

2023

SUSTAINABILITY REPORT



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Message from the Chairman

According to the United Nations' research, global GHG emissions have reached historical peaks in recent years and continue to set new records. This underscores the realization that future environmental, economic, and social uncertainties will become the new normal. Addressing this crisis requires a collective global effort, transcending individual, corporate, or national boundaries. From a corporate perspective, this crisis tests the resilience of businesses. Our company must dynamically adjust its governance and operational decisions to respond to changes in the international landscape and environmental shifts. Only by adapting to the times and creating new business thinking can we truly demonstrate the value of sustainable development.

As a sustainably operated company, the issue of carbon emissions poses not only a challenge to the enterprise but also a threat to global health and sustainable development. Excelsior will take proactive measures to continue our carbon reduction efforts. In 2023, Excelsior completed its first ISO 14064-1 GHG inventory, accurately measuring carbon emissions, implementing voluntary reduction measures, and promoting energy conservation and carbon reduction through training to teach our employees these concepts. Additionally, we established a Sustainable Development Committee under the Board of Directors to enhance ESG functions and management mechanisms. This committee deeply examines the challenges facing the company from the perspectives of Environment (E), Social (S), and Governance (G), formulating management strategies in line with international standards.

Excelsior, as a biotechnology and medical industry company, operates in areas such as hemodialysis, surgical equipment and consumables, blood bags, wound and ostomy care, and Healthcare home appliances. Our medical products have been reviewed and approved for market by the Ministry of Health and Welfare, ensuring safety and stable quality. They also comply with the GDP regulations for medical distribution and hold ISO 13485 certification. Since our establishment, we have continuously innovated our products,

providing comprehensive services to the medical industry based on product quality and safety. We have established long-term partnerships with suppliers and customers to ensure the sustainability and integrity of our products and services.

Our company has always focused on social responsibility. Through the Excelsior Health Foundation, we care for the disadvantaged, promote the concept of "integrating care into daily life and daily life into care," fostering social inclusion and integration. We organize community lectures to promote health care concepts, support home care and daycare centers, and encourage employees to participate in volunteer activities to ensure proper care for the elderly. We also regularly organize blood donation drives, responding enthusiastically to the "Donate a Bag, Save a Life" initiative.

Our company values corporate governance and integrity management, recognizing that ESG transparency is a key indicator of a responsible enterprise. Excelsior will continue to enhance internal governance, focus on high-quality management, provide high-value customer services, and take effective measures to reduce carbon emissions, ensuring a high-quality environment and raising awareness of the importance of ESG.



傅輝東

Excelsior Medical Co., Ltd.
Chairman Fu Hui-Tung





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Excelsior Medical Co., Ltd. (hereinafter referred to as “Excelsior”), in its pursuit of sustainable corporate operations and enhanced information transparency, has issued the 2023 Sustainability Report (hereinafter referred to as “the Report”). Through this Report, we aim to communicate to our stakeholders the measures and performance achieved under the goal of sustainable operations, covering aspects such as integrity governance, implementation of environmental and occupational safety measures, and enhancement of employee compensation and benefits. Excelsior hopes that stakeholders will continue to pay attention to us and provide valuable suggestions, enabling the company to make significant strides in achieving sustainable corporate operations.

◆ Report Boundary and Scope

The Report discloses business data covering the period from January 1, 2023, to December 31, 2023. The data scope includes Excelsior’s operational sites in Taiwan but excludes its subsidiaries.

◆ Writing Basis and Information Verification

- The structure of the Report is based on the GRI Sustainability Reporting Standards (GRI Standards) 2021 version, published by the Global Sustainability Standards Board (GSSB). It also complies with the “Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” and utilizes the Task Force on Climate-related Financial Disclosures (TCFD) framework and the Sustainability Accounting Standards Board (SASB) Standards. The appendices of the Report provide GRI Standards Content Index, SASB Standards Index, and Climate-Related Information Index for listed companies for stakeholder reference.
- The financial data disclosed in the Report has been audited and certified by KPMG Taiwan in accordance with International Financial Reporting Standards (IFRS), and the unit of calculation is thousand New Taiwan dollars. Environmental, employee, and occupational safety data are collected and consolidated by responsible departments and confirmed by department heads, presented using international common indicators. Any content that spans different years or regional operations will be separately explained within the Report. The Report’s GHG emissions data has also been externally verified and passed the ISO 14064–1 GHG inventory verification.
- If there are any changes compared to the previous report, these changes are simultaneously noted in the relevant text of the Report.
- The Report has also been verified by GREAT Certification, achieving Type 1 Moderate Assurance Level in accordance with AA 1000 AS. The assurance statement is included in the appendices of the Report.

◆ Publication Frequency

This is Excelsior’s second ESG report. Excelsior will continue to publish a report annually to enhance the transparency and accessibility of the disclosed information. The complete electronic version of the Report can be downloaded from the [Market Observation Post System](#) and the [company’s website](#). No printed copies will be provided.

- Current publication date: August 2024.
- Next publication date: August 2025.

◆ Feedback

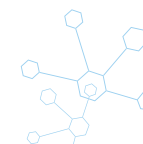
If you have any comments or suggestions regarding the content of this Report, please contact us.

Excelsior Medical Co., Ltd. | Corporate Governance Supervisor

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New Taipei City 235601

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1 Stakeholders and Material Issue Identification

- 1.1 Stakeholders
- 1.2 Stakeholder Communication Channels and Issues of Concern
- 1.3 Identification of Material Issues
- 1.4 Sustainable Development Goals



Stakeholder and Material Issue Identification Process

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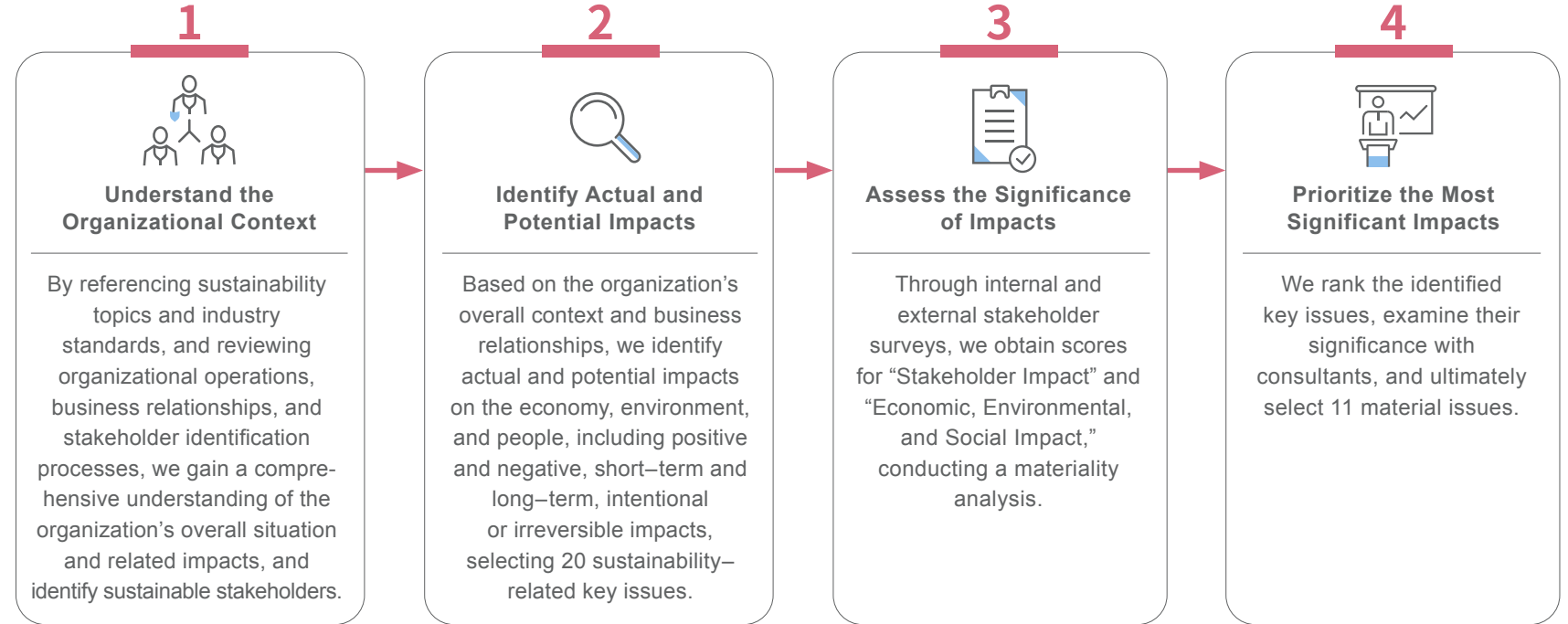
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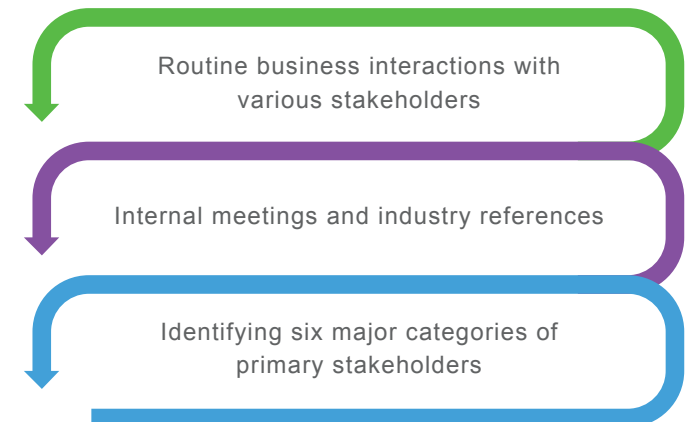


1.1 Stakeholders Identification

Stakeholders are groups that impact Excelsior. Each department preliminarily screens the types of stakeholders encountered in routine business interactions. Based on the frequency of interaction, mutual influence, and importance to each other, we discuss in internal meetings and refer to industry practices, ultimately identifying six key stakeholder categories crucial to Excelsior: competent authorities, shareholders/investors, customers, suppliers/contractors, employees, and banks.



Identify Primary Stakeholders





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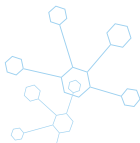
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1.2 Stakeholder Communication Channels and Issues of Concern

Excelsior’s key stakeholders, due to their different identities, have varied concerns about the company. Each department proactively maintains positive interactions with stakeholders through multiple channels, ensuring stakeholders are timely informed about the company’s operational status. Simultaneously, Excelsior can know stakeholders’ requirements and expectations, responding promptly. The company reports the communication status with primary stakeholders to the Board of Directors annually.

Each department collects key issues raised by primary stakeholders during routine business interactions, which are consolidated by the Corporate Sustainability Development Committee. By referring to the GRI Sustainability Reporting Standards 2021 version and industry ESG reports, we summarize sustainability issues covering economic, environmental, and social aspects, ensuring Excelsior’s disclosed sustainability information meets the GRI Standards’ requirements for completeness and diversity.

Key Stakeholders	Importance to the Company	Concerned Issues	Communication Channels / Frequency	Report Response Sections
 Shareholders / Investors	Shareholders are the company’s investors. The company must protect shareholders’ rights, treat all shareholders fairly, and ensure they have full knowledge, participation, and decision-making rights on major company matters.	<ul style="list-style-type: none">▪ Economic Performance▪ Corporate Governance▪ Risk Management▪ Regulatory Compliance	<ul style="list-style-type: none">▪ Contact: Spokesperson/Deputy Spokesperson▪ Phone: 886-2-22251888▪ Email: stock@excelsior.com.tw▪ General Meeting / Annually▪ Investor Conference / Twice a Year▪ Investor Section on Official Website / Monthly▪ Market Observation Post System / Irregularly	CH2. About Excelsior CH3. Integrity Governance CH4. Sustainable Environment CH5. Social Care
 Customers	Customers are the primary source of the company’s revenue. The company’s highest commitment to customers is product quality, safety, and after-sales service. Maintaining high customer satisfaction helps the company continuously gain customer recognition.	<ul style="list-style-type: none">▪ Corporate Governance▪ Regulatory Compliance▪ Operational Performance▪ Innovation and R&D▪ Green Products▪ Product Responsibility▪ Customer Relationships▪ Information Security	<ul style="list-style-type: none">▪ Contact: Sales Department Spokesperson▪ Phone: 886-2-22251888▪ Email: csr@excelsior.com.tw▪ Customer Meetings / Quarterly▪ As Needed / Irregularly▪ Business Visits / Monthly▪ Customer Satisfaction Surveys / Annually▪ Phone, Email	CH3. Integrity Governance CH4. Sustainable Environment





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


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Key Stakeholders	Importance to the Company	Concerned Issues	Communication Channels / Frequency	Report Response Sections
 Suppliers / Contractors	The company maintains longterm positive interactions with supply partners. The company's products and services rely on many suppliers to provide highquality products. Additionally, using its influence in the industry, the company works with supply partners to avoid environmental pollution and labor rights violations.	<ul style="list-style-type: none">▪ Sustainable Supply Chain▪ Green Procurement▪ Energy Conservation and Carbon Reduction▪ Regulatory Compliance	<ul style="list-style-type: none">▪ Contact: Product Development Department▪ Supplier Business Review▪ Meetings / Annually▪ Phone: 886-2-22251888▪ Email: csr@excelsior.com.tw	CH4. Sustainable Environment CH5. Social Care
 Employees	Employees are the indispensable foundation of the company's operations. The company is committed to providing a workplace that ensures employees' physical and mental health and diverse development so they can work without worries.	<ul style="list-style-type: none">▪ Operational Performance▪ Compensation and Benefits▪ Labor Relations▪ Occupational Health and Safety	<ul style="list-style-type: none">▪ Contact: Human Resources Department▪ Labor-Management Meetings / Quarterly▪ Employee Grievance Channels / Irregularly▪ Phone: 886-2-22251888▪ Email: emp872@excelsior.com.tw	CH5. Social Care
 Banks	Banks are a significant source of operating capital. The company also collaborates with multiple banks to spread risks, which is essential for operations.	<ul style="list-style-type: none">▪ Regulatory Compliance▪ Operational Performance▪ Risk Management	<ul style="list-style-type: none">▪ Contact: Finance Department▪ Meetings, Fax▪ Phone: 886-2-22251888▪ Email: csr@excelsior.com.tw	CH2. About Excelsior CH3. Integrity Governance
 Competent Authorities	Competent authorities oversee and audit the company's compliance with various regulations.	<ul style="list-style-type: none">▪ Corporate Governance▪ Regulatory Compliance▪ Risk Management	<ul style="list-style-type: none">▪ Contact: Legal / Product Development / Finance Departments▪ Official Correspondence / Irregularly▪ Regulatory Authority Advocacy and Seminars / Irregularly	CH3. Integrity Governance





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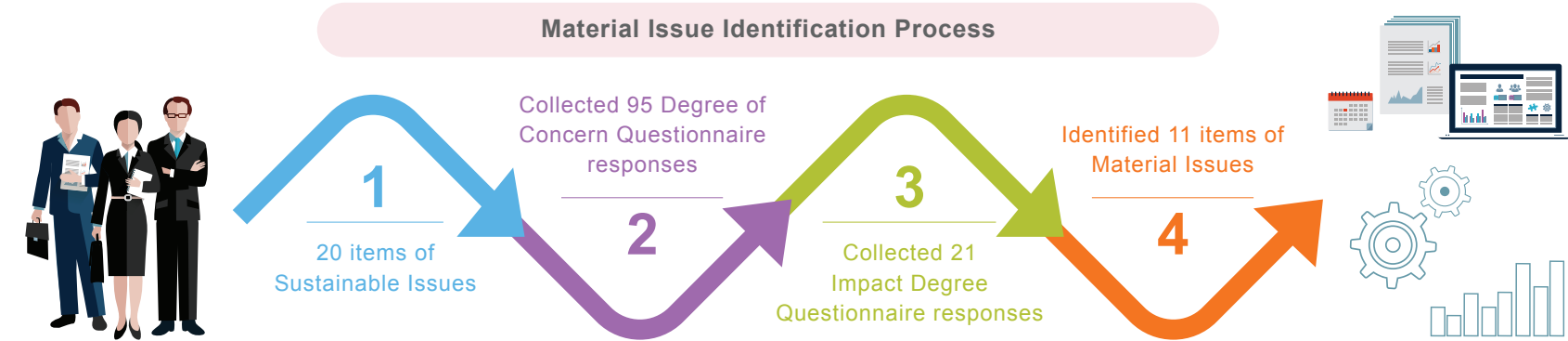
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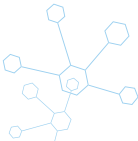
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1.3 Identification of Material Issues



