management system to maintain their privacy and rights	The Company duly formulates very sound management measures for the collection, processing and use of personal data and advocates the use and precautions for personal data at the meeting so as to enhance the awareness of personal data maintenance amidst all colleagues.	
			We provide a sound channel for complaints.	We duly formulate the Measures for the Administration of Complaints or Whistle-blowing and set up whistleblowing system hotlines and whistleblowing mailboxes,	

				adopting a confidentiality mechanism for the whistleblowing system and investigation process, protect the identity of whistle-blower and the content of whistleblowing practice and conduct investigations with the standard operational procedures (SOP).	
			We provide related education and training	In 2023, we implemented human rights protection-related training that totaled 3,294 hours for our employees. The 1,203 persons (2,148 count) that completed the training, accounts for 70% of the total number of employees. Moving forward, we will continue to focus on human rights protection issues and promote related education and training to raise awareness of human rights protection and thus reduce the possible occurrence of related risks.	
(II) Does the company formulate and implement an employee welfare measures (including remunerations, holidays and other benefits) and reflect appropriately the business performance onto employee remunerations?	✓		1. Measures toward employees welfares: <ul style="list-style-type: none"> <li>• Domestic and overseas tour programs for entire staff</li> <li>• Incentive programs through tourist activities</li> <li>• Incentive bonus upon exceptional performance</li> <li>• Year-end bonus</li> <li>• Recruitment bonus</li> <li>• Birthday gift</li> <li>• Festival gift</li> <li>• Employee wedding and funeral subsidy</li> <li>• Hospitalization medical subsidy</li> <li>• Disaster subsidy and emergency relief</li> <li>• Group activity subsidy</li> </ul>		Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies



			<ul style="list-style-type: none"> <li>• Childcare subsidy</li> <li>• Student scholarships</li> <li>• Subsidy for obtaining relevant license</li> <li>• Financial subsidy for outsourced educational &amp; training programs</li> <li>• Employee shopping discount</li> <li>• Health examinations, free of charge.</li> <li>• Outsourced masseurs to provide stress-relieving massage services</li> <li>• Amortization for labor insurance/national health insurance and pension.</li> <li>• Group insurance policies against a potential accident.</li> <li>• Free uniforms to employees.</li> </ul> <p>2. Diversified and equal workplaces:</p> <p>As of the date of publication of this annual report, the Company had a total number of employees at 1,764, of which 74.55% were female ones and 13 were senior executives, of which 30.77% were female senior executives.</p> <p>We recruit talents and ensure that all job seekers and colleagues are absolutely not discriminated against or treated unfairly amidst the backgrounds of race, religion, partisanship y, gender, age, and the like.</p> <p>3. The Company has set up employee codes and remuneration policies, performance rewards and rewards and punishment standards, share the company's profits, let the salary of colleagues grow together with the company's operations, and in the second proposal of the discussion matters in the 19th meeting of the eleventh board of directors, in accordance with the provisions of Article 33 of the Articles of Incorporation of the company "if the company has an annual profit, it shall allocate from 1% to 15% as employee remuneration", Accordingly the decision was duly resolved that the Company would grant 4% of the Company's net income before tax, say, a total amount of NT\$2,829,544 for employee remuneration, well satisfactory along with the performance evaluation system and the Company's corporate social responsibility policy.</p>	
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<p>(III) Does the company provide employees with a safe and healthy working environment, and implement safety and health education to employees on a periodical basis?</p>	<p>✓</p>	<p>The Company formulates relevant policies in compliance with the Occupational Safety and Health Act and the regulations of customers and other related organizations, and respects the requirements of relevant stakeholders to ensure occupational safety and health in order to help build a healthy and happy work environment.</p> <ol style="list-style-type: none"> <li>1. Amidst the frequent use of equipment such as stackers, forklifts and air compressors in logistics warehouses as the workplaces subject to high-risk, places, we on a weekly basis conduct the fire inspections and equipment maintenance inspections of logistics warehouses to ensure safety &amp; security of employees' working environments and equipment.</li> <li>2. In the Company, we operate business within the scope including notably store retail and shopping mall operations to ensure the workplace safety &amp; security of the entire staff. Frequently on a monthly basis, we carry out publicity toward occupational safety and infection control to improve employees' knowledge of disaster prevention and prompt response to emergency. We further regularly carry out vector mosquito control and disinfection operations in various shopping malls to assure a sound working environment.</li> <li>3. Taking into account of the health of entire staff, we seriously adopt store decoration materials which are made of environmentally friendly substances to assure a friendly working environment, with green building materials labels, natural materials and low volatile organic substance building materials to minimize chemical synthetic materials as far as possible.</li> <li>4. Toward the store signboards, we adopt timer device to save energy. For the air conditioning system we adjust the air conditioning temperature in a timely manner, making excellent use of fans to minimize energy consumption and assure the overall air conditioning environment comfort.</li> <li>5. On a semiannual basis, our Head Office and logistics warehouse carry out firefighting equipment inspection along with fire drills.</li> <li>6. The Company offers health examinations for entire staff on an annual basis.</li> </ol>	<p>Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</p>
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			<p>7. For all stores, shopping malls and head offices in entire Taiwan, we have purchased wholesome fire insurance and public accident insurance as required by laws.</p> <p>8. All our retail stores throughout Taiwan are equipped with access control devices, fire extinguisher setting, carbon dioxide measurement and other devices to provide a healthful and safe working environment entire staff.</p> <p>9. In Year 2023, the total number of our entire staff in the Company came to 1,729, and the number of occupational accidents came to 75, including 49 as traffic accidents during rush commuting hours and leisure hours and 26 accidents taking place during work, involving the number of employees in the occupation-oriented accidents at 91, accounting for 5.3% of the total number of the entire staff.</p>													
(IV) Does the company establish effective career competency development and training plans for employees?	✓		<p>1. Training programs</p> <p>Here at the Company, we provide complete educational &amp; training programs including notably new recruit education training, reserve store manager/specialist training, store/team leader training. Meanwhile we also carry out on-the-job educational &amp; training programs aiming at Head Office/stores to train the entire staff into professional skills and quality service capability, enabling them to obtain new knowledge to engage in best quality service and to further expands their career horizons.</p> <p>2. Facts about educational &amp; training programs implemented in 2023</p> <table><tr><th>Categories of training programs</th><th>Number of training programs</th><th>Number of trainees</th><th>Total training hours</th></tr><tr><td>Educational &amp; training programs for new recruits</td><td>50</td><td>686</td><td>334</td></tr><tr><td>Enhancement educational &amp; training programs for store</td><td>8</td><td>96</td><td>176</td></tr></table>	Categories of training programs	Number of training programs	Number of trainees	Total training hours	Educational & training programs for new recruits	50	686	334	Enhancement educational & training programs for store	8	96	176	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
Categories of training programs	Number of training programs	Number of trainees	Total training hours													
Educational & training programs for new recruits	50	686	334													
Enhancement educational & training programs for store	8	96	176													

