

# Wellell 2022 Sustainability Report

Be well, Live well

**Wellell**

## **REPORT CONTENTS**

About the Report	3
Message from the Chairman	4
Chapter I: About Wellell	5
1.1 Company Profile	5
1.2 Business Performance	6
1.3 Product and Service	6
1.4 Governance Structure	8
1.4.1 Framework and Operation of the Board of Directors and the Functional Committees	8
1.4.2 Professionalism and Independence of the Board of Directors	9
1.4.3 Performance Evaluation of the Board of Directors	9
1.5 Public Participation	9
Chapter II: Stakeholders and Major Issues	10
2.1 Communication with the Stakeholders	10
2.2 Major Issues Management	13
Chapter III: Sustainable Management	14
3.1 Brand Management	14
3.2 Sustainable Development Task Planning and Promotion	14
3.3 Product Development	14
3.4 Quality Safety Certification	15
3.5 Customer Satisfaction	16
3.6 Sustainable Supply	17
3.7 Environment-friendly	17
3.7.1 Energy Saving	18
3.7.2 Reduction of Water Consumption	19
3.7.3 Reduction of Waste	19
Chapter IV: Corporate Responsibility	20
4.1 Sustainable Management	20
4.1.1 Ethical Management	20
4.1.2 Risk Management	20
4.1.3 Information Security Policy and Management Plan	21
4.1.4 Regulatory Compliance	23
4.2 Human Capital	24
4.2.1 Composition of Employees	25
4.2.2 Performance Evaluation	26
4.2.3 Talent Cultivation	26
4.2.4 Educational Training	27
4.3 Health of Employees	29
4.3.1 Healthy and Safe Career	30
4.3.2 Healthy Working Environment	32
4.3.3 Welfare of Employees	34
Chapter V: Inclusive Society	36
5.1 Social Participation	36
5.1.1 Welfare for the Elderly	36
5.1.2 Others	37
5.2 Public Health Care	38
5.2.1 Importation of COVID-19 Rapid Test Kits in 2022	38
5.2.2 Free loan of pulse oximeters	38
Chapter VI: Appendix: Cross Reference Table of GRI Index Contents	40

## **About the Report**

### (I) Report Time and Scope

The information contained within this Report covers the period of January 1, 2022 to December 31, 2022. Both the financial and nonfinancial information covered in this Report were based on Wellell Inc., including Taiwan and overseas business bases/subsidiaries.

### (II) Report Preparation Principles

This report has been prepared in accordance with the GRI Standards, issued by the Global Sustainability Standards Board (GSSB), in alignment with the principles of transparency and publicity. In the appendix of this report, you will find a cross-reference table of the GRI Standards for index reference

### (III) Management of Report Information

All information and data in this Report are collected and prepared by internal departments of the Company, which submitted to the Sustainable Development Supervisory Commission for reviewing and confirmation. The financial information provided in this report has been audited by accountants and published in the annual report for the general shareholders' meeting. The financial information is prepared under the International Financial Reporting Standards adopted by the CPA firm.

### (IV) This Report is regularly issued annually. The last publication date was September 2022 and the next publication date is expected to be in September 2024.

If you have any questions or suggestions about this Report, please feel free to contact us. Our contact details are as follows:

Wellell Inc.

Address: No. 9, Minsheng St., Tucheng District, New Taipei City, Taiwan

Tel: 02-2268-5568

Company's Website: <https://tw.wellell.com/zh-tw>

## Message from the Chairman



Since founded in 1990, Wellell Inc. has remained committed to its original mission of respecting life and providing a wide range of high-quality products and rapid services to our customers. In 2022, we introduced the new brand 'Wellell,' a name created by combining 'Wellbeing' and 'Wellspring,' symbolizing a healthy and rejuvenating source. We prioritize the health and comfort of our users by carefully considering user experiences of our products and services, all while upholding our core belief in 'respecting the value of life.' Wellell is dedicated to helping patients and their families enjoy a healthier, more convenient, and worry-free life.

In 2022 with the COVID-19 pandemic greatly impacting our way of life, Wellell has risen to the challenge of adapting to social and environmental changes, with the escalating Covid-19 pandemic. Wellell, without hesitation, actively engaged in the joint procurement of imported rapid testing kits, demonstrating its commitment to social responsibility. In the domain of ESG and sustainable development, our commitment to exploration remains steadfast. In 2023, we will commence assessments of greenhouse gas emissions, embarking on a dedicated journey towards environmental sustainability. We are actively pursuing innovative strategies for the medical materials industry to make meaningful contributions to environmental preservation.

As a brand company, Wellell is committed to not only upholding corporate governance and professional specialization, but also fostering the sustainable environment, supporting social welfare, enhancing the disclosure of corporate social responsibility information, and fulfilling its responsibilities as a responsible corporate citizen. Moreover, through the preparation of the sustainability report, Wellell promotes transparency and public access to corporate operational information while harnessing medical expertise to achieve sustainable development.

## Chapter I: About Wellell

### 1.1 Company Profile

Wellell Inc. was established in 1990 as a professional company, specializing in design and manufacturing of the medical devices for home care. We provide products and services in wound management, respiratory therapy and medical equipment. We have been patient-centered and innovative technology-based. After more than 30 years of hard work, we aim to become one of the best professional medical equipment brands in the world.



Wellell provides a variety of medical solutions for the medical institutions and home care. Our brand footprint covers the whole world with the sales channels and service networks in more than 60 countries. Since our establishment in 1990, we have integrated the wound management program with sleep respiratory therapy and smart medical technology in order to provide the patients, the medical personnel and the medical institutions with better medical quality and improve their digital healthy life. Adhering to the belief of “respecting the value of life”, Wellell exerts efforts in assisting all patients and their relatives with owning a healthier, easier, and more carefree life.

The headquarters of the Group is located in Tucheng, Taiwan with 8 sales-type subsidiaries all over the world, 4200 retailers, and 142 brand agents in 60 countries.



### 1.2 Business Performance

Unit: TWD thousands

Category	Item	2020	2021	2022
Generated Economic Value	Operating Revenue	2,004,025	2,374,055	2,663,723
	Operating Margin	847,631	986,952	1,066,788
	Operating Expenses	748,696	882,629	881,848
	Operating Income	98,935	104,323	184,940
	Non-operating Income and Expenses	25,908	33,758	15,597
	Net Profit before Tax	124,843	138,081	200,537
	Net Profit after Tax	104,588	102,247	162,114
Distributed Economic Value	Salary and Welfare for Employees	554,918	666,362	647,909
	Distributed Dividends for Shareholders	55,501	55,501	85,775
	Taxes Paid to the Government	19,466	34,570	38,423

### 1.3 Product and Service

Three major lines of Wellell’s products include: Wound Management Products, Respiratory Therapy Products, and other Medical Equipment. We resort to the in-depth channels to understand the needs of patients or medical personnel and define the different products which can resolve the pain points. Besides, we live by in the human-based belief together with the three elements of “technology, clinical, and human factors” to develop those comfortable medical products which have therapeutic effect for the purpose of caring for the users around the world and letting people have a healthy and easy life.



## Wound Management Products

The bread-winning product of the wound management products is the support surface of medical decompression air mattress for prevention of pressure sore, which makes use of such various functions as alternate, turn over and zone pressure control, etc. to meet the pressure-relieving needs of patients with different risk levels and effectively prevent the pressure sore. According to the researches and surveys, if the decompression air mattress is used in the early stage of pressure sores, the treatment cost can be extensively reduced. Therefore, under the trend of continuous reduction of medical insurance budgets in various countries, the support surface of medical decompression air mattress have become a choice that can take into consideration both the medical benefits and costs.