Aspects	Sustainable Issues
 Environmental	Energy Conservation and Carbon Reduction, Raw Material Management, Waste Management, Water and Wastewater Management, Climate Change Management
 Social	Compensation and Benefits, Talent Cultivation, Product and Service Labeling, Sustainable Supply Chain Management, Labor Relations, Protection of Trade Secrets and Transaction Security, Occupational Safety and Health, Customer Health and Safety, Employees Equal Opportunity and Non-Discrimination, Public Welfare Participation
 Economic	Product Quality, Operational Performance, Customer Relationships, Information Security, Anti-Corruption

The Corporate Sustainability Development Committee of Excelsior identified 20 sustainable issues. Through online questionnaire, key stakeholders have reviewed given feedback of 95 valid responses. These included 22 from shareholders/investors, 24 from employees, 11 from customers, 13 from suppliers/contractors, 23 from banks, and 2 from competent authorities. The responses provided ratings on the degree of concern for each sustainable issue. Subsequently, another online questionnaire was issued to 21 company executives to rate the impact of each sustainable issue on Excelsior. The ratings from both questionnaires were consolidated to produce a material issue matrix. After discussions by the Corporate Sustainability Development Committee, the top 10 sustainable issues in the environmental, social, and economic aspects were identified as this year’s material issues. These issues, which Excelsior should prioritize disclosing, include Product Quality, Operational Performance, Customer Relationships, Compensation and Benefits, Information Security, Talent Cultivation, Product and Service Labeling, Sustainable Supply Chain Management, Labor Relations, and Protection of Trade Secrets and Transaction Security. Additionally, Energy Conservation and Carbon Reduction was voluntarily included as a material issue, making a total of 11 material issues. Through discussions with the Sustainability Promotion Committee and experts, the positive and negative as well as the actual and potential impacts of these material issues were evaluated. This report will detail the management policies and related disclosures for each material issue.





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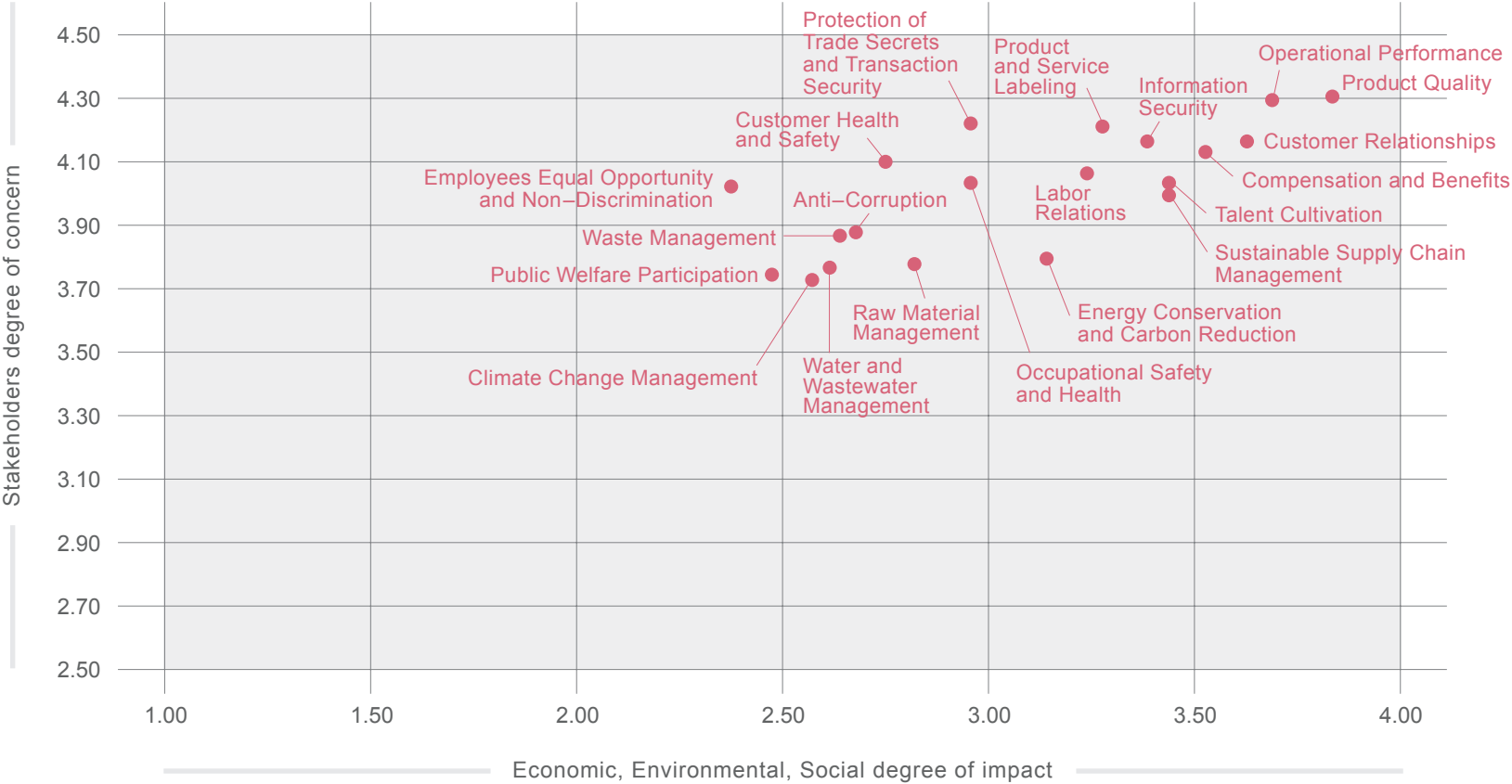
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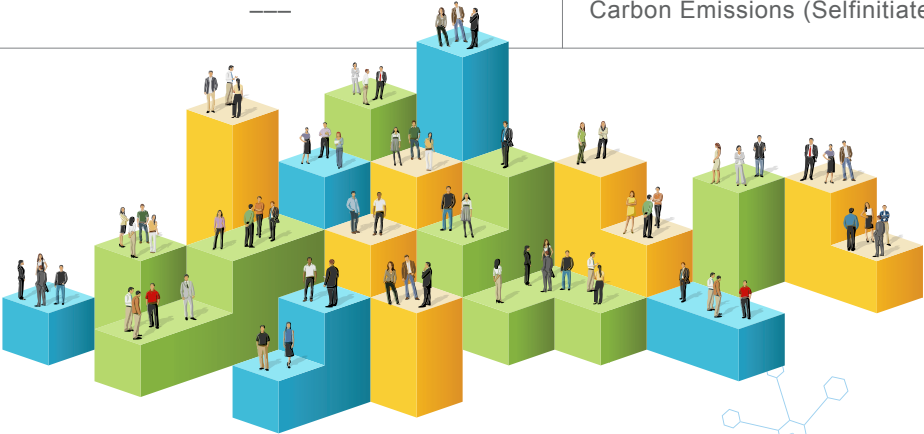
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Compared to 2022, changes in material issues are as follows. For each material issue, responsible departments have proposed implementation plans and short-, medium-, and long-term goals, with regular performance reviews.

Ranking	2022 Material Issues	2023 Material Issues	Change
1	Operational Performance	Product Quality	↑ 2
2	Customer Relationships	Operational Performance	↓ 1
3	Product Quality	Customer Relationships	↓ 1
4	Talent Cultivation	Compensation and Benefits	↑ 3
5	Sustainable Supply Chain Management	Information Security	↑ 3
6	Protection of Trade Secrets and Transaction Security	Talent Cultivation	↓ 2
7	Compensation and Benefits	Product and Service Labeling	New
8	Information Security	Sustainable Supply Chain Management	↓ 3
9	Customer Health and Safety	Labor Relations	New
10	Carbon Emissions (Selfinitiated)	Protection of Trade Secrets and Transaction Security	↓ 4
11	——	Carbon Emissions (Selfinitiated)	↓ 1





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Confirming Material Issues and Boundaries

Aspect	Material Issue	Positive/ Negative Actual/ Potential	Impact Description	Internal Boundary	External Boundary			GRI Standard	Report Disclosure Section
				Company	Supplier	Customer	Local Community		
 Economic	Product Quality	Negative Actual	In 2023, one preventive recall of blood bags was initiated due to manufacturer notification, with no medical disputes reported.	●	●	●		Custom Topic	3.5 Product and Service
	Operational Performance	Positive Actual	Profit growth in 2023 compared to 2022 supports continued investor engagement.	●	●	●		GRI 201: Economic Performance 2016	3.4 Operational Performance
	Customer Relationships	Positive Actual	Customer satisfaction in 2023 met targets, averaging above 98 points.	●		●		Custom Topic	3.5 Product and Service
 Social	Compensation and Benefits	Positive Actual	Median compensation for non-management employees in 2023 exceeded the biotech industry average.	●				GRI 401: Employment 2016	5.2 Talent Management
 Economic	Information Security	Positive Potential	No information security incidents in 2023, and plans to implement ISO 27001 in 2024 to enhance protection.	●		●		Custom Topic	3.6 Information Security
 Social	Talent Cultivation	Positive Actual	Average training hours in 2023 higher than 2022, exceeded 12 hours, reflecting the company's ongoing focus on talent cultivation.	●		●		GRI 404: Training and Education 2016	5.2 Talent Management
	Product and Service Labeling	Positive Actual	No violations related to product labeling or advertising in 2023, demonstrating the company's commitment to legal compliance and customer safety.	●		●		GRI 417: Marketing and Labeling 2016	3.5 Product and Service



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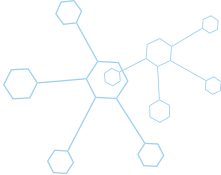
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Aspect	Material Issue	Positive/ Negative Actual/ Potential	Impact Description	Internal Boundary	External Boundary			GRI Standard	Report Disclosure Section
				Company	Supplier	Customer	Local Community		
 Environmental	Sustainable Supply Chain Management	Positive Potential	All current suppliers are well-established international principals with existing management systems and no major violations reported.	●	●			GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	4.3 Supply Chain Management
 Social	Labor Relations	Positive Actual	No employee complaints received in 2023, with regular labor-management meetings facilitating smooth communication and cooperation.	●				GRI 402: Labor/Management Relations 2016	5.2 Talent Management
	Protection of Trade Secrets and Transaction Security	Positive Potential	No customer data breaches reported in 2023, with plans to implement ISO 27001 in 2024 to enhance data protection.	●		●		GRI 418: Customer Privacy 2016	3.6 Information Security
 Environmental	Energy Conservation and Carbon Reduction	Negative Potential	To comply with government requirements for net-zero carbon emissions, Excelsior has voluntarily implemented ISO 14064-1 and is actively encouraging subsidiaries to establish related emission mechanisms.	●		●		GRI 305: Emissions 2016	4.1 GHG Management



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1.4 Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a plan announced by the United Nations in 2015, outlining 17 sustainable development goals and 169 specific targets, serving as guiding principles for member states and global enterprises to practice sustainable development by 2030.

Excelsior integrates the Sustainable Development Goals into its business strategy, expanding its previous focus on economic performance to also emphasize environmental protection, reducing waste and GHG emissions, and collaborating with suppliers on environmental improvements, regulatory compliance, enhancing employee benefits to retain talent, eliminating workplace inequalities, and improving working conditions. Looking forward, Excelsior aims to make further contributions to sustainable development and fulfill its corporate social responsibility.

SDGs	Specific Targets	Excelsior Health
	1.4 Ensure that all men and women, especially the poor and vulnerable, have equal rights and access to economic resources.	<ul style="list-style-type: none">Provide salaries and benefits that exceed legal requirements and are competitive in the market, allowing employees to work with dignity and improve their personal and family economic standards.Adjust employee salaries based on company profitability to enhance employee loyalty.
	3.4 Reduce the number of deaths from non-infectious diseases through prevention and treatment, and promote mental health. 3.d Strengthen early warning, risk reduction, and management capacities for national health risks.	<ul style="list-style-type: none">Provide high-quality medical device to safeguard consumer health.Ensure all medical device is certified under ISO 13485 Quality Management System and approved by the TFDA.Excelsior Health Foundation supports vulnerable communities and promotes healthcare concepts.
	4.5 Eliminate education disparities, ensuring access to education and vocational training for vulnerable groups, including persons with disabilities, indigenous peoples, and disadvantaged children. 4.7 Promote education for sustainable development, sustainable lifestyles, human rights, gender equality, and non-violence.	<ul style="list-style-type: none">Arrange functional training for employees in different roles to ensure everyone has the opportunity for vocational training.Encourage employees to participate in courses on sustainable development, workplace gender equality, and labor rights.
	5.1 Eliminate all forms of discrimination against women. 5.4 Recognize and value unpaid care and domestic work through social protection policies.	<ul style="list-style-type: none">Do not use gender as a factor in employee recruitment, assessment, and promotion.Provide equal rights for all employees, regardless of gender, to apply for parental leave.





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SDGs	Specific Targets	Excelsior Health
	<p>8.4 Improve resource use and production efficiency.</p> <p>8.5 Achieve productive employment and decent work for all, including young people and persons with disabilities, ensuring equal pay for equal work.</p> <p>8.7 Eradicate child labor and forced labor.</p> <p>8.8 Protect labor rights and promote safe working environments, especially for women and workers in hazardous jobs.</p>	<ul style="list-style-type: none">▪ Never use gender as a factor in employee recruitment, assessment, and promotion.▪ Adjust employee salaries based on company profitability to enhance employee loyalty.▪ Respect labor rights, including the prohibition of child labor and all forms of workplace discrimination.▪ Adjust job roles for female employees as needed to ensure suitability and protection.▪ Implement occupational health and safety management systems to effectively enhance workplace safety.
	<p>10.2 Promote social, economic, and political inclusion regardless of age, gender, disability, religion, economic, or other status.</p> <p>10.3 Ensure equal opportunities and reduce inequalities, including eliminating discriminatory practices.</p>	<ul style="list-style-type: none">▪ Recruitment, assessment, and promotion mechanisms do not consider physiological or psychological differences among employees.▪ Establish employee reporting channels with comprehensive processes to protect whistleblowers.
	<p>12.5 Significantly reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<ul style="list-style-type: none">▪ Require suppliers to continuously provide ESG-compliant products, improve production processes, and reduce waste generation.
	<p>13.3 Improve education, awareness, and capacity on climate change mitigation, adaptation, impact reduction, and early warning.</p>	<ul style="list-style-type: none">▪ Refer to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to assess and evaluate the current climate change risks and opportunities faced by the company and formulate corresponding strategies.
	<p>16.6 Develop effective, accountable, and transparent systems at all levels.</p> <p>16.7 Ensure responsive, inclusive, participatory, and representative decision making at all levels.</p>	<ul style="list-style-type: none">▪ Strengthen corporate governance through internal controls to ensure compliance with company regulations, and establish independent reporting channels and comprehensive processes.▪ Communicate with stakeholders to understand their requirements and expectations, and regularly report to the Board of Directors.