			heads				
			Educational & training programs aimed at promotion	6	120	22	
			Professional educational & training programs for retail stores	66	15,071	484	

<p>(V) Does the Company observe the relevant laws, regulations and international standards regarding the health, safety, customer privacy, marketing and labeling of products/services, and has formulated relevant policies and complaint procedures to protect the rights of consumers?</p>	✓	<p>Exactly in accordance with the laws and ordinances concerned, the Company implements customer health and safety management, customer privacy management, marketing and labeling of products and services. We have, besides, established relevant internal control systems and established a membership management system and internal whistleblowing mechanism to assure sound protection of rights and interests of our customers.</p> <p>The Company has enacted a number of policies aiming at the rights and interests of customers such as "Methods for the Collection, Processing and Use of Personal Data", "Regulations on the Establishment and Management of Member Data" and compliance with personal data specifications that have been clearly stipulated into the membership application forms. All such contents prove to well comply with the requirements set forth under laws and ordinances concerned. Besides, regarding promotional activities and customer services (e.g. A rents B returns, A buys B refunds and the like.) have been expressly promulgated into the retail stores, official website, DM, and the like. In case of a consumer dispute, the involved consumer is advised to complain through the customer service hotline (0800-028-328) or the official website online message. The Company has further established relevant internal control systems and customer service reward and punishment management norms. Through internal audit practice, computer system control and educational &amp; training program efforts, we try by all available means to safeguard the customers' personal data.</p> <p>The efforts to label commodities function as the very key to safeguard the rights and health of customers. In a supplier contract executed by the Company, therefore, we expressly stipulate the clause "The goods manufactured by the supplier shall comply with the norms of the laws and regulations, including but not limited to: the Act Governing Food Safety and Sanitation, the Good Pharmaceutical Manufacturing Standards, the Commodity Labeling Act and other relevant laws and regulations concerned. In the aspect of marketing cooperation activities, the suppliers shall ensure that the contents of the advertising documents</p>	<p>Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</p>
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		shall comply with the laws and ordinances concerned so as to ensure that the composition of the goods, manufacturing, labeling and advertising are exactly in compliance with the requirements of the laws and ordinances concerned.	
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(VI) Does the company set up supplier management policies by requesting suppliers to adhere to relevant standards in environmental protection, occupational health & safety or labor & human rights and reporting their implementations accordingly?	✓		<p>Starting from Fiscal 2016, the Company has required new partners joining us in cooperation to duly execute the corporate social responsibility clauses, and all existent cooperative manufacturers have been requested by e-mail, and all unqualified suppliers have been strictly requested to strengthen efforts into required corrective actions. Where a supplier proves involved in a violation of its committed corporate social responsibility policies and proves with a significant impact on the environment and society, the contract involving it shall be definitely amended to satisfy the requirements and that supplier shall be terminated from the cooperation ties in a significant offense. Toward a new cooperation OEM firm, we shall strictly conduct environmental impact assessment and the social event. Its competency shall be assessed through on-the-spot visit from time to time. Performance on management over suppliers in Year 2023.</p> <p>During Year 2023 amidst the coronavirus pandemic (COVID-19), we conducted hands-on visits to four (4) suppliers in their workshops to assess their environmental sanitation, plant safety, process, material management, customer management, environmental protection and other projects and the like. We communicated with suppliers about marketing schemes from time to time.</p>	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
V. Does the company refer to internationally acceptable standards or guidelines for the compilation of CSR reports to disclose non-financial information? Are these reports confirmed or endorsed by third-party verification organizations?		✓	<ol style="list-style-type: none"> <li>1. Content and information of the Company's 2022 Sustainable Report have implemented GRI: 2021 standards for the disclosure. And the Report content and GRI: 2021 standard cross-check reference index table are appended at the end of the Report.</li> <li>2. The Company's 2022 Sustainable Report has not obtained third-party verification.</li> </ol>	Complied with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