## Respiratory Therapy Products

The respiratory therapy products mainly include the continuous positive airway pressure (CPAP), which treats the obstructive sleep apnea (OSA), and the masks exclusively for the continuous positive airway pressure. At present, more and more clinical studies have confirmed that intermittent hypoxia caused by sleep apnea will increase the risk of chronic cardiovascular disease, Alzheimer's disease and other related diseases, so more and more people are aware of the importance of sleep breathing. In addition to ensuring the function and effectiveness of the product, Wellell's continuous positive airway pressure puts more focus on the user's convenience and comfort, hoping to improve the compliance of the patients when they use it, so that the patients can have a good sleep at night.



## 1.4 Governance Structure

### 1.4.1 Framework and Operation of the Board of Directors and each Functional Committee

The Board of Directors is the highest decision-making department of the Company, in charge of supervising the overall operation and management of the company. In order to improve the operational efficiency of the Board of Directors and consolidate the corporate governance, the Company established the "Remuneration Committee" and the "Audit Committee" in 2011 and 2012 respectively.

The Remuneration Committee has 3 members who are experts and with the professional knowledge and work experience, appointed by the Board of Directors via the resolution according to the law to assist the Board of Directors in reviewing and evaluating the company's overall remuneration and welfare policies and the performance evaluation and remuneration of the Company's directors and managers. The "Audit Committee" is composed of all independent directors, with a total of five members and at least one of them has accounting or financial expertise; the main responsibility of the committee is to assist the Board of Directors in supervising the company's quality and integrity in the implementation of accounting, auditing, financial reporting processes, and financial control.

#### 1.4.2 Professionalism and Independence of the Board of Directors

The Company has appointed a total of 9 directors and 5 independent directors, accounting for 56% of all directors, including one female director, accounting for 11%.

The Company's directors (including the independent directors) actively participate in the internal and external training courses, and in 2022 they all completed the training hours required by statutory regulations. Please refer to the 2022 Annual Report of Wellell Inc. for the background experience and concurrent positions of the directors.

#### 1.4.3 Performance Evaluation of the Board of Directors

As a publicly traded company, the Company routinely conducts annual performance evaluations of the Board of Directors. The performance of these evaluations, along with recommendations for improvement, are presented to the Board of Directors for deliberation and continuous monitoring. For comprehensive details on the evaluation results, please refer to the 2022 Annual Report of Wellell Inc.

### 1.5 Public Participation

Wellell Inc. actively participates in the industrial associations and guilds and continues to care about the development of Taiwan's medical device industry for a long time. As a small and medium-sized manufacturer of medical devices operating its own brand, we are well aware that there are huge resources in brand management and medical clinical research. We strive to stay in Taiwan and establish a stage for the next generation. Wellell Inc. is pleased to share with the medical and brand related industrial associations and guilds, the government or legal entities and companies and enterprises the brand management experience to serve as a nutrient for the development of medical devices brands of the government and society of Taiwan.

Name of Departments	Representative	Department Title
New Taipei City Biotechnology Alliance	LEE, YUNG-CHUAN	Chairman
Taiwan Medical and Biotech Industry Association (TMBIA)	LEE, YUNG-CHUAN	Vice Chairman
Taiwan Excellent Brand Association (TEBA)	LEE, YUNG-CHUAN	Managing Director
National Association of Small & Medium Enterprises, R.O.C.	LEE, YUNG-CHUAN	Managing Director
Small and Medium Enterprise Foundation, Taiwan	LEE, YUNG-CHUAN	Director
Welfare Organization for the Elderly, Taiwan, R.O.C.	LEE, YUNG-CHUAN	Honorary Chairman
Central and South America Economic and Trade Association	LEE, YUNG-CHUAN	Member
National Biotechnology and Medical Industry Policy Promotion Association	LEE, YUNG-CHUAN	Member

Taiwan Assistive Technology Development Association	LEE, YUNG-CHUAN	Managing Director
New Taipei City Industrial Development Advisory Committee	LEE, YUNG-CHUAN	Advisory Committeeman

## Chapter II: Stakeholders and Major Issues

### 2.1 Communication with the Stakeholders

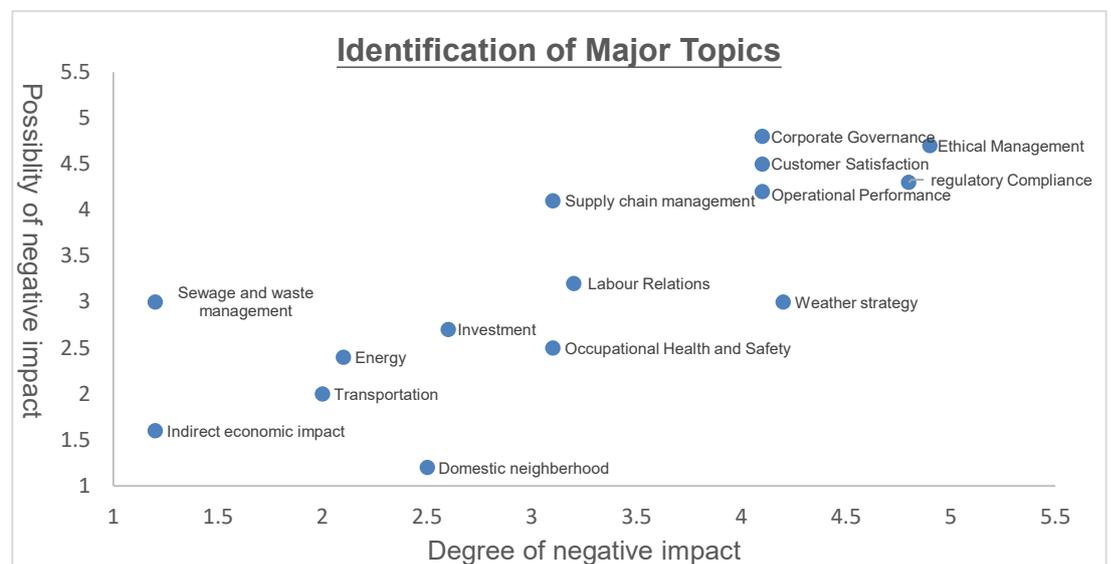
The stakeholders of the Company include the employees, suppliers, customers, investors and shareholders, etc. In order to fulfill corporate social responsibilities and value the rights and interests of the stakeholders, through the following good communication platforms with the stakeholders, Wellell Inc. understands the reasonable expectations and needs of the stakeholders, such as the diversified communication channels as the arrangement of various meetings in the company, employee communication channels, customer visits, supplier surveys, and the public information on the internet for the investors, etc. We widely solicit opinions from the stakeholders and refer to and collect the feedbacks and suggestions from the stakeholders, and incorporate the relevant good suggestions into the long-term goal of the company's development.