2 About Excelsior

- 2.1 Company Profile
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About Excelsior

2.1 Company Profile

Founded in 1988, Excelsior Medical Co., Ltd. initially focused on hemodialysis device and consumables sales, gradually transforming into a system integrated provider of medical products. In 2001, the company was listed on the OTC market as “ENFIELD MEDICAL CO.,LTD” Leveraging years of experience in medical provider services and a diversified business strategy, ENFIELD was officially listed on the Taiwan Stock Exchange in 2007 and rebranded as “Excelsior Medical Co., Ltd.” in 2009.

Building on its accumulated core competencies, Excelsior Group continues to expand its investments and operations in the biotechnology and medical industries. The company is also actively expanding into the Southeast Asian market, aiming for international growth from its base in Taiwan.

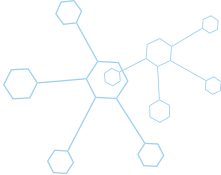
Since its inception, Excelsior Group has integrated various medical specialties with new concepts and models, maintaining a strong presence in the Asian market, including Taiwan, Hong Kong, the Philippines, and Malaysia. Through continuous collaboration and innovation, the group aspires to become the most valuable integrated medical healthcare industry group in Asia.

As of now, the group comprises three publicly listed companies in Taiwan: Excelsior (stock code: 4104), DYNAMIC (stock code: 4138), and ARICH (stock code: 4173).



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Note: For more details on Excelsior Medical's key milestones, please refer to the 2023 Shareholders' Annual Report, Section II, Company Profile.



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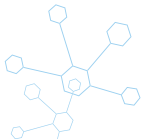
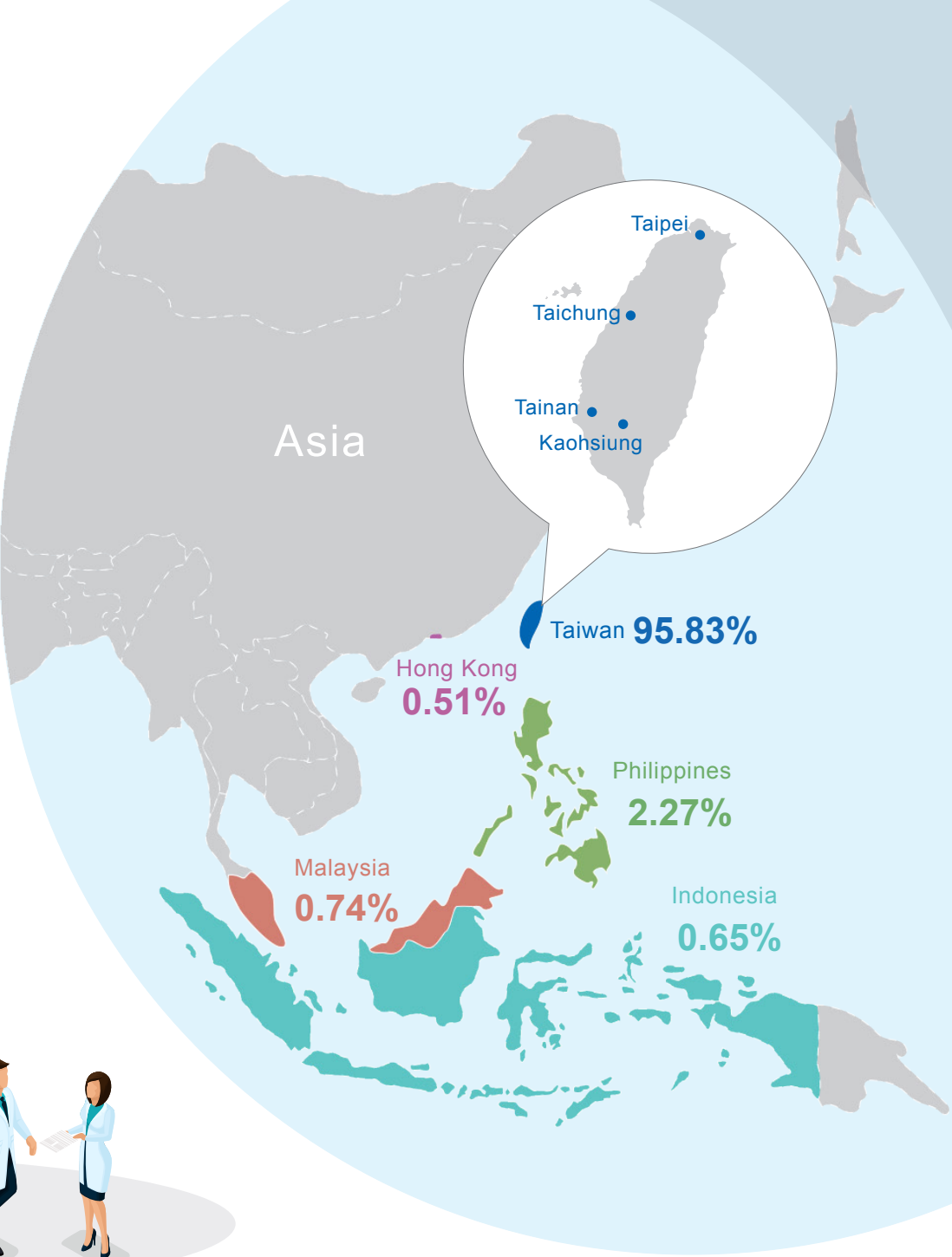
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Basic Information

Company Name	Excelsior Medical Co., Ltd.
Stock Code	4104
Industry	Listed Biotech and Medical Industry
Primary Products / Services	Hemodialysis related consumables and device, surgical device and consumables, blood bags, ostomy products, and healthcare home appliances
Headquarters	17F-3, No. 880, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235601
Capital (in thousand NTD)	1,556,167 thousand NTD
Revenue for the Year (in thousand NTD)	8,233,404 thousand NTD in 2023
Shareholding Structure	Domestic institutions 43%, Domestic individuals 52%, Foreign institutions and individuals 5%
Operating Locations	Taiwan (Taipei, Taichung, Tainan, Kaohsiung), Philippines, Malaysia, Hong Kong
Revenue Proportion by Region	Taiwan 95.83%, Hong Kong 0.51%, Philippines 2.27%, Malaysia 0.74%, Indonesia 0.65%





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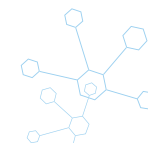
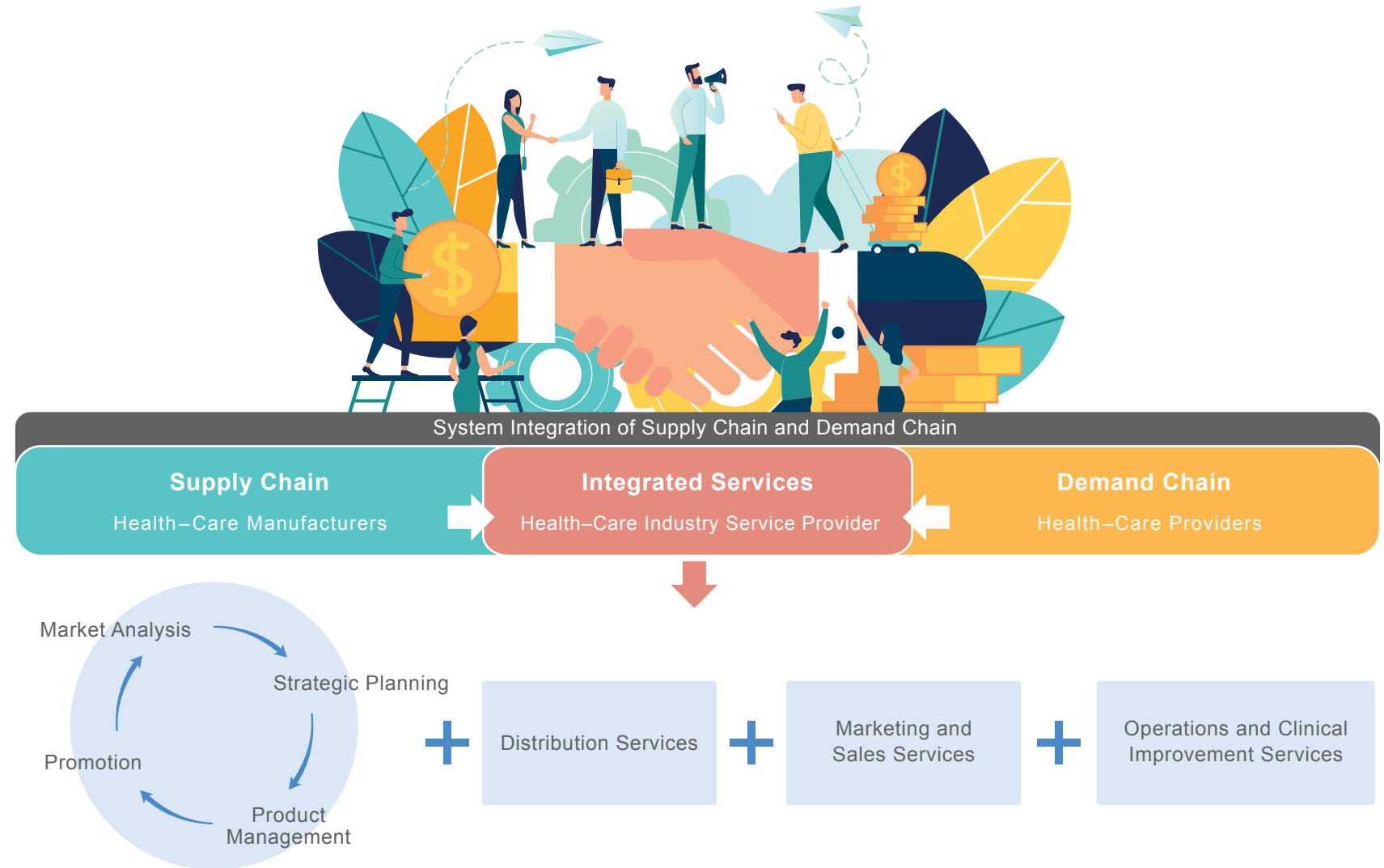
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Position of Excelsior in the Upstream, Midstream, and Downstream of the Industry Chain

The company serves as a system integrated provider of medical products. Our primary operational model involves “resource integration,” providing clients with services beyond medical procedures and acting as a medical management consultant for healthcare institutions. The relationships among the upstream, midstream, and downstream sectors are illustrated in the diagram below:





◆ **Organizational chart**

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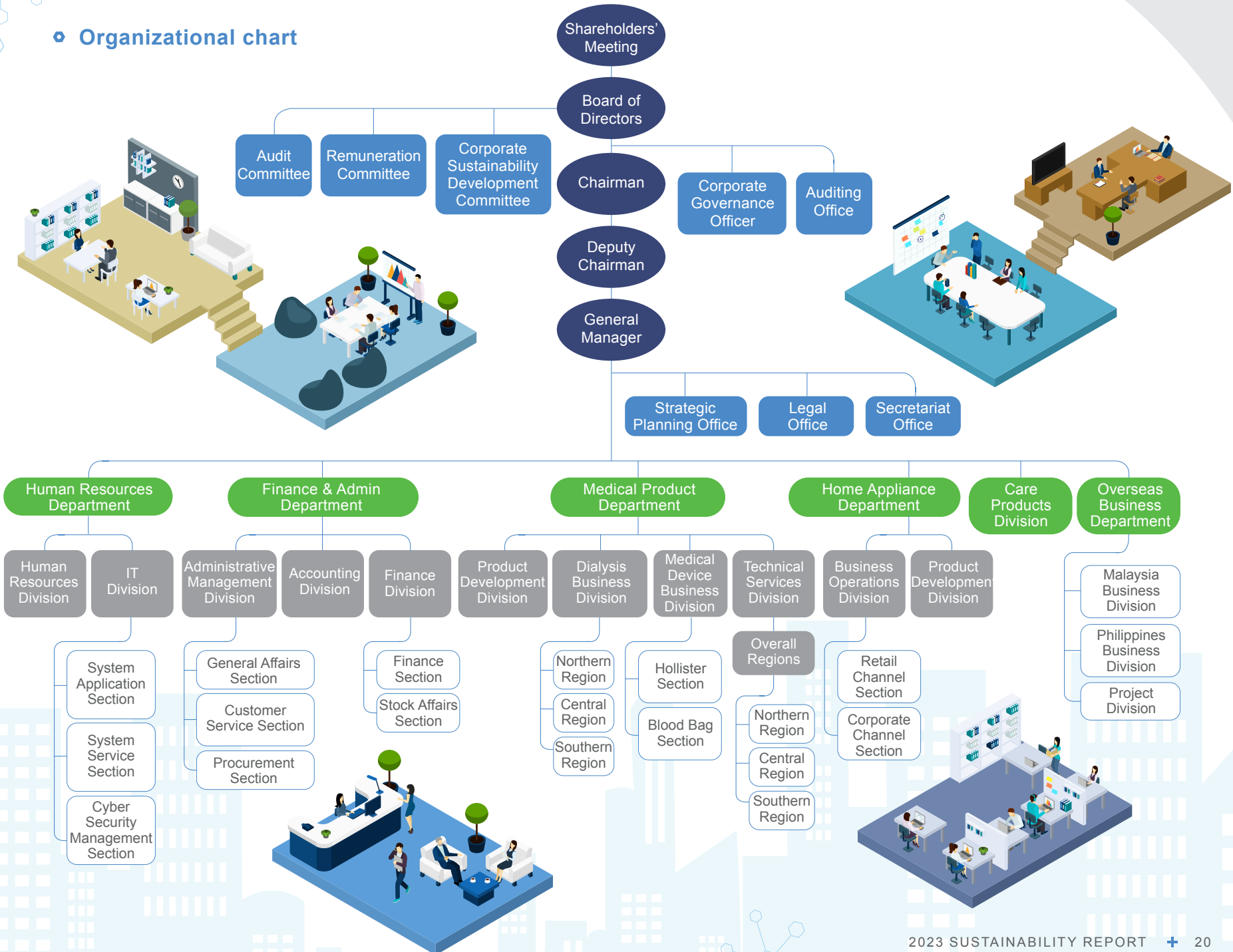
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2.2 Business Philosophy

Our business philosophy aims to establish a healthcare industry group, functioning as a system integrated provider. Through strategic investments and diverse agency models, we secure the rights to high-quality products and extend our core business by integrating multiple marketing strategies and providing management and consulting services to healthcare institutions. We aim to effectively offer comprehensive and diverse services to our clients, deeply rooting in the medical market. In the future, we plan to introduce high-quality medical services to multiple markets globally.



Corporate Vision

To integrate various specialties within the healthcare industry and establish an investment and management team for the healthcare sector in Asia. We aim to provide comprehensive, high-quality healthcare services to promote public health.



Commerce Strategy of Agent

To develop diversified product sales models, we look for agents distribution of medical products required by The medical industry, and introduce competitive products.



Strategy of Medical Channel

Continuously integrating upstream and downstream medical resources and cooperating with strategic partners in the medical industry, to develop competitive value chain serviced and expand the scale of medical channel.



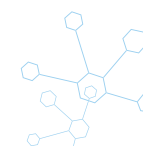
Strategy of Pharmaceutical Logistics

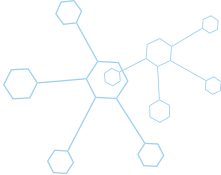
To construct the differentiated all-round pharmaceutical logistics service, we actively expand sales and distributions, and obtain the certification of ISO, Medical Device GDP, and PIC/S GDP.