<p>VI. Where the Company has duly worked out its own sustainable development code under the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the differences between its operation and the established code:</p> <p>The Company duly resolved through its Board of Directors on September 16, 2013 "Corporate Social Responsibility Best Practice Principles" which was duly updated by the Board of Directors in November 2016, December 2020 and February 2022 while the Principles was renamed into "Sustainable Development Best Practice Principles" in line with the trends prevalent in the international community to fulfill the goal toward sustainable development, strengthen the implementation of sustainable development and further upgrade the quality of sustainable development information disclosure. The Company has faithfully assessed and reviewed the implementation of the Principles along with required upgrade. There has been no discrepancy in implementation so far.</p>
<p>VII. Other important information helpful to inform the performance of sustainable development</p> <p>(I) In terms of environmental protection:</p> <ol style="list-style-type: none"> <li>1. As a medical supplies channel provider, the Company is free of production process and does not produce pollutant substances. The Company has not yet participated in ISO14000 Environmental Management System Certification but has been satisfactorily granted a pass in the ISO9001 Quality System Verification.</li> <li>2. Starting from Fiscal 2016, the Company newly conducts into the field visit and assessment of OEMs to implement corporate social responsibility to confirm and make sure of the impact upon OEMs on the community environment and society.</li> </ol> <p>(II) In the aspects of Community Engagement, Social Contribution, Social Services and Social Welfare:</p> <ol style="list-style-type: none"> <li>1. Health related seminars: The Company holds 4 to 5 seminars in various retail stores every month. During Year 2023, we held a total of 313 seminars, aiming at the key topics as follows: <ol style="list-style-type: none"> <li>(1) Select appropriate assistive devices</li> <li>(2) Mothers' Studio</li> <li>(3) Seminar on professional protective devices</li> <li>(4) Seminar on diabetic diets</li> <li>(5) Seminar on subsidies toward long-term care services</li> <li>(6) Seminars on pharmaceutical safety</li> </ol> </li> <li>2. Health examination/test: Teaming up with suppliers from time to time, the Company holds health testing activities (e.g., bone density, grip, blood glucose test, etc.) in various retail stores, with a total of 601 examinations/tests.</li> <li>3. Thousand miles of care:</li> </ol>



Starting from Year 2015, the Company has held 465 activities with a total of 2023 sessions “Taiwan-wide Medfirst Healthcare Blessing” up to more than 20,000 participants. Through such service programs, Medfirst Healthcare continues to cultivate profoundly into communities in various counties and cities, rendering care for community patients, and provide assistive devices and examination/test along with health education services.