Stakeholders	Important Issues Concerned	Communication Channels, Response Method and Frequency
Employee Relations	Educational Training Labor Relations Employee Rights	<p>New Employee Group Training: Conducted quarterly with a specific number of participants; a total of 2 sessions were held in 2022.</p> <p>New Employee Life Coaches: Assigned based on individual employee onboarding, with a total of 67 coaches.</p> <p>Employee Education and Training: Conducted annually in accordance with the yearly plan.</p> <p>Internal Publication "Wellell Monthly Press": Regularly published monthly; a total of 12 issues were published in 2022.</p> <p>Supervisors Meetings with consultation: Scheduled irregularly;</p> <p>HR Team Care Service: Scheduled irregularly.</p> <p>Labor-Management Meetings: Held quarterly; a total of 4 meetings were conducted in 2022.</p> <p>Diverse Feedback Channels (No feedback was provided through this channel in 2022; all feedback was discussed through labor-management meetings).</p>
Supplier Relations	Supplier Relations Quality Management	<p>Procurement Contacts: Irregular meetings and visits.</p> <p>Contact Information: Mr. Tan, Materials Procurement Department.</p> <p>Email:Supplier@wellell.com</p>
Customer Relations	Product Quality	<p>Customer Service Hotline: Irregular meetings and visits</p> <p>Contact Method: Ms. Shih and Ms. Yang of the Customer Service Hotline 02-22685600#1106,1107 Email:customer@wellell.com</p>
Investor Relations	Financial Performance of Operation Investment	<p>Monthly Revenue Announcement: 1 time per month, posted on the Market Observation Post System and the Company's website</p> <p>Corporate Briefings: 2 times per year.</p>

Stakeholders	Important Issues Concerned	Communication Channels, Response Method and Frequency
	Strategy	Publication of Information on the Market Observation Post System: Irregular General Shareholders' Meeting: Once/Per Year Contact Method: Mr. Chen of the Finance and Accounting Department Email:IR@wellell.com

## 2.2 Major Issues Management

In order to accurately grasp the issues of concern of the stakeholders, the Company refers to the international trends, the GRI disclosure standards, the investors' viewpoints and the internal management feedback to identify the important sustainable issues. Considering that the issues concerned by different stakeholders have their own importance, and each has its own measurement basis and value, the members of the sustainable development task force will evaluate the impact of each issue on the economy, environment and society and the degree of concern of the stakeholders. Major issues are divided into five levels: corporate governance, operational performance, customer satisfaction, ethical management, and regulatory compliance.



Major Issue	Corresponding GRI Topic/ Self-formulated Topic	Impact Scope
Corporate Governance	Corporate Governance	◎ Wellell ◎ Employees ◎ Investors ◎ Customers
Operational Performance	201 Economic Performance	◎ Wellell ◎ Employees ◎ Investors ◎ Customers
Customer Satisfaction	Customer Satisfaction	◎ Wellell ◎ Employees ◎ Customers
Ethical Management	205 Anti-corruption	◎ Wellell ◎ Employees ◎ Customers ◎ Suppliers

Regulatory Compliance	307 Regulation Compliance Related to Environmental Protection 419 Compliance with Social and Economic Regulations	© Wellell © Customers © Suppliers
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### Chapter III: Sustainable Management

#### 3.1 Brand Management

Wellell Inc. adheres to the international channels and the brand value, adopts the strategy of "channel layout and local operation", adjusts the brand structure, deploys the international channels, and cares about and provides customers with the high-quality solutions for the purpose of a healthy life, so as to meet the needs of customers and make the popularity and designation of the Wellell brand continue to expand as the designated brand manufacturer of mid-and-high-end decompression air mattresses in hospitals in Italy, Northern Europe, and Spain, etc.

The operational policies of the Company include:

- (1) Deepen the market operation, cultivate the long-term partnership with the brand agents, expand the marketing channels in order to offer the momentum for the revenue growth.
- (2) Establish the clinical research, collaborate with KOLs, and define products with distinctive features.
- (3) Develop digital marketing and operational capabilities to meet the needs of digital transformation.
- (4) Optimize supply chain efficiency, continuously reduce costs and improve gross margin.
- (5) Strengthen research and development in key technologies, conduct the fundamental research on key components and technologies. Establish the management standards for subsidiaries, optimize internal operational efficiency within the group and enhance collaboration synergy.

#### 3.2 Sustainable Development Task Planning and Promotion

The Company promotes the structure of sustainable development, with the chairman as the general convener, and a report will be submitted to the Board of Directors on the planning timeframe of the parent company (individual company) in May 2022, and a task force will be set up to carry out the relevant planning. In the future, the planning and progress of sustainable development promotion will be regularly reported to the Board of Directors in accordance with the regulations, and the Board of Directors will supervise and guide the environmental, social and corporate governance issues of sustainable development.

#### 3.3 Product Development

Wellell Inc. convinces that the product power is an important cornerstone for promoting international brands. We invest an average of nearly 7% of the revenue in product research and development and innovation every year. In terms of the development of medical equipment, the most important thing is how to understand pathology from human factors, verify efficacy from the clinical aspect, and integrate the pathological research, clinical efficacy, and key technology into the most suitable products for users. Wellell upholds the people-oriented belief of integrating the three elements of "technology, clinical, and human factors", develops the curative and comfortable medical products, cares for users all over the world, and enables people to live a healthy and comfortable life.

Wellell Inc. continues to strengthen the medical basis of products through the preliminary market research design thinking and active clinical evaluation. We use the basic research and development of key components and technologies as the foundation for product development improvement. For the wound management and respiratory therapy, we carry out the in-depth research and development, and introduce the products with the differentiated characteristics.

In the field of wound management, Wellell Inc. will meet the needs of the professional healthcare workers in the major markets, and continue to develop the value-added high-end products, so as to make a clear distinction from low-priced competitors.

In terms of the respiratory therapy products, Wellell Inc. is actively developing a new generation of respiratory therapy medical device, investing in the establishment of a human factors engineering team, and enhancing the competitiveness of the mask products.

### 3.4 Quality Safety Certification

The medical devices need to meet the requirements of the medical quality system and regulations of various countries. Wellell Inc. has invested in a professional regulatory department and clinical certification team for many years, and obtained ISO 13485 quality management system certification. In addition, we comply with the international standards and norms to design and manufacture the high-quality and reliable products; so far, we have obtained 190 world-class safety certifications and 337 medical product certifications, including the 510(K) of the US Food and Drug Administration (FDA) and the 93/42/EEC of the EU Medical Device Directive (MDD); meanwhile our products have been licensed by the China National Medical Products Administration (NMPA), the Australia Therapeutics Administration (TGA), the Health Canada (Health Canada), and Taiwan Ministry of Health and Welfare Food and Drug Administration (TFDA), so it can be used with confidence by the end customers.

Wellell Inc. aspires to put forward the innovative ideas, focuses on developing various possibilities, and even insists on quality assurance as the top-priority goal. We launch the highest quality products and strive to "Do It Right the First Time". After a series of design verifications and validations (V&V) procedure, a reliable and effective test process focuses on functionality, such items as operating temperature, pressure, noise, fabric durability, compressor life test, etc., in compliance with the International Electrotechnical Commission (IEC) 60068-2 standard, so as to provide the users with the products that meet the world's safety standards.



### 3.5 Customer Satisfaction

Wellell Inc. has a complete marketing, R&D, manufacturing and operation management group, and has established subsidiaries in Spain, the United Kingdom, France, Germany, China, Thailand and the United States, as well as the marketing bases in Egypt. Wellell is mainly based on exportation, so how to maintain a good relationship with the foreign customers is an important issue. In addition to visiting the customers from time to time, the management team has also set up the overseas subsidiaries to serve customers nearby, and actively collect the information on the market trends and product techniques in order to clearly grasp the market demands and maintain a long-term cooperative relationship with the customers. Since 2020, Wellell has actively created and established the Wellell brand, and promoted it to the countries in the Greater China region, Spain, Portugal, and other countries in the Middle East, Central and South America, Eastern Europe, etc. with a view to meeting the customers' needs for a full range of product lines, fast delivery, and one-time purchase.

The company's products and services, including customer health and safety, customer privacy, marketing and labeling, all comply with the relevant laws and the international standards. We have a customer service department and formulate the customer complaint handling rules to improve customer satisfaction. Moreover, the department of Customer Service conducts the

customer satisfaction surveys every year to understand the conditions of customer satisfaction and puts forward the relevant suggestions for improving customer satisfaction. Additionally, a special area for the stakeholders is also set up to provide the channels for the customers to ask questions, complain or make suggestions. Wellell Inc. holds by the principle of good faith to properly handle and give feedback to protect the rights and interests of the customers.