Strategy of Overseas Business

Extending overseas biotech medical market with the experience of Taiwan, and expanding abroad domain by dialysate production in Southeast Asia.





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2.3 Management Systems

The management systems certified by Excelsior are listed below. Additionally, surpassing regulatory requirements, Excelsior achieved verification under the ISO 14064–1 organizational GHG inventory standard in 2023.

System Name	Certificate Valid Until
ISO 9001 Quality Management System	2026/02/26
ISO 13485 Medical Device Quality Management System	2026/02/26
Good Distribution Practice for Medical Devices (GDP)	2026/02/14
Good Manufacturing Practice for Pharmaceutical Products (Part III: Distribution) (GDP)	2025/08/24

2.4 Participation in External Organizations

Except enhancing the competitiveness of its products, Excelsior actively engages with various stakeholders. By participating in relevant industry associations, the company maintains positive interactions with members and stays informed on the latest industry trends.

External Association Name	Role
New Taipei City Chamber of Commerce	Member
Taipei Medical Instruments Commercial Association	Member
New Taipei City Electrical Commercial Association	Member
Chinese Association for Pharmaceutical Agents	Member
Importers and Exporters Association of Taipei	Member
New Taipei City Medical Devices Commercial Association	Alternate Director
TWCERT (Taiwan Computer Emergency Response Team and Coordination Center)	Member
CISO (Taiwan Chief Information Security Officer Alliance)	Member

3 Integrity Governance

- 3.1 Governance Practice
- 3.2 Risk Management
- 3.3 Regulatory Compliance
- 3.4 Operational Performance
- 3.5 Product and Service
- 3.6 Information Security





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Integrity Governance

Robust corporate governance includes a sound board of directors, rigorous internal control systems, and stable financial controls. These elements not only help mitigate operational risks but also enhance the company's competitiveness and create brand value. Building a culture of integrity and accountability while adhering to all legal requirements is essential for achieving ethical business operations. Additionally, a wellfunctioning corporate governance framework ensures healthy company operations, safeguarding the interests of investors and other stakeholders.

In compliance with the Securities and Exchange Act and related regulations, Excelsior has established a corporate governance system. To strengthen shareholder rights, enhance board functions, respect stakeholder interests, and improve information transparency, the board of directors has adopted the "Corporate Governance Best Practice Principles." These principles include fair, just, and transparent procedures for selecting directors and the appointment of independent directors to enhance board oversight and management functions. The board has also approved the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethical Conduct," establishing integrity-based policies, sound corporate governance and risk control mechanisms founded on principles of integrity, transparency, and responsibility to create a sustainable business environment. Moreover, Excelsior adheres to principles of accurate, timely, and fair disclosure, maintaining a comprehensive information disclosure system. This system provides operational, financial, board, and shareholder meeting information on the company website and the Market Observation Post System (MOPS), ensuring shareholders have access to the latest company information.

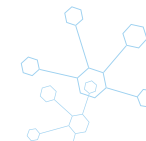
Corporate governance norms and the functioning of designated units are explained on the company website and in the annual report, with at least one time report to the board of directors annually.

These operational procedures can be referenced
in the [management guidelines](#).



3.1 Governance Practices

The shareholders' meeting, composed of all shareholders, makes decisions on significant company matters and regularly hears reports from the board of directors, serving as the highest decision-making body. As the highest governance unit, the board of directors diligently fulfills its duty of care, devises corporate strategies, reviews financial performance, and ensures compliance with various laws. To strengthen corporate governance and competitiveness, the board has established an Audit Committee and a Remuneration Committee to enhance its operations. Additionally, in 2023, the Sustainability Development Committee was elevated to report directly to the board, incorporating three independent directors and a corporate governance officer. An independent audit office under the board also reports audit results to the Audit Committee and the board regularly.





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Excelsior prioritizes corporate governance, aiming for sustainable growth and ethical management. The company continuously enhances its governance structure, maintains information transparency, and implements effective internal control systems to protect stakeholder interests. Following the “Guidelines for Establishing Internal Control Systems by Public Companies,” Excelsior designs and implements internal controls based on overall operational activities, reviewing them regularly to adapt to internal and external environmental changes, ensuring their ongoing effectiveness. A sound management mechanism improves operational performance, achieving sustainable business goals.

To support directors in their duties and enhance board efficiency, Excelsior’s board approved on August 4, 2022, the appointment of Chief Financial Officer Chou Cheng–Hsiao as Corporate Governance Officer, effective on September 1, 2022, to protect shareholder rights and enhance board functions. His primary responsibilities include handling board and shareholder meeting matters, preparing meeting minutes, assisting directors and independent directors in their roles and continuing education, providing necessary information for their duties, and ensuring compliance with laws.

Excelsior’s financial statements are audited and certified by KPMG Taiwan regularly. All legally required disclosures are completed accurately and promptly by designated personnel. A spokesperson system ensures that significant information is disclosed appropriately and timely, providing shareholders and stakeholders with relevant financial and operational information. Looking ahead, Excelsior aims to strengthen board operations, enhance information transparency, and integrate sustainable governance strategies into its corporate governance framework. In 2023, the company governance evaluation score ranked between 21% and 35%, showing an improvement of two levels compared to 2022, reflecting the company’s efforts and achievements.





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2023 Corporate Governance Officer Performance

1. Assisted independent and general directors in their duties by providing necessary information and arranging training:

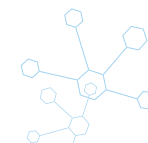
- (1) Provided updates on company governance-related laws and regulations to board members upon appointment and regularly thereafter.
- (2) Reviewed the confidentiality level of relevant information, provided directors with necessary company information, and maintained smooth communication and exchange between directors and business executives.
- (3) Independent directors, in accordance with the "Corporate Governance Best Practice Principles," held private meetings with the internal audit supervisor and certifying accountants to understand company finances and operations, achieving full communication and reporting on the latest regulations.
- (4) Independent and general directors completed annual training courses based on industry characteristics.

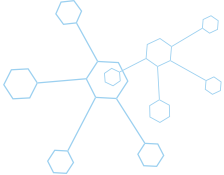


2. Assisted with board and shareholder meeting procedures and compliance:

- (1) Reported on the company's governance operations to the board and independent directors, ensuring that shareholder and board meetings complied with relevant laws and governance standards.
- (2) Assisted and reminded directors of regulatory compliance in business execution or board resolutions.
- (3) Responsible for verifying the release of major board decisions postmeeting, ensuring legality and accuracy to protect investor information parity.
- (4) Prepared board meeting agendas seven days in advance, convened meetings, provided materials, reminded directors of conflict-of-interest issues beforehand, and completed meeting minutes within twenty days post-meeting.
- (5) Handled shareholder meeting date registration, prepared meeting notices, agendas, and minutes within legal deadlines, and managed registration for charter amendments or board re-elections.

3. Renewed directors' and key personnel's liability insurance with a coverage amount of USD 10 million.

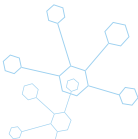
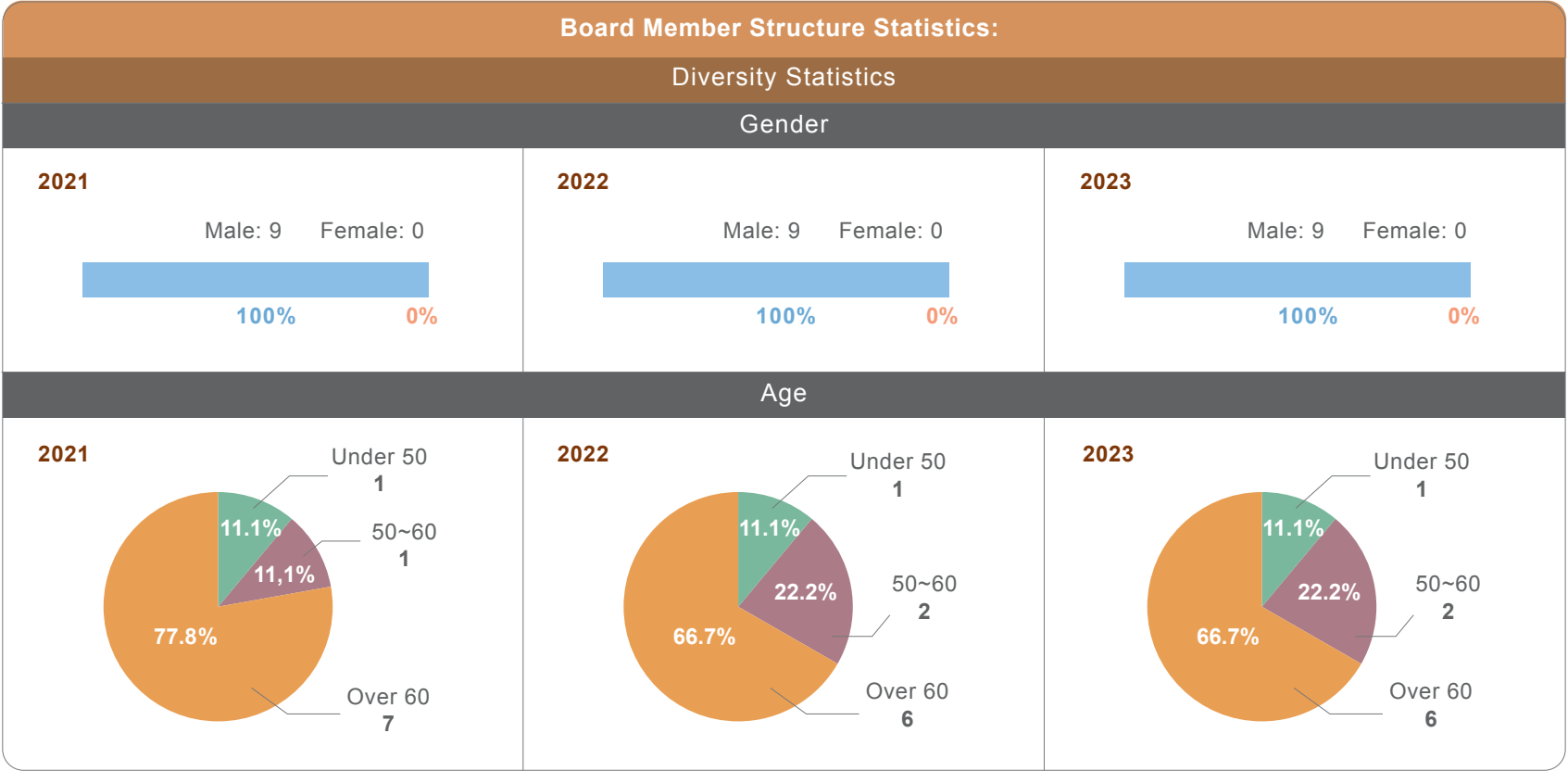


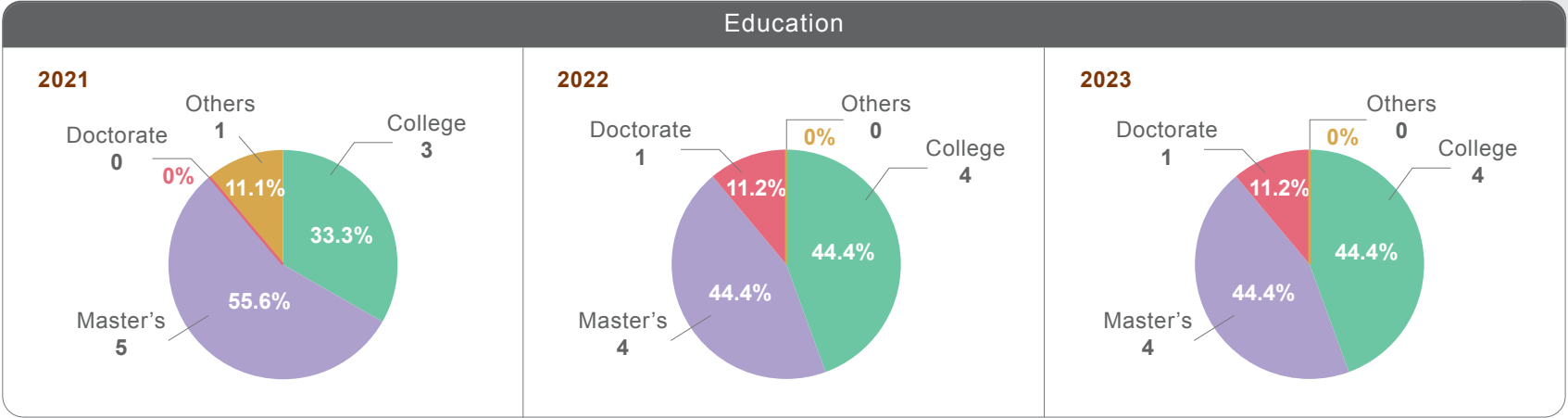


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3.1.1 Board of Directors

The board of directors formulates corporate strategies and is accountable to shareholders and other stakeholders. Directors faithfully execute their duties with the due care of a good administrator, exercising their authority carefully. All matters related to company operations and the implementation of governance systems, except those requiring shareholder resolutions by law or the articles of association, should be resolved by the board. Excelsior adopts a candidate nomination system for directors as stipulated in its articles of association, with shareholders electing directors from the nominated list. Through regular elections, talent is prioritized in appointments. According to corporate governance best practices, the current board consists of nine directors, including three independent directors, comprising 33%. Additionally, two external directors account for 22%, and more than half of the directors do not hold managerial positions within the company. Over half of the directors have no spousal or second-degree kinship, ensuring diversity in terms of basic qualifications and values, professional knowledge, and skills. Directors generally possess the necessary knowledge, skills, and qualities to perform their duties. The board meets at least quarterly to review corporate performance, discuss key material issues, including economic, environmental, and social impacts, risks, and opportunities. The responsible units for follow-up are confirmed during meetings, with progress reported in the subsequent meeting. In 2023, the board held meeting five times.



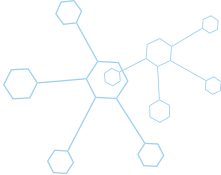


Note: For more information on the main experience, education, and concurrent positions of Excelsior's board members and the board diversity policy, please refer to the [Board Diversity Policy](#).



Board Member Introduction and Attendance:

Position	Name	Meetings Required	Actual Attendance	Attendance Rate (%)	Concurrent Directorships	Industry & ESG Background/Experience
Chairman	Fu Hui Tung	5	5	100%	15	Industry, Medical, Corporate Management
Director	Chang Hsien-Cheng	5	5	100%	5	Industry, Medical, Corporate Management
Director	Chang Ming-Cheng	5	5	100%	10	Industry, Medical, Corporate Management
Director	Hsieh Yen-Sheng	5	3	60%	5	Industry, Corporate Management
Director	Chen Tun-Ling	5	5	100%	0	Industry, Medical
Director	Fu Jo-Hsuan	5	5	100%	18	Industry, Medical, Corporate Management
Independent Director	Chang Wu-I	5	5	100%	0	Accounting, Corporate Management
Independent Director	Kuo Yu-Chia	5	5	100%	4	Law, Corporate Management
Independent Director	Chan Chien-Lung	5	5	100%	3	Accounting, Corporate Management



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To establish a sound board operation system, enhance supervisory functions, and ensure the independence of independent directors in performing their duties, the board has adopted the “Board Meeting Rules” and established the “Rules for the Scope of Duties of Independent Directors” to clearly define the responsibilities of independent directors. Directors also uphold a high level of selfdiscipline in avoiding conflicts of interest. Directors must explain their material interests in board meeting matters and recuse themselves from discussions and voting on related matters. Directors are also prohibited from exercising voting rights on behalf of other directors.