4. Public benefit activities:

Beginning in 2022, Medfirst has been collaborating with the food bank over the long run, continually promoting CSR, contributing at least 2 community service organizations every month. Till today, Medfirst has contributed to more than 30 community service organizations; supplies matchmaking and donations are both conducted every month. Furthermore, Medfirst is bringing products of superior quality to rural areas, vulnerable groups, and various social welfare institutions; and it is able to effectively distribute all kinds of supplies. Medfirst is thereby able to communicate its philosophy of sustainable operation and giving back to the community.

5. Supporting local students:

From 2009 till today, Medfist has been sponsoring Da-Gang Junior High School and Da-Gang Elementary School with scholarships as well as providing financial aids to economically disadvantaged students with outstanding performances; our donations have continued for more than a decade. Until 2023, Medfirst has made total monetary donations of NT\$1,808,000 to Da-Gang Junior High School and Da-Gang Elementary School.

6. Industry-academic collaboration:

To support local education, students’ work experiences in practice are increased. The Company has been actively conducting industry-academia collaborations with various major colleges and universities, arranging students to receive work trainings in practice. 2023 industry-academia collaboration conditions are shown in the table below.

Type	School	Period	Number of People
Industry-Academia Collaboration	Asia University, Taiwan	2023.02.01~2023.05.31	2
Industry-Academia Collaboration	Taipei City University of Science & Technology	2023.02.01~2023.06.15	1
Industry-Academia Collaboration	Chihlee University of Technology	2023.02.01~2023.06.30	2
Industry-Academia Collaboration	Kainan University	2023.02.13~2023.05.10	4
Industry-Academia Collaboration	Hungkuang University	2023.02.13~2023.05.19	1
Industry-Academia Collaboration	Chia Nan University of Pharmacy and Science	202302.13~2023.06.02	1
Industry-Academia Collaboration	Fooyin University	2023.02.14~2023.05.05	2
Industry-Academia Collaboration	National Taipei University of Nursing and Health Sciences	2023.02.20~2023.05.26	9
Industry-Academia Collaboration	Fooyin University	2023.02.20~2023.05.31	5
Industry-Academia Collaboration	Jinwen University of Science and Technology	2023.02.20~2023.06.23	1

	Industry-Academia Collaboration	Chia Nan University of Pharmacy and Science	2023.04.03~2023.05.26	3
	Industry-Academia Collaboration	Aletheia University	2023.06.15~2023.08.01	1
	Industry-Academia Collaboration	National Taipei University of Business	2023.06.27~2023.08.31	1
	Industry-Academia Collaboration	Chung Shan Medical University	2023.07.01~2023.08.31	1
	Industry-Academia Collaboration	Chihlee University of Technology	2023.07.01~2023.08.31	3
	Industry-Academia Collaboration	Chung Hwa Medical University	2023.07.01~2023.12.31	2
	Industry-Academia Collaboration	Dayeh University	2023.07.01~2023.01.31	2
	Industry-Academia Collaboration	Taipei City University of Science and Technology	2023.07.01~2023.06.30	2
	Industry-Academia Collaboration	National Quemoy University	2023.07.01~2023.06.30	1
	Industry-Academia Collaboration	Overseas Chinese University	2023.07.01~2023.06.30	2
	Industry-Academia Collaboration	Taipei City University of Science & Technology	2023.07.01~2023.06.30	2
	Industry-Academia Collaboration	National Chin-Yi University of Technology	2023.07.03~2023.06.30	2
	Industry-Academia Collaboration	Kainan University	2023.07.10~2023.08.31	1
	Industry-Academia Collaboration	Takming University of Science and Technology	2023.08.01~2024.01.31	1
	Industry-Academia Collaboration	Takming University of Science and Technology	2023.08.01~2024.05.31	1
	Industry-Academia Collaboration	Tainan University of Technology	2023.09.01~2024.01.15	4
	Industry-Academia Collaboration	Central Taiwan University of Science and Technology	2023.09.01~2024.05.31	1
	Industry-Academia Collaboration	Min-Hwei College of Health Care Management	2023.09.01~2024.05.31	6
	Industry-Academia Collaboration	Overseas Chinese University	2023.09.01~2024.05.31	2
	Industry-Academia Collaboration	Deh Yu College of Nursing and Health	2023.09.11~2024.01.12	4
	Industry-Academia Collaboration	Chihlee University of Technology	2023.09.11~2024.01.26	1
	Industry-Academia Collaboration	Taipei Medical University	2023.09.13~2024.01.15	3
Total				74
(III) Toward consumers' interests:				
The Company has up a 24-hour 0800 customer service hotline to faithfully serve customers amidst their needs and problems. Through the Company's official website, Facebook Messenger and the like, the Company renders instant messaging service, and provides stakeholders with very handy channels to reflect their opinions in real time.				