### 3.6 Sustainable Supply

The suppliers are one of the important partners in the operation of Wellell Inc. By adhering to the concept of "win-win cooperation", we make efforts in building up a mutual cooperative relationship with the supply chain partners, and jointly practice the corporate social responsibility with the partners. The company internally uses the "Purchasing Operation Management Rules" and the "Purchasing Operation Standards" as the supplier management policy, and arranges the evaluation of the suppliers every year. In the future, in keeping with the planning of the sustainable development framework, we will include the compliance with the relevant regulations in such issues as environmental protection, occupational safety and health, or labor human rights in the selection and evaluation of the suppliers.

Besides, Wellell Inc. understands the difficulty in the establishment of the international channels for small and medium-sized medical device manufacturers in Taiwan, as well as the huge costs with the huge risks. Most Taiwanese medical materials manufacturers are unable to manage their brands because of the lack of overseas channels and markets and they are also incapable of investing in the legal and clinical verification resources. As such, Wellell Inc. provides an international medical materials platform that has been invested for many years, so that Taiwan's high-quality medical materials start-up teams can have the last-mile delivery of products, and there is no need to invest the huge resources to establish a clinical regulatory team. In addition, we can grasp the overseas needs and assist the Taiwanese manufacturers with defining and developing the new differentiated products in order to achieve the goal of building a Taiwan medical materials platform and a complete industrial chain, and promoting the industrial upgrading.

### 3.7 Environment-friendly

The Company's medical products comply with the ISO13485 certification standards. The production type is mainly based on the product assembly and we request the process raw material suppliers to meet the requirements of customers and the European Union's Restriction of Hazardous Substances (RoHS) Directive regulations on electronic products to reduce the pollution of the environment. The industrial characteristics are not classified in the high-energy-consuming industries, and all products and process outputs of the company are free from environmental pollution, and we are striving towards the direction of developing green

products.

The Company also abides by various environmental protection laws and regulations. Our factory's environmental management systems are all consistent with the requirements of the environmental protection laws and regulations. Based on the concept of environmental protection, we are committed to complying with various international laws and certification standards in the process of research and development, design, manufacturing, sales and distribution. We also comprehensively promote the energy-saving and carbon-reduction measures within the company, and fulfill our corporate environmental protection responsibilities and obligations.

The Company is not a high-energy-consuming industry, so we do not install and use a large number of greenhouse gas facilities. However, we control the temperature of the air conditioner in summer to effectively use energy and achieve energy-saving and carbon-reduction goals. We fully support the relevant policies of the competent authority in terms of the energy management of office buildings and computer rooms.

In regard to the issue of recycled materials, such as recycled plastics, our company continues to monitor it. However, medical equipment must prioritize the safety requirements of patients and caregivers. Material choices must fully consider factors such as source, strength, durability, and biocompatibility. Therefore, the use of recycled materials requires greater caution. Our company will continue to monitor and stay informed about issues related to recycled materials.

### 3.7.1 Energy Saving

The Company's total electricity consumption in 2021 and 2022 was 1,741,100 kWh and 1,770,600 kWh respectively, marking an increase of 29,500 kWh, or 1.7%. It is estimated that the increase in electricity consumption is primarily due to the growth in orders in 2022 compared to the previous year, resulting in a slight increase in electricity usage

Over the years, the company has implemented various energy-saving measures, including:

1. Replacing traditional fluorescent tubes with LED lights.
2. Adjusting the water temperature by raising it by 2 degrees in high-power consumption cooler air conditioning systems to prevent excessive electricity consumption caused by maintaining a low indoor temperature.
3. Upgrading to energy-efficient air compressors and replacing mechanical drainage systems with airless drainage systems.
4. Purchasing high-efficiency scroll-type air compressors to replace reciprocating air compressors, thereby increasing compression efficiency and reducing gas leaks

In response to the need for new equipment, all purchases prioritize selecting items

with top-tier energy efficiency to achieve the goal of electricity savings.

### 3.7.2 Reduction of Water Consumption

In 2021, our water usage amounted to 7,417 tons, while in 2022, it decreased to 7,308 tons, resulting in savings of 109 metric tons, a reduction of approximately 1.41% compared to the previous year. Our company does not have a need for water in production processes; the primary usage is for domestic purposes.

Management of domestic water usage includes:

- Installation of sensor faucets in restrooms.
- Adjustment of water flow for non-sensor faucets.
- Use of water-saving certified products for urinals.
- Installation of two-stage water-saving devices in toilets to minimize water resource wastage.

### 3.7.3 Reduction of Waste

Wellell generates two categories of waste: process-generated waste fabric and general waste. In 2021, the total weight of process-generated waste fabric was 18,790 kilograms, while in 2022, it decreased to 17,360 kilograms, a reduction of 1,430 kilograms, or 8%. The total weight of general waste in 2021 was 45,476 kilograms, and in 2022, it increased to 50,315 kilograms, an increase of 4,839 kilograms, or 11%.

The increase in general waste in 2022 was primarily due to the replacement of office chairs and unusable office equipment. Our company periodically promotes and encourages employees to assist in resource recycling efforts to reduce waste and achieve recycling and reuse goals.

## Chapter IV: Corporate Responsibility

### 4.1 Sustainable Management

#### 4.1.1 Ethical Management

Wellell Inc. regards "integrity, professionalism, and innovation" as its business philosophy, among which integrity is more valued by the founder, Chairman LEE, YUNG-CHUAN, who encourages all colleagues in the Group to follow the business philosophy of integrity and fully fulfill the "Ethical Corporate Management Principles".

In order to strengthen the company's corporate culture of ethical management, good business operations, and sound development, the ethical corporate management principles are formulated with reference to the "Ethical Corporate Management Principles" for TWSE/TPEX Listed Companies. Wellell Inc. requires the directors, managers, employees, appointees, and those with substantial control ability not to directly or indirectly provide, promise, request or accept any improper benefits, or involve other unethical acts such as violation of integrity, illegality, or breach of fiduciary duties in order to obtain or maintain benefits.

In order to consolidate the management of ethical corporate management, the human resources department is authorized by Wellell Inc. to take charge of the formulation, supervision and execution of the ethical corporate management policy and the prevention program; the report will be presented to the Board of Directors once a year on a regular basis. The Board of Directors fulfills the obligation of a good manager to supervise and prevent the unethical acts and review the implementation effect and continuous improvement at any time to ensure the fulfillment of the ethical corporate management policy.

#### 4.1.2 Risk Management

Wellell Inc. regularly identifies and evaluates various types of risk management within the enterprise, including finance, research and development, changes in policies and laws, changes in technology, changes in corporate image, reinvestment or asset acquisition/disposal, concentration of purchases/sales, changes in equity/management rights, legal related matters, etc. In the future, we will further formulate the "Risk Management Best-Practice Principles" to establish a sound risk management system and steadily operate the business towards the goal of sustainable development of the enterprise.

In the current internal risk management of the enterprise, the organizational structure of the enterprise involved: the Business Department, the Auditing Department, the Audit

Committee, and the Board of Directors; therein the internal audit is an independent department, which can independently check the implementation status of the organization's operations and report to the Board of Directors and the Audit Committee. All three organizations can assist in monitoring and controlling the risks and continue to pay attention to whether the internal control between the departments is operating effectively. When the defense line is implemented, the enterprise can achieve the goal of overall risk control.

As disclosed in the 2022 Annual Report, in the assessment and analysis of risk events, Wellell Inc. did not identify the major risk types, and the items and various types of risks are also continuously assessed by the responsible departments; the internal resources are allocated according to changes in the environment and the market for drawing up the response strategies and execution measures.