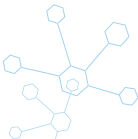
To improve board decision-making quality, the board has also adopted the “Board Performance Evaluation Measures,” conducting internal evaluations annually on the performance of the board, individual directors, and functional committees. The evaluation is conducted through selfassessment questionnaires distributed by the board meeting unit, with results compiled and reported to the board. In 2024, an external evaluation will be commissioned to ensure objectivity and independence, with external evaluations conducted every three years. The results of the board performance evaluation will serve as a reference for future director selection or nomination, and individual director performance evaluation results will inform the determination of their remuneration.



Board Performance Evaluation			
Self-Assessment (Questionnaire)	2021	2022	2023
Board	99	99	99
Audit Committee	100	100	100
Remuneration Committee	99	99	99

To effectively manage risks and attract professional talent to serve as directors, Excelsior provides directors with liability insurance, ensuring they can perform their duties without concern and mitigating the risk of significant damage to the company and shareholders caused by director errors or negligence.

Recognizing the potential legal compliance and governance issues directors may face in company operations, Excelsior actively encourages and arranges professional training courses for directors. In 2023, all directors completed a total of 54 hours of training, including sessions on sustainable development initiatives for listed companies, insider trading prevention, the 14th Corporate Governance Forum, best practices in corporate innovation, corporate risk and compliance management, ethical corporate management, avoiding director and supervisor liability risks, and board governance under ESG. The corporate governance officer plans to increase training courses related to corporate sustainability. Excelsior believes that under the leadership of a board with corporate governance expertise and extensive industry experience, the company will continue to thrive in the biotech and medical industries.





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3.1.2 Functional Committees

To enhance supervisory functions and strengthen management capabilities, the Board of Directors has established the Audit Committee, the Remuneration Committee, and the Sustainable Development Committee. Except for those powers that must be exercised independently according to laws and regulations, the functional committees are accountable to the Board and submit their proposals for the Board’s resolution.

Audit Committee

The Audit Committee assists the Board in overseeing the quality of accounting, auditing, financial reporting processes, and financial controls, with the evaluation results submitted to the Board for discussion. The Board has approved the “Audit Committee Charter,” establishing the Audit Committee within the Board, consisting of three independent directors, one of whom is the convener. At least one member must possess accounting or financial expertise. The committee meets at least quarterly, and in 2023, it held five meetings with a 100% attendance rate.

The Chief Audit Officer reports on audit operations to the independent directors in quarterly seminars, covering the execution of audit tasks, internal operations, and revisions to internal control methods. The Chief Audit Officer also presents audit reports at board meetings, ensuring complete communication on audit operations and effectiveness. In 2023, the independent directors and the Chief Audit Officer held two meetings, and the independent directors also met with external Accountants four times. The external Accountants reported on the review of financial reports and discussed legal compliance and exchanged opinions during these meetings.

Audit Committee Attendance

Position	Name	Meetings Required	Actual Attendance	Attendance Rate (%)
Independent Director	Chang Wu-I	5	5	100%
Independent Director	Kuo Yu-Chia	5	5	100%
Independent Director	Chan Chien-Lung	5	5	100%

Remuneration Committee

To establish a sound remuneration system for directors and managers, and to evaluate whether the remuneration received by directors and managers is fair and reasonable based on their performance, the Board has approved the “Remuneration Committee Charter” and established the Remuneration Committee. The committee members should include at least one independent director, and currently, all three members are independent directors. In 2023, the committee held three meetings with a 100% attendance rate.





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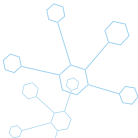
The main functions of the Remuneration Committee are to establish and regularly review the performance and remuneration systems and standards for directors and managers, and to evaluate their remuneration. The evaluation is based on the “Board Performance Evaluation Measures,” which assess the achievement of company goals and tasks, directors’ understanding of their duties, their participation in company operations, internal relationship management and communication, professional development and continuing education, and internal control. Reasonable remuneration is provided considering the company’s overall operational performance, future industry risks, and development trends. The remuneration system is reviewed timely according to actual business conditions and relevant regulations to ensure a balance between sustainable operations and risk management. The 2023 remuneration distribution for directors, including independent directors, can be referred to on page 29–30 of the 2023 annual report. For managers, the remuneration includes salary and bonuses. The salary is determined by industry standards, position, level, educational background, professional competence, and responsibilities. The bonus is based on managers’ participation in company operations and performance evaluation, including financial indicators (financial and business performance indicators) and non-financial indicators (leadership, integrity, compliance of managed departments, ESG-related indicators), and other special contributions. Future risks are also considered in performance evaluations and remuneration decisions. The Remuneration Committee reviews and submits the remuneration to the Board for approval. The company’s ESG performance will be gradually linked to the remuneration of the Board and managers.

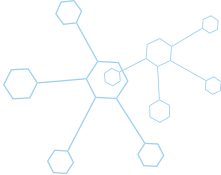
Compensation Committee Attendance

Position	Name	Meetings Required	Actual Attendance	Attendance Rate (%)
Independent Director	Chang Wu-I	3	3	100%
Independent Director	Kuo Yu-Chia	3	3	100%
Independent Director	Chan Chien-Lung	3	3	100%

Corporate Sustainable Development Committee

To enhance the management principles of ESG corporate sustainability, Excelsior established the “Corporate Sustainable Development Committee,” chaired by the Vice Chairman, with the General Manager, Corporate Governance Officer, Planning Director, Chief Financial Officer, and HR Director serving as Deputy Chairpersons. In 2023, to further strengthen the ESG corporate sustainability functions, the “Sustainable Development Committee” was established under the Board of Directors, comprising three independent directors and the Corporate Governance Officer as the Chairperson, while one Corporate Governance Officer serving as the Chairman. The committee is divided into the Corporate Governance Team, Partnership Association Team, Employee Rights Team, Environmental Sustainability Team, and Social Engagement Team. This committee convenes regular meetings with department heads to formulate response measures and strategies concerning environmental(E), social(S), and governance(G) issues. Apart from irregularly meetings held by various units and working groups, the entire committee holds quarterly ESG meetings to review goal achievements and progress, with the Chief Audit Officer verifying results and regularly reporting implementation effectiveness and improvement directions to the Chairman and the Board.





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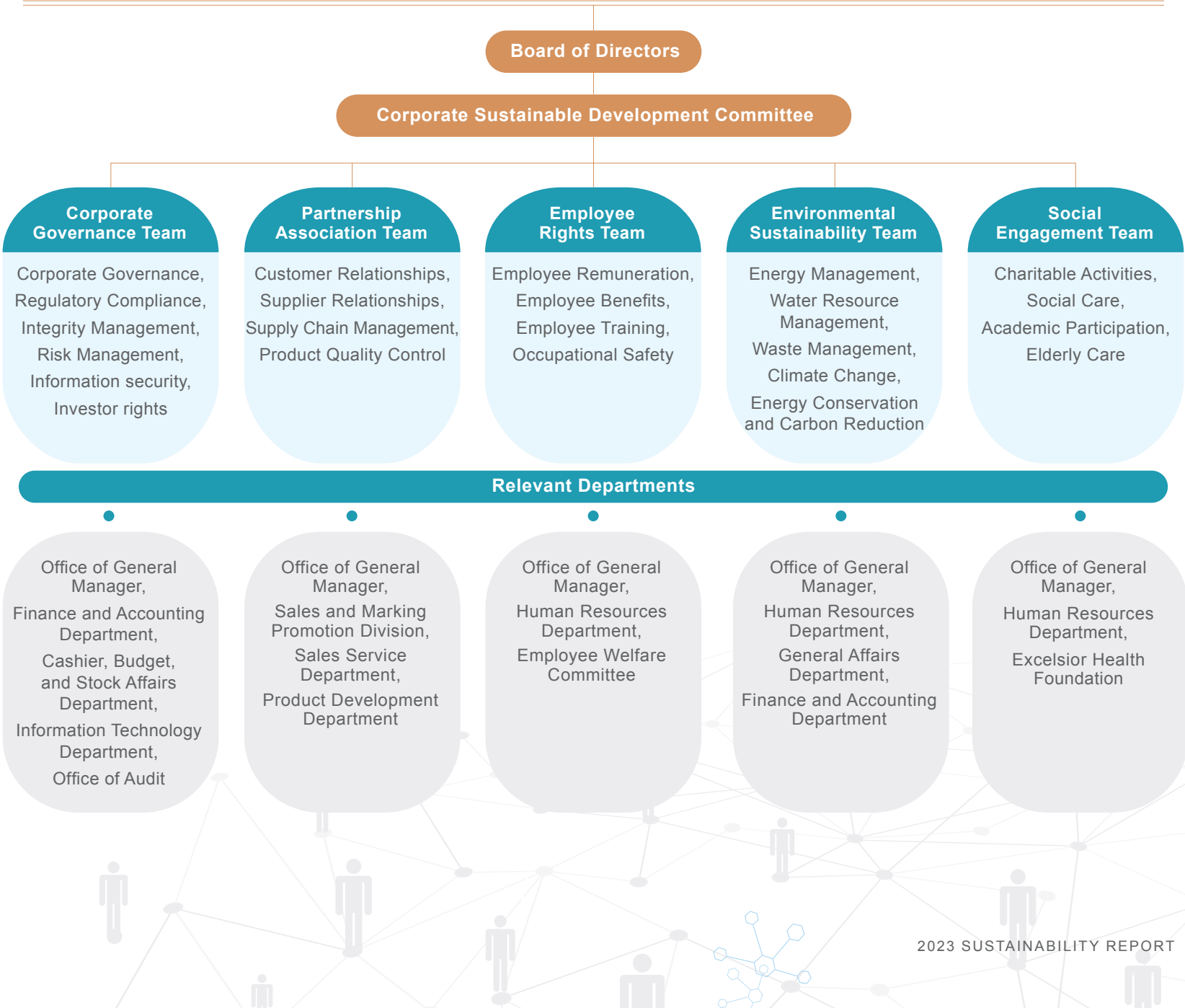
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Corporate Sustainable Development Committee Organization Chart





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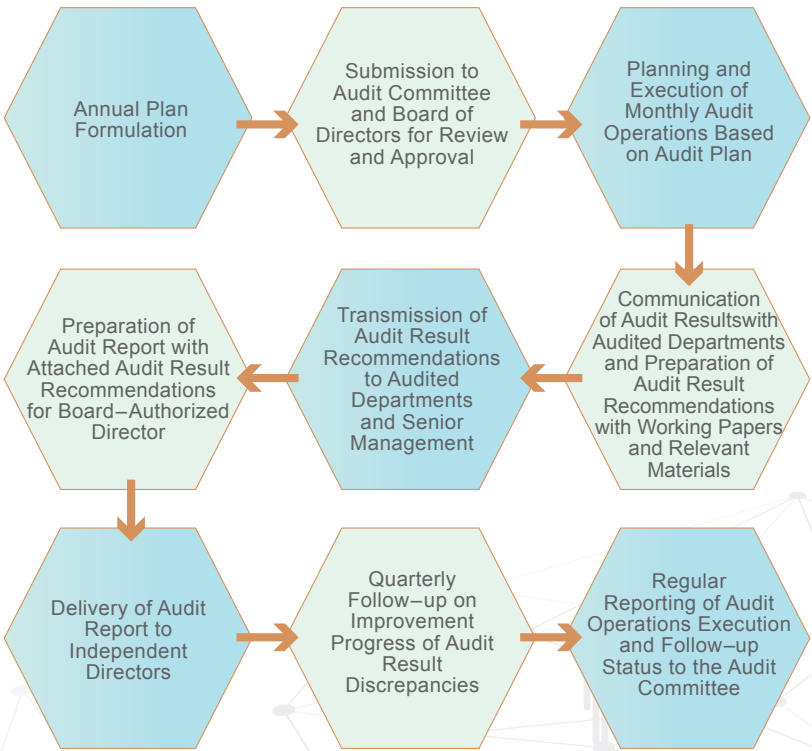
3.1.3 Internal Audit

The purpose of the internal audit is to assist the Board and managers in inspecting and reviewing deficiencies in the internal control system, evaluating operational effectiveness and efficiency, and providing timely improvement recommendations to ensure the continuous and effective implementation of the internal control system and to serve as a basis for reviewing and amending the internal control system. In accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies,” Excelsior has established an effective internal control system, taking into account the overall operational activities of the company and its subsidiaries. This system is regularly reviewed and improved to adapt to changes in internal and external environments, ensuring its design and execution remain effective. To ensure auditors maintain impartiality, Excelsior has set up an independent audit office under the Board, staffed with one auditor. The appointment and removal of the Chief Audit Officer must be approved by the Audit Committee and resolved by the Board. The appointment and removal of internal audit staff are subject to the Chairman’s approval. The remuneration of the Chief Audit Officer and internal audit staff is determined by the Chairman; their performance evaluations are conducted by a director authorized by the Board.

The Chief Audit Officer is required to attend Board meetings to report on the execution of audit tasks and must attend every Audit Committee meeting to report on the company’s internal audit execution and internal control operations to the independent directors. Each internal unit conducts at least one self–assessment annually, which is then reviewed by the internal audit unit. The internal audit unit compiles these self-assessment reports along with any deficiencies and abnormalities found during audits to serve as the main basis for the Board and the General Manager to evaluate the overall effectiveness of the internal control system and issue an internal control system statement.

The qualifications of audit personnel meet all the requirements set by the competent authorities. To enhance their professional capabilities, audit personnel are required to undertake continuing education and participate in professional training programs designated by the competent authorities. This ensures the quality and effectiveness of their audits. All current audit personnel complete the required training hours related to audit tasks annually. In 2023, the audit personnel underwent 12 hours of training per person.

Through continuous monitoring by audit personnel, Excelsior ensures the effective implementation of various operational systems, establishing sound governance practices and risk control mechanisms, which contribute to creating a sustainable business environment. In 2023, the audit office conducted 128 audit operations, with a 93% compliance rate and no major deficiencies. All minor issues were rectified and closed within the stipulated timeframe.





3.1.4 Ethics and Integrity

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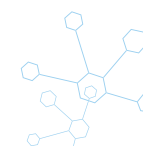
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Integrity is the cornerstone of business operations. To create an ethical working environment, Excelsior requires all employees to understand and comply with professional ethical standards. Upholding the principles of legal compliance and integrity, which constitute our core corporate values, Excelsior operates with a spirit of honesty and law-abiding conduct. To ensure the implementation of the integrity management concept within the company, we emphasize the moral character of our employees. During onboarding, new employees are introduced to the company's integrity guidelines by the HR Department to foster an awareness of integrity. Management is also expected to lead by example, adhering to principles of integrity to cultivate an overall culture of integrity within the company.

Internally, the "Corporate Sustainable Development Committee" under Excelsior includes the Corporate Governance Team, which is responsible for promoting integrity management. The Corporate Governance Officer heads this group, assisting the Board and management in formulating and supervising the execution of integrity management policies and prevention measures, ensuring the implementation of the integrity management code. The "Ethical Corporate Management Best Practice Principles" is formulated and approved by the Board and disclosed on the company's official website for stakeholder reference. A dedicated contact window is set up for stakeholders to provide feedback, and employees can access the company's integrity guidelines online or consult the relevant contact points through email or phone for any queries.

Furthermore, in accordance with the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct," the company has established multiple reporting channels. Stakeholders can report issues through the stakeholder section on the company website, the General Manager's mailbox, or the audit mailbox. The Audit Office assigns dedicated personnel to investigate reports, which should generally include the whistleblower's name and details of the incident, such as the time, location, and involved parties, along with evidence. If anonymous reports include substantial evidence, dedicated personnel may proceed with investigations. While a conflict of interest arise between the dedicated personnel and the whistleblower or reported party, the involved personnel must recuse themselves, and another individual will be assigned to the investigation. The investigation process should be conducted impartially and confidentially, without exposing the whistleblower's identity. The company pledges to protect whistleblowers from any inappropriate treatment as a result of their reporting. All employees are responsible for using the reporting channels to report unethical behavior. The company also guarantees the protection of employees involved in the reporting or investigation process from unfair retaliation or treatment.

In business interactions, employees are required to explain the company's integrity management policies and regulations to business partners, clearly refusing to offer, promise, request, or accept any improper benefits directly or indirectly. Employees should avoid commercial transactions with agents, suppliers, customers, or other business counterparts involved in unethical behavior. If unethical behavior is discovered in business relationships, the company will evaluate whether to blacklist such entities. The company's "Supplier Sustainable Development Management Procedures" mandate that, when signing contracts with trading counterparts, their adherence to integrity





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management policies should be ensured and included in the contract terms. Contracts should stipulate that if any party is found to engage in unethical conduct during business activities, the other party reserves the right to unconditionally terminate the contract at any time.

To further embed the concept of ethics and integrity in business operations, Excelsior promoted the integrity management code to employees via an online education platform in 2023, followed by a test at the end of the course. The training sessions involved 161 participants. Additionally, insider trading prevention courses were conducted, covering topics such as insider trading regulations, criteria for establishing insider trading, confidentiality operations, audit and penalties for insider trading violations, and practical case studies, with 162 participants attending these training sessions.

Through the internal control and audit systems, the company supervises and audits corruption cases. Major corruption risks identified through risk assessments include violations of trade secrets, embezzlement, theft of company assets, and acceptance of kickbacks or improper benefits. As of the end of 2023, the company had not detected or received any reports of violations related to professional ethics.

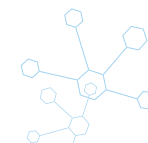
3.2 Risk Management

To enhance corporate governance and strengthen risk management practices, Excelsior has established the “Risk Management Policy.” The risk management framework centers on the various responsible departments, assessing risk occurrence probabilities and responding to high-risk items to ensure the company achieves sustainable operations.



Excelsior Risk Management Framework

- Board of Directors is the highest authority in risk management, responsible for approving the risk management policy and related regulations, supervising the overall implementation of risk management, and ensuring effective risk control.
- Sustainable Development Committee assists the Board in executing its risk management duties and reports on risk management operations to the Board annually.
- Corporate Governance Team of the Sustainable Development Committee comprises members from the Corporate Governance Team, ensuring the implementation of risk management systems across all operational units and appoints personnel from each unit to execute risk management procedures.
- Audit Office integrates risk management execution into the annual audit plan based on the policy, procedures, and various risk management systems. It audits and provides improvement suggestions on risk management practices, regularly reporting audit results to the Board.





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Unit	Responsibilities
Board of Directors	The ultimate decision-making body for the risk management policy, holding final responsibility for the company's overall risk. The Board should approve the overall risk management policy based on the company's strategic and operating environment, continuously supervise the effective operation of the risk management mechanism, fully grasp risk status, and ensure sufficient capital to address risks involved.
Corporate Governance Team of the Sustainable Development Committee	Responsible for executing ESG risk management decisions, coordinating cross-departmental risk management interactions and communications, issuing early warnings for significant risks, assessing potential losses, tracking countermeasures or risk elimination reports, and compiling major risk event handling results. Reports to the Board annually.
Operational Units	Responsible for planning and revising risk management systems in response to internal and external environments and regulatory adjustments, clearly identifying the risks they face, and performing necessary self-assessments and risk management tasks as required, ensuring that risks are controlled within bearable limits.

◦ Risk Management

Risk Type	Risk Description	Operational Status
 Operational Risks	Product Service Quality Risk	Monitoring product service quality through customer service hotlines and complaint handling, insuring products with product liability insurance, and continuously tracking domestic and international clinical research publications and product trial results to improve product service standards. Additionally, ensuring all products (e.g., medicine, medical devices) comply with relevant regulations and obtain necessary permits.
	Product Supply Risk	In response to geopolitical factors that may lead to supply shortages, increasing inventory levels, calculating optimal inventory levels, and preparing stock based on potential risks.
 Financial Risks	Exchange Rate Risk	Using forward foreign exchange contracts to mitigate risks caused by exchange rate fluctuations.
	Interest Rate Risk	Regularly assessing bank interest rates and transaction limits to secure favorable market interest rates.
	Bad Debt Risk	Managing customer transaction credit limits and continuously collecting receivables to avoid significant bad debt losses.





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Risk Type	Risk Description	Operational Status
 Information Security Risk	Information Confidentiality and Integrity Risk	Appointing an Information Security Officer, formulating an information security policy; joining TWCERT (Taiwan Computer Emergency Response Team) and CISO (Taiwan Information Security Officer Union) in 2023 for multi-faceted information security engagement and exchange; conducting information security health checks (including system vulnerability scanning, penetration testing, social engineering exercises).
 Compliance Risk	Risks from Non-Compliance with Legal Regulations	The Legal Department reviews contracts and regulatory documents, keeps abreast of new legal knowledge, and promptly communicates updates to company employees to ensure legal compliance in operations. In 2023, insider trading prevention and sexual harassment prevention awareness programs were conducted.
 Environmental Risks	Climate Change Environmental Risks	Identifying potential climate change crises and response measures. Implementing energy-saving and water-saving equipment in the office environment, controlling power input to cooling towers to achieve smart energy savings, reducing electricity usage time, continuously promoting energy conservation and carbon reduction, and improving energy use efficiency.





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3.3 Regulatory Compliance

Regulatory compliance is fundamental to corporate operations. Due to the vast array of regulations, various departments stay informed of regulatory changes through interactions with competent authorities or media reports. These departments then provide internal and external training to their staff, ensuring company operations comply with all relevant regulations.

Audit Committee to oversee financial operations and internal control systems. It has also adopted the “Corporate Governance Best Practice Principles” and the “Board Performance Evaluation Measures” to encourage active participation of the Board in critical company decisions. Additionally, the company has appointed a corporate governance officer to assist the Board and provide professional advice, enhancing the Board’s functions. In the future, the company will continue to follow corporate governance evaluations and best practices to elevate the regulatory compliance awareness of all employees.

Secondly, in personnel management, the company has formulated internal integrity regulations and consistently promotes integrity and honesty as core values. Through a series of regulatory frameworks, effective implementation, self–assessments, accessible whistleblowing channels, and protection mechanisms for whistleblowers, the company has built a comprehensive compliance firewall. Management leads by example, requiring all employees to ensure their business conduct adheres to laws, company policies, and internal regulations. Compliance is reviewed through annual internal control self-assessments and internal audits. The company has established guidelines for employees’ business conduct, mandating adherence to the “Procedures for Ethical Management and Guidelines for Conduct” and employee work rules, covering confidentiality clauses, prohibitions on dual employment, avoidance of conflicts of interest, gift–giving and receiving practices, and whistleblowing systems. This builds public trust, enhances corporate image, and ensures sustainable business development. By participating in industry competition with principles of integrity and fairness, the company fosters a regulatory compliance culture and establishes a good corporate reputation.

Moreover, in employee training, to enhance ethical conduct and regulatory compliance awareness, the company regularly provides regulatory training to employees in different departments and positions according to legal requirements. This includes tailored training based on job functions, such as new employee orientation, in–person courses, unitspecific advocacy, and external training. Regulatory compliance guidelines are also communicated through the company’s internal website or email announcements, enabling employees to stay informed about regulatory requirements.

Lastly, in environmental, safety, and health aspects, the company has formulated the “Supplier Sustainable Development Management Procedures” to ensure that partners comply with environmental and occupational safety regulations throughout the product lifecycle and effectively operate environmental and occupational safety management systems. Through management cycles, potential issues are identified and addressed in a timely manner to prevent company losses. The company assists suppliers in promoting sustainable development in environmental, social, and governance (ESG) aspects, requiring them to meet ESG standards in environmental sustainability, labor rights and human rights, occupational safety and health, and ethical business practices. Before entering into written contracts with suppliers, the company requires them to complete a “Supplier Commitment Letter” for substantive transactions. For suppliers with annual transaction amounts exceeding NT\$10 million, the product development unit conducts a “Supplier Sustainable Development Self–Evaluation Form” for re–evaluation. The company may also conduct on–site visits to domestic suppliers, documenting and reviewing the results to confirm their corporate social responsibility practices.





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Since the second half of 2023, three suppliers have responded to the “Supplier Sustainable Development Self-Evaluation Form,” and the company will continue to promote this initiative. In terms of overall compliance practices, the company had no significant violations related to corporate governance, securities trading, environmental protection, occupational safety, labor rights, customer privacy breaches, product liability, or product labeling in 2023.

3.4 Operational Performance

Material Issue		Operational Performance
Significance to the Company		In response to market environment changes, in addition to increasing the market share of hemodialysis and surgical products, the company plans to continue introducing related medical device and consumables. By deeply cultivating medical market channels, leveraging resources from affiliated companies, and utilizing diversified extensions through strategic alliances, the goal is to strengthen competitiveness and build an integrated medical healthcare industry group. The company remains commitment to providing comprehensive health services with the spirit of “Devotion, Discipline, Innovation, and Proactive.”
Policy/Commitment		Integrate various professional fields within the medical industry to establish an investment and management team for the Asian medical healthcare industry, offering comprehensive, high-quality healthcare services to promote public health.
Goals	Shortterm	Increase the market share of related device and consumables following the integration of dialysis center networks from NephroCare Limited and Cardinal Medical Services Ltd. Additionally, actively seek to represent other specialized medical products to develop diversified product sales.
	Mid to Longterm	Externally, integrate upstream and downstream medical resources, introduce new competitive medical products, and increase strategic partnerships across different industries to continually expand medical channels. Internally, streamline the organization to reduce various administrative and sales costs, improving operational performance. In alignment with the government’s New Southbound Policy, vertically integrate the hemodialysis business by acquiring a dialysis solution factory in Malaysia. After completing factory inspections, expand the existing customer base and develop the Southeast Asian market.
Annual Resource Investment and Specific Outcomes		1. Enhance competitiveness, increase customer base, integrate upstream and downstream operations, and establish a foundation for long-term profitability. 2. Expand economic scale, reduce costs, increase competitiveness, and continuously develop new competitive products to widen the gap and maintain quality advantages.
Responsible Department / Complaint Mechanism		Medical Products Department
Evaluation Mechanism / Outcomes		Revenue and net profit are used as evaluation criteria, with revenue growth recorded in 2023.





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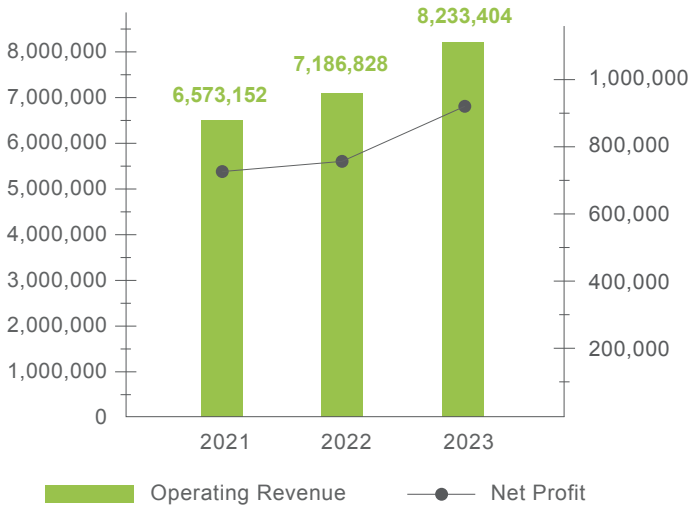
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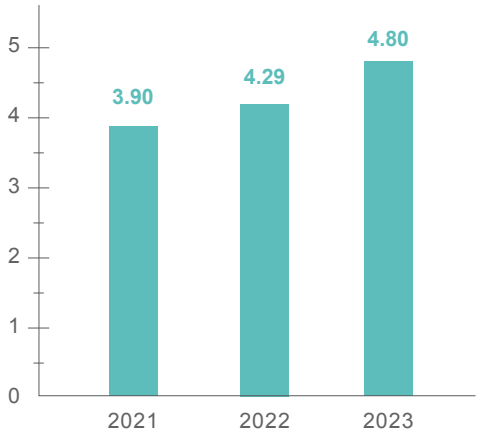
Unit: Thousand New Taiwan Dollars

Item	2021	2022	2023
Operating Revenue	6,573,152	7,186,828	8,233,404
Operating Costs	5,200,533	5,673,716	6,557,836
Gross Profit	1,372,619	1,513,112	1,675,568
Net Operating Income	595,026	606,612	702,880
Net Profit	722,289	785,301	922,850
Earnings Per Share (NT\$)	3.90	4.29	4.80
Employee Salaries and Benefits	640,660	749,380	869,002
Payments to Investors	494,021	564,595	669,152
Payments to Government	151,447	178,399	221,230
Community Investments	0	0	500
Retained Economic Value	727,151	770,118	784,686

Operating Revenue & Net Profit Unit: Thousand New Taiwan Dollars



Earnings Per Share Unit: Dollars





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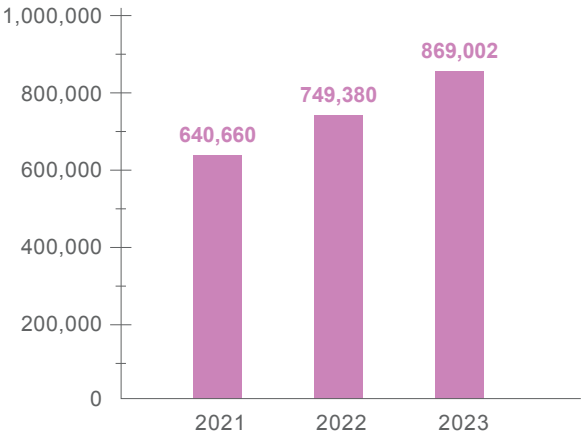
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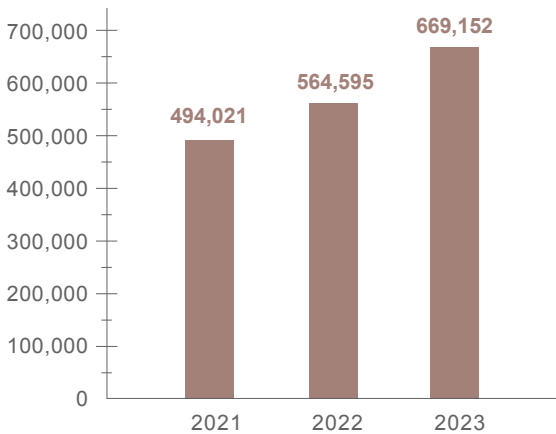
Employee Salaries and Benefits

Unit: Thousand New Taiwan Dollars



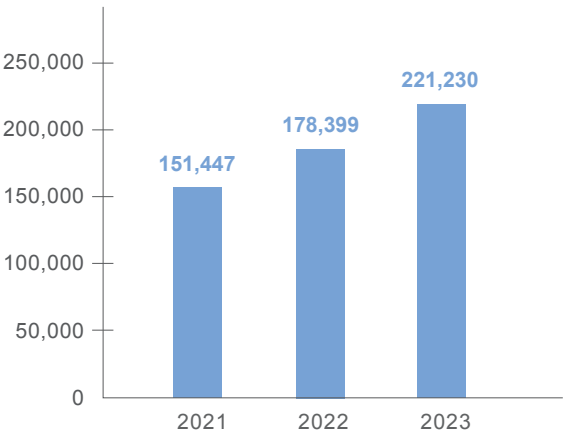
Payments to Investors

Unit: Thousand New Taiwan Dollars



Payments to Government

Unit: Thousand New Taiwan Dollars





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3.5 Product and Service

Medical device and medicine are essential for treating diseases and maintaining health. As a provider of medical products and services, Excelsior’s mission extends beyond promoting high–quality products from manufacturers to users. It also involves continuously monitoring the quality of raw materials, manufacturing processes, finished products, logistics, and customer feedback to ensure medication safety and public health. Therefore, Excelsior leads the industry by voluntarily applying for and obtaining the Good Distribution Practice (GDP) for medicine and medical device upon the issuance of regulatory guidelines. Additionally, as a non–manufacturer, Excelsior applied for and received ISO 13485 certification for medical device quality management systems, adhering to regulations and management systems to ensure product quality and gain customer trust.