#### 4.1.3 Information Security Policy and Management Plan

To strengthen information security management and ensure the confidentiality, integrity, and availability of information assets, Wellell has established this policy to implement and promote information security management operations.

##### (1) Information security risk management structure

Wellell information security organization primarily falls under the IT Department, and it should follow the PDCA (Plan-Do-Check-Act) cycle according to the company's existing management regulations for operational planning, execution, checking, and review. The structure of the information security risk organization spans across departments, as illustrated in the diagram below:

Department	Duty
Hr department	Coordinate, control, and manage general risks to the company's enterprise
Legal & ip department	Coordinating business secrets, confidential data, and personal data protection regulations
IT department	Develop and implement information security management regulations
Auditing department	Audit management regulations and reporting to the board of directors
Software design department	Handling cloud service information management incidents for external clients

(2) Information Security Policy and Specific Management Plans

The company's cybersecurity policy encompasses the following relevant aspects:

Aspects	Description
Information and communication systems policy principles	System permission management, system access management, backup management
Operational execution principles	Software/equipment security management, network usage management
Personnel training operation principles	New employee cybersecurity training, ensuring they acquire the necessary knowledge and skills
Cybersecurity incident handling procedure	The policy outlines the reporting process following the 5W1H principle (who, what, when, where, why, and how). The information is verified by the IT manager, and the extent of impact and severity is reported upward.

Specific management plans

Aspects	Description
Information and communication systems policy principles	<ul style="list-style-type: none"> <li>• Regular Account and Permission Auditing</li> <li>• Authorization, Review, and Control Measures for Employee Access Permissions</li> <li>• Data Backup and Redundancy Measures</li> </ul>
Operational execution principles	<ul style="list-style-type: none"> <li>• Physical and Environmental Security</li> <li>• Inventory of Software and Hardware Usage</li> <li>• Antivirus and Operating System Update Procedures</li> <li>• System and Network Status Monitoring</li> <li>• Regular Auditing and Verification of Business Confidentiality and Sensitive Information</li> <li>• Regular Auditing and Verification of Personal Data</li> </ul>

	<ul style="list-style-type: none"> <li>• Cybersecurity Awareness</li> <li>• Sensitive Information and Privacy Management Awareness</li> </ul>
Personnel training operation principles	<ul style="list-style-type: none"> <li>• Mandatory Online Training Courses for New Employees</li> <li>• Conducting In-Person Education and Training Sessions</li> <li>• Education and Training on Sensitive Information and Privacy Management</li> </ul>
Cybersecurity incident handling procedure	<ul style="list-style-type: none"> <li>• Incident Handling and Reporting</li> <li>• Announcement of Major Cybersecurity Information</li> </ul>

Considering that cybersecurity insurance is an emerging category of insurance and assessing its effectiveness in terms of coverage, claims identification, and identification mechanisms, the company has evaluated it and decided not to purchase cybersecurity insurance for the time being. However, given the challenges in the field of information security, such as Advanced Persistent Threats (APTs), Distributed Denial of Service (DDoS) attacks, Ransomware, Social Engineering, and Business Email Compromise (BEC) attacks, the company has implemented the following strategies:

- A. Conduct an annual cybersecurity assessment (cybersecurity health check).
- B. Continuously monitor changes in the cybersecurity landscape, internally disseminate and announce protective mechanisms and solutions.
- C. Utilize existing antivirus systems, email protection systems, and cybersecurity network equipment for protection and logging to proactively prevent, detect, and minimize the impact on business operations.
- D. Implement cybersecurity incident reporting procedures.

#### 4.1.4 Regulatory Compliance

The medical devices need to meet the requirements of the medical quality system and regulations of various countries. Wellell Inc. has invested in a professional regulatory department and clinical certification team for many years, and obtained ISO 13485 quality management system certification. In addition, we comply with the international standards and norms to design and manufacture the high-quality and reliable products. So far, we have obtained 190 world-class safety certifications and 337 medical product certifications, including the 510(K) of the US Food and Drug Administration (FDA) and the 93/42/EEC of

the EU Medical Device Directive (MDD). Meanwhile our products have been licensed by the China National Medical Products Administration (NMPA), the Australia Therapeutics Administration (TGA), the Health Canada (Health Canada), and Taiwan Ministry of Health and Welfare Food and Drug Administration (TFDA), so the end customers can use them with peace of mind.

Wellell Inc. aspires to put forward the innovative ideas, focuses on developing various possibilities, and even insists on quality assurance as the top-priority goal, launches the highest quality products, and strives to "Do It Right the First Time". After a series of design verifications and validations (V&V) procedure, a reliable and effective test process focuses on functionality of such items as operating temperature, pressure, noise, fabric durability, compressor life test, etc., in compliance with the International Electrotechnical Commission (IEC) 60068-2 standard, so as to provide the users with the products that meet the world's safety standards.

In 2021, Wellell Inc. and the company's directors, supervisors, general manager, de-facto person in charge, major shareholders with a shareholding ratio of more than 10% and subordinated companies did not involve major lawsuits, non-litigation or administrative disputes that have been judged or were still pending. There were no huge fines for violating laws and regulations, neither were there lawsuits involving violations of fair trade or anti-monopoly behavior.

## 4.2 Human Capital

In 2022, Wellell's global workforce comprised nearly 670 employees, with Europe accounting for 25% of this total. We are dedicated to partnering with global brands at the forefront of providing medical products and services, contributing our efforts to people's health. Guided by our core values of 'Integrity, Expertise, and Innovation,' we have cultivated a friendly and careful workplace with challenges for our employees. We offer a diverse talent development system, comprehensive support and benefits, open and transparent communication channels, and a corporate culture that genuinely cares. This allows our colleagues to thrive in roles that suit their skills and shine on the global stage of the healthcare industry.



#### 4.2.1 Composition of Employees

As of the end of 2022, the total number of people in Wellell Inc.'s parent company was 274. Among them, the women accounted for 54% and the women in management accounted for 27%.

Sex	Total	Percentage %
Female	149	54%
Male	125	46%
total	274	100%

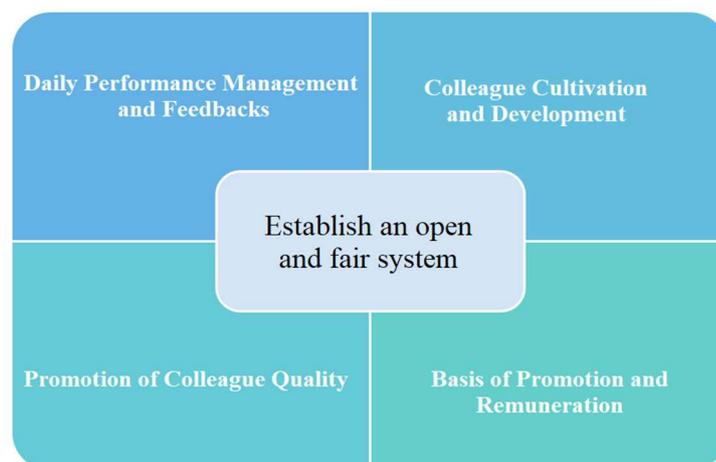
Management Position		
Sex	Total	Percentage %
Female	12	27%
Male	32	73%
Total	44	100%

Age	Total	Percentage %
Under 30	32	12%
31-40	94	34%
41-50	99	36%
51-60	47	17%
Over 60	2	1%
Total	274	100%

#### 4.2.2 Performance Evaluation

In line with our brand vision of 'Becoming a leading brand in the medical industry, focused on innovation and trustworthiness,' Wellell aims to establish an inclusive and innovative performance culture.