3.5.1 Product Quality and Safety

Material Issue		Product Quality / Product and Service Labeling
Significance to the Company		The safety and efficacy of medical device and medicine are the most important. Only by providing high–quality products can the company earn customer trust and support sustainable development.
Policy/Commitment		Policy: Collaborate with domestic and international manufacturers that use raw materials and processes complying with Good Manufacturing Practices (GMP) to represent or OEM of high–quality products. Commitment: Do not sell unapproved medical device or medicine.
Goals	Shortterm	Maintain certification from competent authorities and the ISO 13485 medical device quality system.
	Mid to Longterm	Effectively reduce product defect rates and enhance customer trust in the company’s products.
Annual Resource Investment and Specific Outcomes		1. Maintain the operation of the ISO 13485 medical device quality management system and pass the annual review in December 2023. 2. Conduct supplier audits, including on–site audits at medicine manufacturers Chi Sheng Company and ASTAR Company, medical device manufacturer SUNDER Company, and logistics service provider Bestchain Company, to ensure compliance with quality requirements.
Responsible Department / Complaint Mechanism		Responsible Department: Product Development Division Complaint Mechanism: Customer service hotline and complaint/defect application
Evaluation Mechanism / Outcomes		<ul style="list-style-type: none">▪ 100% of medical device obtained licenses.▪ No medical safety incidents caused by company products that led to recalls.▪ One case of preventative recall for blood bags due to manufacturing quality concerns notified by the original principal.





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All medical device distributed and represented by Excelsior require suppliers to provide related product safety documentation and obtain TFDA medical device licenses. Current Product (Service) Items

Hemodialysis Products	Medical devices include Dialyzers, Blood tubing set and A.V. fistula needles. Pharmaceuticals include Hemodialysis concentrated solution and powders and normal saline, Erythropoietin (EPO) and anticoagulant etc.. Dialysis equipment includes Disinfectant for hemodialysis machine, Hemodialysis machine and RO central system.	<p>Hemodialysis, commonly known as “dialysis,” is a treatment for kidney failure. The kidneys primarily function to maintain fluid balance, regulate acid–base equilibrium, stabilize blood pressure, produce erythropoietin and vitamin D3, and eliminate metabolic waste and medications. As kidney function declines to a certain level, patients may gradually experience symptoms such as edema, metabolic acidosis, difficult–to–control hypertension, anemia, renal osteodystrophy, and even pruritus, easy bruising, and prolonged bleeding due to toxin accumulation in the body.</p> <p>Therefore, once the aforementioned uremic symptoms manifest, dialysis becomes necessary to remove uremic toxins and excess fluid from the body. This process alleviates uremic symptoms and stabilizes vital signs.</p>
Surgical Consumables and device	Sutures, staplers, endoscopic surgical instruments, electrosurgical units, tumor treatment device, tissue coagulators, and ultrasonic scalpels.	Medical consumables or energy–based device designed to enter the human body or biological tissues for therapeutic purposes. Modern surgical techniques have evolved from open procedures to minimally invasive endoscopic approaches. However, the choice of procedure remains dependent on the physician’s professional judgment based on the patient’s clinical requirements. For patients suitable for surgery, both open and endoscopic procedures can be performed using electrosurgical instruments to excise and remove harmful tissues. For patients who are not candidates for surgery, ablation techniques can be employed. These involve inserting device into the tissue to induce necrosis through high temperatures.
Others	Air purifiers, healthcare home appliances, blood bags, and wound and ostomy products.	<p>HealthCare Home Appliances: Our company has launched its own brand, the “Ultra Clean” series, focusing on promoting the combined use of air purifiers and circulation fans. We have also introduced stylishly designed home appliances that integrate with home decor aesthetics, allowing consumers to simultaneously embrace health concepts and improve their quality of life.</p> <p>Blood Bags: We distribute the Japanese JMS brand, supplying blood bags to domestic blood donation centers and biotechnology companies for cord blood storage.</p> <p>Artificial Wound and Ostomy: We are the authorized distributor for Hollister’s wound and ostomy products, including artificial anus supplies. These products are provided to major hospitals nationwide for use in surgical patients.</p>

In August 2023, the company received an email from the blood bag manufacturer regarding potential defects in certain batches of RBC Bags due to mechanical issues during production, leading to an incomplete seal at the blood port, posing a risk of bacterial contamination. The incident was reported to the competent health authorities, resulted in a preventive recall of 11,960 units, about 2% of annual sales, with no medical disputes reported.





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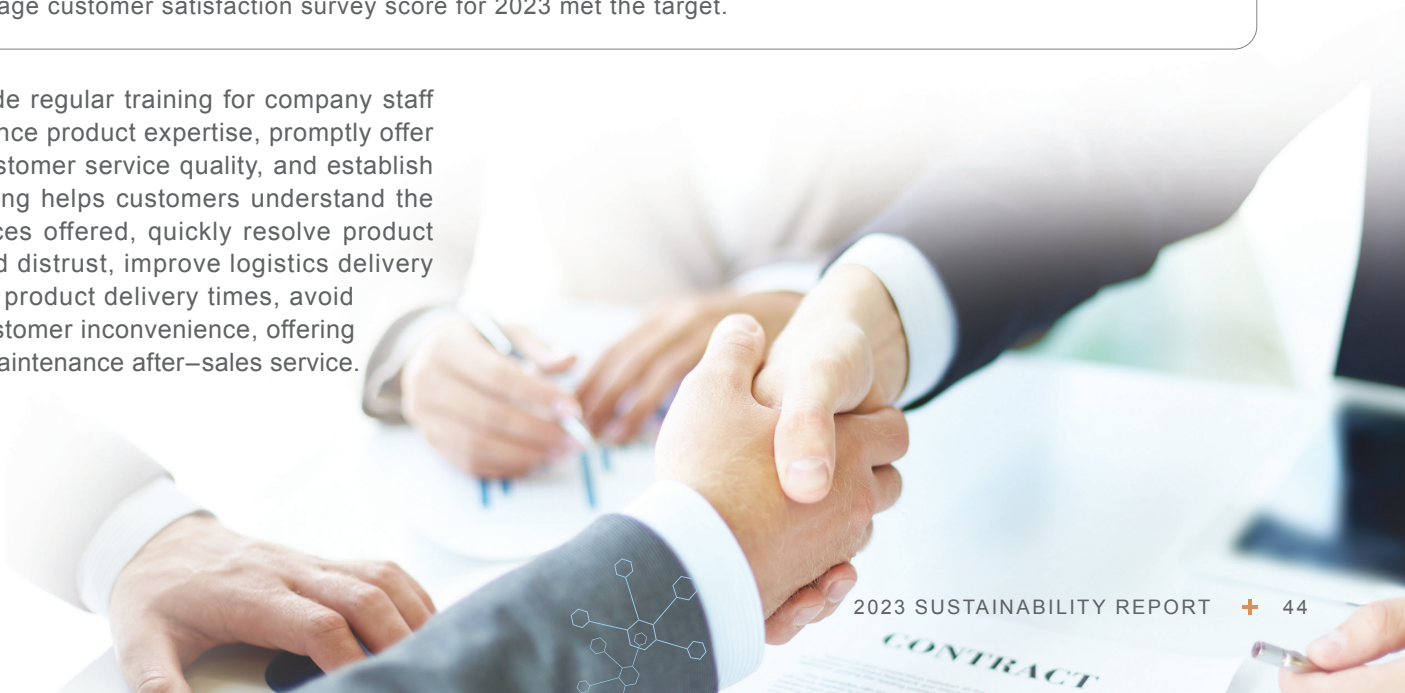
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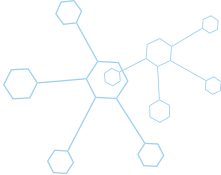
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3.5.2 Customer Relationships

Material Issue		Customer Relationships	
Significance to the Company		Establishing good relationships with customers, valuing each complaint, and actively improving communication are crucial to securing more orders through high-quality service.	
Policy/Commitment		Quality First, Customer Satisfaction	
Goals	Shortterm	1. Focus on customer needs. Quickly resolve customer complaints to reduce customer distrust.	2. Provide value to customers. Offer excellent customer service.
	Mid to Longterm	1. Establish win-win service partnerships with customers.	2. Achieve an average standard score of 90 in customer satisfaction surveys.
Annual Resource Investment and Specific Outcomes		1. Focus on customer needs. Quickly resolve customer complaints to reduce customer distrust. 2. Provide value to customers. Offer excellent customer service. 3. Established win-win service partnerships with customers. 4. Distributed 120 customer satisfaction survey questionnaires, collected 113 valid questionnaires, achieving an average standard score of 98 in customer satisfaction surveys.	
Responsible Department / Complaint Mechanism		Customer Service Section / Complaint channels	
Evaluation Mechanism / Outcomes		The average customer satisfaction survey score for 2023 met the target.	

Original suppliers continue to provide regular training for company staff and maintenance engineers to enhance product expertise, promptly offer customer consultations, improve customer service quality, and establish a competent sales team. This training helps customers understand the features of the products and services offered, quickly resolve product unfamiliarity, reduce complaints and distrust, improve logistics delivery times and quality, provide excellent product delivery times, avoid temporary stockouts, and reduce customer inconvenience, offering comprehensive product usage and maintenance after-sales service.





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3.6 Information Security

Material Issue		Information Security / Protection of Trade Secrets and Transaction Security
Significance to the Company		Stable operation of corporate information systems
Policy/Commitment		Establish a culture of information security awareness, ensuring that everyone is vigilant and knowledgeable.
Goals	Shortterm	<ul style="list-style-type: none">▪ Aim to obtain ISO 27001 Information Security International Certification in 2024, continuously enhancing the current information security environment for better protection, and reinforcing the importance of information security among colleagues.▪ Hold regular review meetings for core business departments to standardize the levels of information core business access, ensuring legitimacy in access and modifications.▪ Ensure all information equipment acquisition and application comply with information security policies, with hardware and software procured through legitimate channels to meet internal and external audit requirements.▪ Conduct regular information security checks, including vulnerability scanning, penetration testing, social engineering exercises, and information security health checks.
	Mid to Longterm	<ul style="list-style-type: none">▪ Prevent any loss of company reputation and customer personal data leakage due to information security incidents.▪ Maintain stable and secure operation of core business information systems.▪ Promote continuous connection with information system security certifications to enhance operational safety.▪ Phase out weaker protection equipment to build a comprehensive information security protection system.
Annual Resource Investment and Specific Outcomes		<ul style="list-style-type: none">▪ In 2023, initiated the implementation of ISO/IEC 27001 Information Security Management System guidelines.▪ Conducted information security audits in 2023 to assist colleagues in verifying the security and login authentication mechanisms of information equipment systems, and continued to establish information security awareness.▪ Irregularly released information security awareness messages.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none">▪ Responsible Department: Cyber Security Management Section▪ Complaint Mechanism:<ol style="list-style-type: none">1. Cyber Security Management Section extension number #32132. Cyber Security Management Supervisor email: emp651@excelsior.com.tw
Evaluation Mechanism / Outcomes		<ul style="list-style-type: none">▪ Completed the formulation of relevant detailed items of the information security policy.▪ Conducted vulnerability scanning, penetration testing, social engineering exercises, and information security health checks in 2023, with guidance and testing performed by a certified third-party professional information security company.▪ Information security personnel completed over three hours of information security-related seminars and training in 2023.▪ Regularly executed information security audits and backup recovery drills.▪ Irregularly announced and promoted information security messages annually to enhance colleagues' awareness of daily information security risks.▪ Regularly reviewed whether there were any overlooked information security risks in the core business systems.▪ No information security incidents or personal data breaches occurred in 2023.



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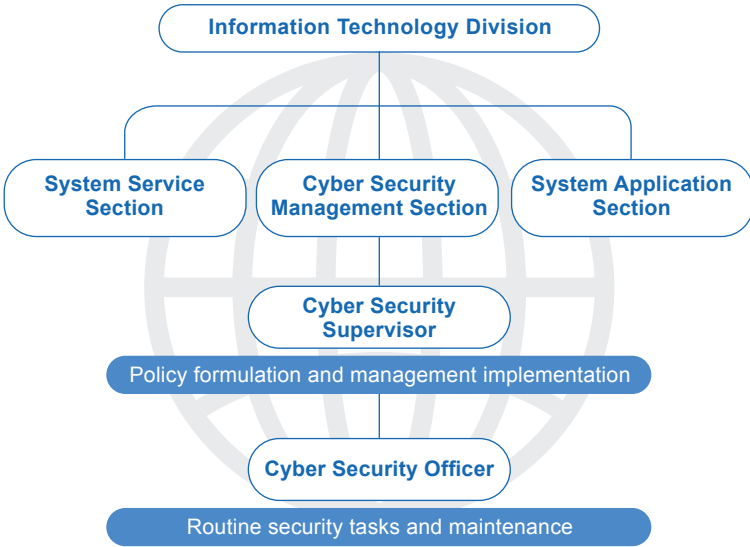
Excelsior’s current management methods include system security control mechanisms such as the establishment and activation of account permissions from the start of employment to departure. Information systems are managed by dedicated personnel responsible for creation, modification, and deactivation, ensuring detailed division of labor to prevent security risks from incomplete authority management. Internal information system management methods are reviewed annually by internal auditors. If any noncompliance with current information security requirements is found, immediate discussion, communication, and adjustment are carried out. Regular semi-annual information security audits and employee training on basic security protection and awareness are conducted.

Furthermore, for core business information systems, aside from daily tape backups, a backup environment has been established at the Kaohsiung office to ensure 24-hour realtime synchronization, preventing prolonged business operation interruptions due to core information system issues. Excelsior places great emphasis on data security, with daily backups stored on network-attached storage (NAS) servers and weekly tape backups stored offsite. Data from various areas undergoes regular weekly offsite backups to prevent unknown information security threats and ensure data integrity and security. Core information systems undergo semi-annual offsite backup recovery drills and biennially cross-machine restoration drills to ensure the backup and recovery system environment operates normally. Thanks to the efforts of all colleagues, no information security incidents or personal data breaches occurred in 2023.

In 2023, Excelsior joined TWCERT (Taiwan Computer Emergency Response Team/Coordination Center) and CISO (Taiwan Information Security Officer Alliance) to gain multi-faceted information security participation and exchange. Through daily updates from major domestic information security defense organizations, the latest information security aspects are acquired in real-time, allowing preemptive protection and shortening the occurrence of potential information security events. These alliances also host regular information security seminars to gain more insights into information security events, advance awareness of information security trends, and enable proactive deployment.