HR department primarily ensures the company's competitiveness in labour resources through an open and fair system. This is implemented in daily performance management, employee cultivation and development, salary adjustments, and others. Consequently, it enables us to provide caregivers and patients with higher-quality medical products and services.



#### 4.2.3 Talent Cultivation

In order to optimize the quality of the company's human resources, Wellell Inc. uses the "management/professional dual-track system" and the "generalist/professional training plan" to build the cornerstone of the company's talent cultivation.

The management and professional dual-track system is there mainly to provide diversity in

the career development direction of the company's talents, and to help the colleagues with different qualities to gradually grow into the management positions or the professional positions according to their own qualities and make them suitable for the right place. The generalist and professional training plan mainly focuses on activating the thickness of human resources in the organization, the deepening of specialists in the said specialty and the integration of generalists across fields, so that these two talents can complement each other to form the best match for the internal operation of the organization.

The company has established a complete training framework and training system for company's medium and long-term business strategies and annual goals. With a view of improving the employees' productivity and the business performance, the company trains talents needed for current and future business development. In addition to being encouraged to improve their own abilities independently, the employees also cooperate with their personal career planning and grow together with the company to create an atmosphere of lifelong learning in the company.

#### 4.2.4 Educational Training

##### (1) Newcomer Training for Blended Learning

Due to the particularity of the industry, in order to allow new R&D colleagues to exert their immediate prowess in the shortest time, we conduct the newcomer introduction training through a blended learning method, including online common courses on products, processes, and clinical courses, and then further plan the tailor-made exclusive OJT courses with one-on-one guidance by senior colleagues, so as to ensure that each newcomer can quickly integrate into work in the first month.

##### (2) Core Platform of Knowledge Management

Wellell Inc. is a medical materials company with its own brand; all kinds of knowledge on the internal products, clinical aspect, R&D, and markets, etc. are the core of its competition. Through the e-Learning Platform, all knowledge is digitized and saved one by one in the form of audio and video. Because of the management and control of access authority, the colleagues with corresponding positions are allowed to directly obtain it on the learning website and supplement the professional knowledge through the systematic learning.

## Wellell 好學網



### (3) Depth and Width of Capability in Professional Fields

In order to keep upgrading the manpower in the professional field, we have gradually planned to expand the educational training courses from the product research and development to those of quality system, legal and intellectual rights. We hope to achieve a new thinking in the self-owned brand and the product development through the brainstorming of the open platform cross-functional departments.

The statistics of the person time and the total hours of training for the internal and external physical educational training courses throughout 2022 were as follows:

Employees' Participation in Educational Training	Participants	Total Hours (Hour)
Internal Training	1,655	2,847
External Training	30	266
Total	1,685	3, 113



## 4.3 Health of Employees

Wellell is dedicated to establishing a safe and healthy working environment, with a conscientious approach to considering employee health as a managerial responsibility. In order to create a friendly and healthy workplace, Wellell has established safety work principles, emergency response plan and also established measures to prevent sexual harassment in accordance with the Act of Gender Equality in Employment.

In 2022, with the launch of our new brand "Wellell," we redesigned our company's workspace. In alignment with the digital communication trends, we have created various discussion spaces to facilitate team interaction, discussions, and foster an environment of innovation. To meet the demands of remote video conferencing and calls, we have also invested in soundproof booth facilities, aiming to provide our employees with a more comfortable, dynamic, and innovative working environment.



#### 4.3.1 Healthy and Safe Career

Employees are the most valuable assets of the company, and their health is the cornerstone of our organization. The following points outline the measures taken by the company to protect the health of our employees:

1. The company has established a 'Health Management Standard' to prioritize the well-being of all employees. This standard includes health checkups, special hazardous occupational health inspection, graded management and tracking, a health care system, return-to-work measures, and health promotion initiatives etc.. Every month, our nursing staff provides a 'Monthly Health Press,' sharing health knowledge and disease prevention information.

In our commitment to employee health, Wellell goes beyond legal regulation by providing each employee with a health checkup every two years. In addition to the initial physical examination report required for new hires, we allocate additional budget for health checkups, incorporating ultrasound, electrocardiograms, and cancer screenings. These additional screenings help evaluate the health status of our employees, including imaging and major disease screenings methods.

Whether it's a physical examination or a general health checkup, our contracted nurses and physicians conduct analysis and provide the consult meeting for healthcare suggestions based on the health checkup results, such as arrange interviews or provide follow-up health education and support.



2. **Maternal Protection:** The company has established the Maternal Protection Operational Guidelines as the basis for implementation. Our occupational safety personnel arrange interviews with employees who are pregnant or within one year postpartum, in consultation with nurses or occupational physicians. These interviews are conducted in stages and include the provision of health education information. During pregnancy, we provide practical 'Mommy-to-Be Kits' and gifts, and we encourage employees to continue breastfeeding after childbirth. We have set up dedicated lactation rooms and provided 'Maternity and Child Exclusive Parking Spaces.' for employees who is in need ensuring the well-being of mothers. In 2022, we provided health care support to a total of 8 individuals.
3. **Overload Prevention:** Wellell has established the 'Overload Prevention Management Guidelines' as the basis for implementation. Our occupational safety personnel gather monthly statistics data on employee overtime hours. Once an employee exceeds 45 hours of overtime within a month, our safety personnel will conduct an initial assessment and, when necessary, arrange an interview with that employee accompany with nurses or occupational physicians. The supervisors of the department then needs to make necessary adjustments to decrease the risk of overload prevention. Every two years during health checkups, we analyze whether employees are experiencing overload based on overload questionnaires and health checkup results. When necessary, we arrange for employees to have a health interview with occupational physicians and provide follow-up support. In 2022, a total of 26 individuals received health care support.
4. **Prevention of Ergonomic Hazards:** Wellell has established the 'Ergonomic Hazard Prevention Management Guidelines' as the basis for implementation. Every year, we conduct an 'Ergonomic Musculoskeletal Assessment.' Occupational safety personnel and nurses together develop improvement plans and conduct follow-ups. In 2022, a total of 9 individuals received health care support.
5. **Handling of Accident Incident Reports:** Wellell has established the 'Accident Incident Handling Guidelines' as the basis for implementation. When an employee experiences an accident incident, in addition to providing necessary medical assistance, the company's occupational safety personnel or nurses will provide health care and assistance. For on-site accident incidents, occupational safety personnel and unit supervisors initiate accident investigations, propose improvement measures, and take steps to prevent the recurrence of accidents.

6. On-Site Services: Occupational health professionals, including nurses and physicians, identify high-risk department and individuals based on the work environment and employee health examination reports. They collaborate with occupational safety personnel to implement preventive and improvement measures. In 2022, on-site nursing services were provided 50 times, and physician services were provided 6 times.
7. Excellent Health Workplace Certification: In 2020, Wellell obtained the 'Health Promotion Badge' and was also honored with the 'Excellent Health Workplace - Health Management Award' in the same year. The validity period of the Health Promotion Badge extends until 2023.



#### 4.3.2 Healthy Working Environment

To create a safe and healthy working environment, Wellell has established a leisure center on the 7th floor. This center includes facilities such as a multipurpose sports court, a fitness gym, and an aerobics classroom, providing employees with a space for sports and leisure activities.



To ensure a safe workplace environment and protect the health of our employees, Wellell adheres to various regulations and implements the following procedures:

1. Regular Inspection of Important Equipment: Elevators, high and low voltage systems, fire-fighting equipment, and other critical devices undergo regular inspection and maintenance by professional vendors. Additionally, safety testing is conducted annually by inspection

organizations.

2. Regular Inspection of Facilities Related to Daily Life: Monthly water quality tests for drinking water are carried out by professional testing organizations. Drinking fountains, water towers, and HVAC systems receive regular cleaning and maintenance by specialized vendors.
3. Environmental Monitoring: Professional vendors conduct annual testing for carbon dioxide concentration, noise levels, and hazardous chemicals. Illuminance testing is performed every 3 years, exceeding regulatory requirements. To date, our environmental monitoring has consistently complied with legal regulations.
4. Public Safety Inspections of Buildings: Every two years, professional vendors conduct inspections of our buildings.
5. If improvement recommendations are made by the testing units, the company implements improvement projects in the current or following year, depending on the urgency of the situation.
6. In quarterly labor-management meetings, occupational safety personnel report on the results of environmental monitoring. They also provide updates on the outcomes of biannual fire drills and regular fire safety inspections. This ensures that employees are aware of the safety of their daily work environment.
7. Since 2005, the company has employed visually impaired individuals to provide massage services, which have continued for 18 years. These services are available through pre-scheduled online reservations, offering employees relief from muscle stiffness resulting from their work. In 2022, there were a total of 1,368 recorded massage sessions.

In addition to maintaining a safe and healthy environment, Wellell places great importance on promoting safety awareness among our employees. When emergencies occur, ensuring the safety of lives is our top priority. In accordance with fire safety regulations, the company has established a fire self-defense team. This team undergoes educational training and on-site drills every six months, and the results are documented and reported to local fire authorities.

All employees participate in phased fire safety and occupational health education and training programs, along with regular assessments. Through continuous training, we aim to instill a strong sense of health and safety awareness among our employees. During breaks in these training sessions, our occupational safety personnel lead exercise activities to promote health and well-being. These activities not only enhance employees' knowledge of health and safety but also encourage physical activity to improve overall health.

Fire Drills in First Half of 2022	On November 29th and December 5th, a total of 2 sessions were held, with a combined participation of 257 individuals.
Lecture –Promoting Positive Energy in the Workplace, Building Strong	On September 15th and September 22nd, a total of 2 events were held, with a combined

Interpersonal Relationships, and Managing Low Spirits and Emotional Well-being	participation of 71 individuals.
General Safety and Hygiene Education	Online Courses Irregular Update and Publicity Courses
“Say No to Sexual Harassment in the Workplace” · “A Guide to Self-protection Against Employment Discrimination” and “Act of Gender Equality in Employment”.	
Introduction to Promotion of Workplace Health, Workplace Safety Propaganda, Occupational Safety and Health Training	
Fire Safety Training, Fire Propaganda	



### 4.3.3 Welfare of Employees

Wellell, in addition to providing the basic legal safeguards, established the Employee Welfare Committee on March 12, 1999. This committee is responsible for planning and implementing various employee welfare initiatives. Our company places a strong emphasis on fostering harmonious labor relations and establishing a two-way communication channel with our employees. We provide a range of employee welfare measures, including group insurance, subsidies for club activities, quarterly flexible bonuses, birthday gifts, holiday bonuses, employee gatherings, and spring banquets. For detailed information on these benefits, please refer to the iTIPs website provided by the company.

*i-Tips* Wellell

Be well, Live well

[個人專區](#)
[任用與轉](#)
[薪酬待遇](#)
[離職與福利](#)
[公假及病假](#)
[數據分析](#)
[外幣匯率](#)
[名譽退休](#)
[好學獎
 +](#)

類別	項目	受付主體	金額	對象	詳情請參閱資料
訓練津貼	公司	\$6,000	美元	年終晉升津貼2份	
	僱員	\$3,600 \$2,400	美元 美元	員工(津貼4年一週) (限有資格晉升或轉日職員工)	
出版津貼	公司	\$2,000	美元	出版期刊津貼2份	
	僱員	\$1,200 \$1,800	美元 美元	員工(津貼4年一週) (限有小於出版日職津貼員工)	
生活津貼	公司	\$1,600	美元		
	僱員	\$1,000 \$800	美元 美元	員工(津貼4年一週) 新晉紅利津貼2份	
生日津貼	僱員	\$500	美元	僱員晉升津貼	
已故津貼	公司	\$1,000	美元	周年薪、中利薪、僱員晉升津貼	
	僱員	\$500	美元	周年薪、僱員晉升津貼	



## Chapter V: Inclusive Society

### 5.1 Social Participation

Adhering to the concept of taking from the society and using it for the society, Wellell Inc. actively participates in social programs, hoping to assist the government and society with building up a platform for the elderly to rely on and the young to develop.

#### 5.1.1 Welfare of the Elderly

In face of the rapid population aging phenomenon in Taiwan and various care issues derived from it, Mr. LEE, YUNG-CHUNG, serves as the Chairman of Wellell Inc. and also as a Chairman of the New Taipei City Biotechnology Alliance., establishes the association to care for the elderly and give feedbacks to the society. He hopes he can attract ideas by combining the public departments, and the social welfare organizations, etc. to conduct various activities to arouse the government and the public to pay attention to the problems of the elderly, and then promote the formulation of relevant laws and regulations, fight for the rights and interests of the elderly, and improve the quality of the elderly's life, so that our elders can have a safer and more dignified old-age life.

The main service items include:

- (1) Sponsor the educational promotion of the products and assistive devices for the elderly welfare.
- (2) Host the activities for the elderly or conduct charitable activities in keeping with the related groups.
- (3) Sponsor the foreign simulation activities for the elderly welfare and promote the domestic welfare service.
- (4) Initiate and propagate the policy for the elderly welfare.

The relevant activities hosted by the Welfare Organization for the Elderly in 2022 were as follows:

In August 2022, we hosted a seminar titled "Using the 'ISO Seat Cushion Testing Standard' and 'International Pressure Injury Clinical Guidelines' as References for Wheelchair Cushion Fitting." We were honored to have Dr. Rachel Fabiniak, the Asia-Pacific Clinical Services Director at the international medical equipment company Permobil Inc., as the guest speaker. Dr. Fabiniak shared insights on how to use the ISO Seat Cushion Testing Standard and International Pressure Injury Clinical Guidelines as references for wheelchair cushion fitting.



In December 2022, the Welfare Organization for the Elderly, Taiwan, R.O.C., in collaboration with the New Taipei City Government's Economic Development Bureau, the New Taipei City Biotechnology Alliance, and the Far Eastern Memorial Hospital, jointly organized the "New Taipei Smart Home Healthcare Future" forum. The keynote speech was delivered by Dr. Kuang-Ming Chiu, President of the Far Eastern Memorial Hospital, who spoke on the topic of "Life After the Pandemic: Smart Home Healthcare in the COVID-19 Era." The presentation emphasized the importance and forward-looking nature of home healthcare in the context of modern medical technology and its significance in elderly care. The forum concluded with an insightful panel discussion and Q&A session led by Mr. LEE, YUNG-CHUNG, serves as the Chairman of Wellell Inc. and also as a Chairman of the New Taipei City Biotechnology Alliance, providing valuable insights for the attendees.



### 5.1.2 Others

In 2022, Wellell Inc. conducted the sponsorship of activities or donation for the Welfare Organization for the Elderly, Taiwan, R.O.C., the Taipei Spinal Cord Injury Association, the ROC Federation of Spinal Cord Injured, and the New Taipei City Biotechnology Alliance in the hope of participating in social public welfare through the

power of enterprises.

Internally, through the activities of the General Affairs Department and the Human Resources Department, the employees are encouraged and supported to participate in various public welfare activities, responding to the social needs, and further cultivating the social citizenship awareness, internalizing it as a corporate social responsibility culture, and implementing the concept of feedbacks to the society.

## 5.2 Public Health Care

### 5.2.1 Importation of COVID-19 Rapid Test Kits in 2022

In May 2022, as the domestic COVID-19 situation in Taiwan escalated rapidly, there was a significant surge in demand for rapid test kits within society. Industries were faced with an increased need to procure these test kits to protect their employees. However, the acquisition of rapid test kits was challenging due to their limited availability.

Wellell Inc., as a medical device manufacturer, upholds the spirit of "We Can Help" and corporate social responsibility. In response to the heightened demand and recognizing the difficulties faced by various industries in procuring rapid test kits, Wellell Inc. took swift action. The company collaborated with the "New Taipei City Biotechnology Alliance" to facilitate the importation of foreign-made rapid test kits.

In this joint procurement effort, a total of 23 industrial companies participated, encompassing 849 employees. Collectively, 45,000 rapid test kits were acquired and made available to these industrial companies. This collaborative effort aimed to provide a reliable source of a substantial quantity of rapid test kits, enabling these industrial companies to conduct COVID-19 screening for their employees. This initiative not only safeguards the health of the employees but also extends protection to their families.

### 5.2.2 Free loan of pulse oximeters

In response to the severe COVID-19 pandemic in Taiwan in 2022, Wellell Inc. continued to prioritize the health and well-being of every company employee. Apart from providing rapid antigen test kits to enable employees to quickly detect potential hidden sources of infection, the company also loaned advanced pulse oximeters to employees and their families in need, facilitating self-health management.

According to statistics from April to December 2022, a total of 128 instances of pulse oximeter loans were provided. It's worth noting that May 2022 experienced a peak in

demand, with a total of 40 instances of pulse oximeter loans.

**Chapter VI: Cross Reference Table of GRI Index Contents**

**Appendix: Cross Reference Table of GRI Index Contents**

**General Standards Disclosure**

Serial No.			Item Name	Corresponding Chapter	Page No.	Remarks
GRI	2-2 (2021)	102-1	Organization Name	About the Report	3	
GRI	2-1  2-6 (2021)	102-2	Activity, Brand, Product and Service	1.1 Company Profile ; 1.3 Product and Service	5 6	
GRI	2-1 (2021)	102-3	Location of Headquarters	1.1 Company Profile	5	
GRI	2-1 (2021)	102-4	Business Base	1.1 Company Profile	5	
GRI		102-5	Ownership and Legal Form	Please refer to the 2022 Annual Report of the Company.	-	
GRI		102-6	Market for Service Provided	1.1 Company Profile	5	
GRI		102-7	Organization Scale	Please refer to the 2022 Annual Report of the Company.	-	
GRI	2-7 (2021)	102-8	Information on Employees and Other Workers	4.2.1 Composition of Employees	25	
GRI		102-9	Supply Chain	3.6 Sustainable Supply	17	
GRI		102-10	Major Change in Organization and Other Supply Chains	There was no major change in the Company's organization and its supply chain in 2022.	-	
GRI		102-11	Precautionary Principles or Policies	4.1.2 Risk Management	20	
GRI		102-12	External Initiative	1.5 Public Participation	9	
GRI	2-28 (2021)	102-13	Membership of Associations	1.5 Public Participation	9	
GRI		102-14	Declaration from the Decision-makers	Message from the Chairman	4	
GRI		102-15	Critical Impact, Risk and Opportunity	2.1 Communication with the Stakeholders; 2.2 Major Issues Management	10 13	
GRI		102-16	Value, Principles, Standards and Norms of Behavior	4.1.1 Ethical Management	20	
GRI	2-9	102-18	Governance Structure	1.4 Governance Structure	8	

	2-10					
	2-11					
	2-17					
	2-18					
	(2021)					
GRI	2-29	102-40	Stakeholders Group	2.1 Communication with the Stakeholders	10	
	(2021)					
GRI	2-30	102-41	Collective Bargaining Agreements	-	-	So far, there has been no agreement of collective bargaining.
	(2021)					
GRI		102-42	Identifying and Selecting the Stakeholders	2.1 Communication with the Stakeholders	10	
		<b>Serial No.</b>	<b>Item No.</b>	<b>Corresponding Chapter</b>	<b>Page No.</b>	<b>Remarks</b>
GRI		102-43	Approach to Stakeholder Engagement	2.1 Communication with the Stakeholders	11	
GRI	3-1	102-44	Key Topics and Concerns Raised	2.2 Major Issues Management	13	
	(2021)					
GRI		102-45	Entities Included in the Consolidated Financial Statements	About the Report	3	
GRI		102-46	Define the Report Contents and Topic Boundaries	2.2 Major Issues Management	13	
GRI	3-2	102-47	List of Material Topics	2.2 Major Issues Management	13	
	3-3					
	(2021)					
GRI	2-4	102-48	Restatements of Information	-	-	No restatement of information is made.
	(2021)					
GRI		102-49	Changes in Reporting	About the Report	3	
GRI	2-3	102-50	Reporting Period	About the Report	3	
	(2021)					
GRI	2-3	102-51	Date of Most Recent Report	About the Report	3	
	(2021)					
GRI	2-3	102-52	Reporting Cycle	About the Report	3	
	(2021)					
GRI		102-53	Contact Person who can answer the questions related to the report	About the Report	3	
GRI		102-54	Claims of Reporting in Accordance with the GRI Standards	About the Report	3	
GRI		102-55	GRI Contents Index	Appendix: Cross Reference Table of GRI Index Contents	40	

GRI	2-5 (2021)	102-56	External Guarantee/Assurance	-	-	There is no external guarantee/assurance.
GRI		103-1	Explanation of Major Topic and its Boundary	2.2 Major Issues Management	13	
GRI		103-2	Management Policy and Its Elements	2.2 Major Issues Management	13	
GRI		103-3	Evaluation of Management Policy	2.2 Major Issues Management	13	

### Disclosure of Major Topics

Category	Serial No.	Item Name	Corresponding Chapter	Page No.	Remarks
Economic Aspect					
GRI 3-3 (2021)					
Economic Performance	GRI	201-1	Direct Economic Value Generated and Distributed by the Organization	1.2 Business Performance	6
Market Position	GRI	202-2	Ratio of Employment of Local Residents as the High-ranking Managerial Personnel	4.2.1 Composition of Employees	25
Environmental Aspect					
GRI 3-3 (2021)					
Energy	GRI	302-1	Energy Consumption within the Organization	3.7 Environment-friendly	18
Energy	GRI	302-3	Energy Intensity	3.7 Environment-friendly	18
Sewage and Waste	GRI	306-2	Waste Classified According to Category and Disposal Method	3.7 Environment-friendly	19
Law Related to Environmental Protection	GRI	307-1	Violate the Environmental Protection Regulations	-	No such a condition is involved.
Evaluation of Supplier's Environment	GRI	308-1	Adopt the environment standards to select new suppliers.	3.6 Sustainable Supply	17
Social Aspect					
GRI 3-3 (2021)					
Occupational Safety and Health	GRI	403-3	Occupational Health Service	4.3.2 Healthy Working Environment	32
Training and Education	GRI	404-1	Average Number of Hours of Training Received by Each Employee each Year	4.2.4 Educational Training	27
Diversification and Equal Opportunity for Employees	GRI	405-1	Governance Department Diversification and of Employees	1.4 Governance Structure 4.2.1 Composition of Employees	8 25

Customer Health and Safety	GRI	416-1	Evaluate the Impact of Product and Service Category on Health and Safety	3.4 Quality Safety Certification 3.6 Sustainable Supply	15 17	
Marketing and Labeling	GRI	417-1	Requirements for Information and Labeling of Products and Services	1.3 Product and Service	7	
Anti-corruption	GRI	205-2	Communication and Training Related to Anti-corruption Policy and Procedure	4.1.1 Ethical Management	20	