Projects	Implementation Status	Follow-up Actions
Establish Cyber Security Management Section	Appointed one Cyber Security Supervisor and one Cyber Security Officer.	Responsibilities: Formulation and implementation of information security policies.
Formulate Information Security Policies	Completed	Implement and execute
Information Security Education and Training	Completed	Conducted annually
Vulnerability Scanning	Completed	Conducted annually
Social Engineering Exercises	Completed	Continuous promotion
Penetration Testing	Completed	Conducted annually
Information Security Certification ISO 27001	Planned	Expected certification in 2024

Information Security
Risk Management Framework



4 Sustainable Environment

- 4.1 GHG Management
- 4.2 Waste Management
- 4.3 Supply Chain Management
- 4.4 Climate Change Risks and Opportunities





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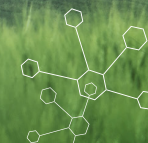
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Under the premise of pursuing balanced development and sustainable operations, Excelsior has formulated the “Sustainable Development Practice Code,” demonstrating its determination to protect the environment and implement occupational safety externally, while internally requiring employees to recognize the importance of environmental protection and occupational safety. This approach continuously creates environmental benefits and social welfare, with occupational safety, health, and environmental protection as fundamental considerations for the company’s sustainable operations.





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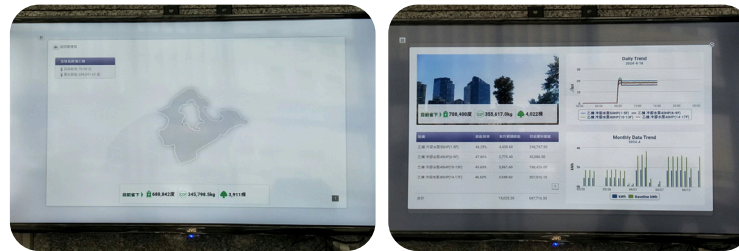
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Carbon Reduction

Adjust office air conditioning temperature to 26°C to reduce carbon emissions.



- Turn off lights for half an hour during lunch breaks.
- Install water-saving faucet attachments in the Northern Office Building.
- Implement intelligent energy-saving for the cooling water pump in the Northern Office Building, controlling the pump output via a frequency converter based on heat load changes to achieve energy savings. This energy-saving equipment allows real-time monitoring of energy-saving effectiveness via mobile phones or computers. A screen displaying energy-saving status was added, with the energy-saving system for the cooling water pump in the Zhonghe Office Building operational from November 2023. The building saved a total of 23,684 kWh in November and December.



▲ Install intelligent energy-saving for the cooling water pump in the Northern Office Building, with a screen displaying energy-saving status.

Waste Reduction

Garbage Sorting



- Promote garbage sorting and establish recycling bins to achieve waste reduction.
- Advocate for reduced paper usage to lower household waste volume.
- Ensure that the design of the company's Home Application products not only includes energy-saving features but also adheres to the principle of "minimal resource consumption, minimal waste production," and establish new green consumption concepts.

Business Waste

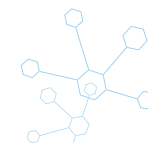
- Manage Business waste within the company according to management methods, classify and store waste based on its characteristics, and entrust qualified companies for disposal.



Emergency Response



- Each office of Excelsior has an emergency response plan and an emergency response team, which handles emergencies when they occur. Semi-annual self-defense fire drills are held, requiring employees to practice using fire extinguishers. Drills simulate real scenarios, helping employees develop emergency response and self-safety management skills, enabling appropriate actions to be taken before disasters escalate, thereby minimizing impact and harm.
 - Collaborate with the fire department to provide employees with training on fire escape and first aid.
- In 2023, four drills were conducted according to the fire protection plan. The drills included command, reporting, firefighting, evacuation guidance, safety protection, and rescue teams to ensure employees can quickly respond to emergencies, reducing personnel injuries and environmental impact.





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4.1 GHG Management

Material Issue		Carbon Emissions	
Significance to the Company		GHG-induced extreme weather is a critical environmental issue globally. Although Excelsior is not a major energy user, we recognize our shared responsibility as global citizens to contribute to GHG reduction, a common goal for everyone.	
Policy/Commitment		The company leads by increasing employee awareness of climate change and encouraging energy conservation to reduce the company's environmental impact.	
Goals	Shortterm	1. Continuously conduct GHG inventory in accordance with ISO 14064-1 and maintain third-party verification processes.	2. Promote energy-saving and carbon reduction concepts; specific targets will be set in 2024 and reported to the board of directors.
	Mid to Longterm	1. Continue annual GHG inventory per ISO 14064-1. 2. Implement energy-saving and carbon reduction measures; specific targets to be set in 2024 and reported to the board of directors.	
Annual Resource Investment and Specific Outcomes		Conducted a comprehensive inventory of the company's emission sources and completed thirdparty verification under ISO 14064-1 to ensure the inventory's effectiveness.	
Responsible Department / Complaint Mechanism		General Affairs Section	
Evaluation Mechanism / Outcomes		Annually execute the GHG inventory in compliance with ISO 14064-1 and maintain third-party verification.	

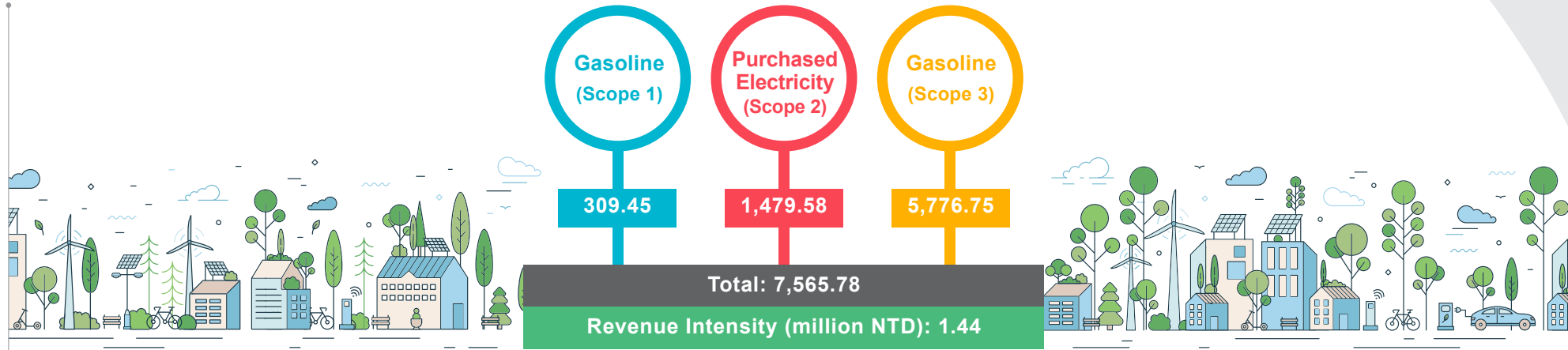
GHG-induced extreme weather is a global challenge. While Excelsior is not a heavy energy consumer, we acknowledge our responsibility as part of the global community to reduce GHG emissions. Excelsior has adopted ISO 14064-1 for GHG inventory and engaged an independent third-party verification agency, GREAT Certification, in 2023 to conduct audits. The goal is to understand current trends early through inventory and external verification, continuously estimate GHG emissions from the company's energy use, and provide a reference for subsequent energy-saving and carbon reduction performance.





2023 Energy Consumption by Type

Gigajoules(GJ)



Note: The calorific value of purchased electricity is 3,600 GJ/gwh, and the calorific value of vehicle gasoline is 7,800 kcal/L, calculated using the Ministry of Economic Affairs Energy Bureau's energy product calorific value table.

Direct GHG Emissions (Scope 1)

The primary emission sources owned or controlled by the company include air conditioning, water dispensers, refrigeration equipment, fuel consumption of company vehicles, refrigerants in company vehicles, and septic tank emissions. Scope 1 mobile emission sources totaled 22.3365 metric tons CO_{2e}, and fugitive emission sources totaled 26.5018 metric tons CO_{2e}, with a total emission of 48.8383 metric tons CO_{2e}.



Energy Indirect (Scope 2) and Other Indirect GHG Emissions (Scope 3)

Scope 2 energy indirect emissions primarily come from purchased electricity. This includes electricity used by the headquarters and various office areas, with Scope 2 emissions totaling 203.0317 metric tons CO_{2e}. Scope 3 emissions are from other company activities, including categories 3 to 6 of ISO 14064-1, totaling 490.2666 metric tons CO_{2e}. No significant emissions were recorded in categories 5 and 6. Scope 3 emissions include:

a. Waste treatment.

b. Procurement of goods and services.

c. Employee business travel.

d. Other energy indirect emissions.





2023 Emission Analysis by Source Type

(Metric Tons CO₂e/Year)

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Emission Source Category 1 to 6		Emission Equivalent	Total	
Category 1	Fixed	0.0000	48.8383	
	Mobile	22.3365		
	Fugitive	26.5018		
Category 2	Purchased Electricity		203.0317	
Category 3	Emissions from business or employee travel	High-speed Rail	10.0171	414.4525
		Private Car Use	404.4354	
Category 4	Emissions from raw material extraction, manufacturing, and processing	Paper	5.3669	75.8141
	Indirect Electricity	Electricity	39.9898	
	Indirect Gasoline	Gasoline	5.7233	
	Emissions from solid and liquid waste disposal	Waste Treatment	24.7340	

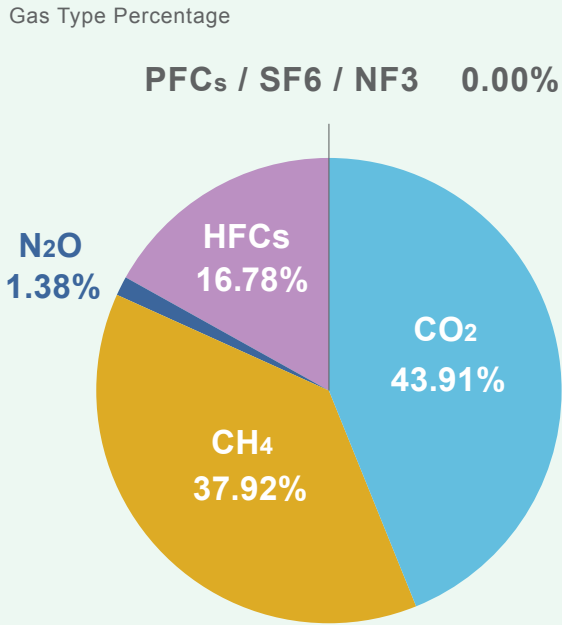
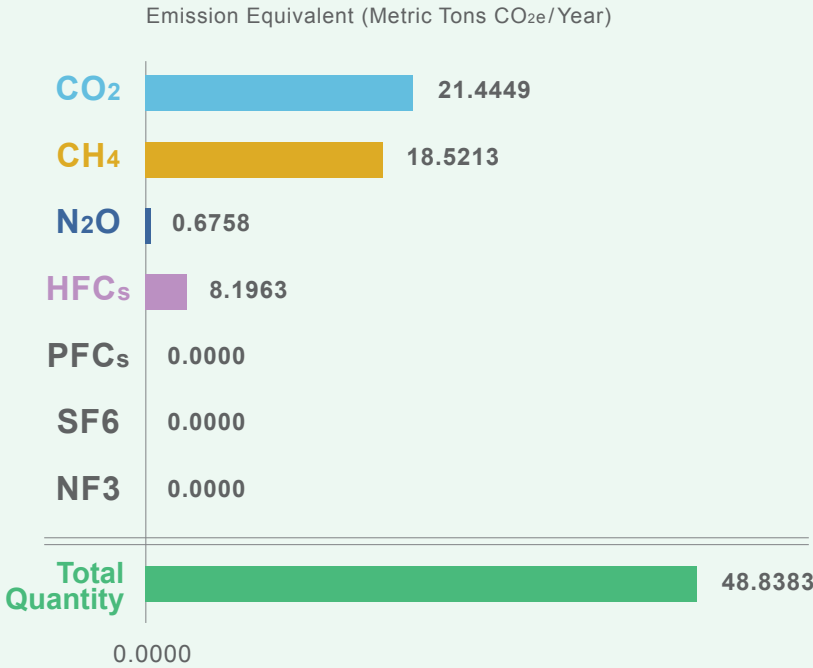


GHG Emission Intensity Over the Past Two Years

GHG Emission Intensity	Revenue (NTD million)	Total Emissions (Metric Tons CO ₂ e)	Intensity (Metric Tons CO ₂ e/NTD million)
2022	4,654.42	732.3479	0.1573
2023	5,246.87	742.1366	0.1414

Note: Revenue figures are for Excelsior entity only, not consolidated group revenue.

2023 GHG Emission Statistics



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4.2 Waste Management

Our company produces general household waste from office operations as well as mixed metal scrap business waste. We implement resource recycling and either centralize waste disposal through external services from office buildings or self-dispose via garbage trucks. Each regional unit's waste disposal methods are confirmed and recorded. Various company waste materials, including parts and packaging waste from equipment replacement, are strictly managed by local, competent authorities-approved contractors to ensure legal and unified disposal.

Waste Management Practices by Regional Office

- Taipei Office: Waste is centrally managed and outsourced by the building management committee to GAO ZHI HUI Enterprise Co., Ltd. (New Taipei Environmental Waste License No. 0196).
- Taichung Office: Waste is centrally managed and outsourced by the building management committee to SHIN SHIN Environmental Protection Engineering Co., Ltd. (ISO 9001 certified).
- Tainan/Kaohsiung Offices: Waste is self-disposed via garbage trucks.

Company's Mixed Metal Scrap Disposal Method:

Entrusted to qualified environmental companies for disposal			
Waste Type	2021	2022	2023
General Business Waste (Inventory)	3.93 metric tons	0	1.976 metric tons

Note: No inventory waste disposal in 2022.





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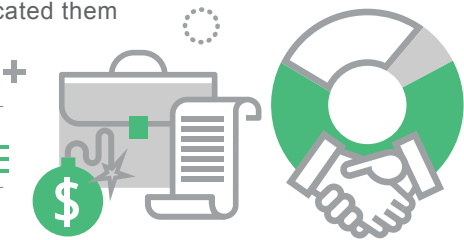
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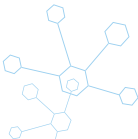
4.3 Supply Chain Management

Material Issue		Supply Chain Sustainable Management
Significance to the Company		Ensuring suppliers comply with regulations and meet environmental sustainability goals allows the company to distribute products that meet customer expectations.
Policy/Commitment		The policy of quality first, customer satisfaction, timely delivery, continuous improvement, adherence to environmental regulations, and prohibition of restricted substances is central to Excelsior's quality, safety, and green product management. We strongly encourage suppliers to prioritize quality, environmental, and safety management issues, implementing thorough risk management and business continuity plans to establish a sustainable green supply chain.
Goals	Shortterm	1. Establish relevant ESG evaluation mechanisms and implement them in phases. 2. Educate new and existing suppliers on subsequent ESG evaluation content. 3. Focus primarily on domestic pharmaceutical and medical suppliers, conducting sustainability evaluations alongside annual quality audits, targeting the evaluation of four suppliers (66% coverage).
	Mid to Longterm	1. Complete ESG evaluations across three aspects for new and existing suppliers. 2. Continuously monitor improvement of suppliers with low evaluation scores. 3. Achieve 100% signing of the "Supplier Sustainability Commitment" by pharmaceutical and medical suppliers within five years.
Annual Resource Investment and Specific Outcomes		1. Completed relevant assessments of new and existing suppliers and educated them on subsequent ESG evaluation items. 2. Finalized the checklist content for supplier ESG evaluations.
Responsible Department / Complaint Mechanism		Product Development Division
Evaluation Mechanism / Outcomes		100% of new suppliers signed the "Supplier Sustainability Commitment".



Excelsior's management is committed to providing customers with highquality and safe products and services that comply with relevant laws, regulations, and standards. We also prioritize occupational safety, environmental protection, and pollution prevention, fulfilling corporate social responsibility. Our procured medical products meet legal and environmental, and safety requirements. Continuous improvement is driven by international management system standards to maintain high quality.

Excelsior has planned to establish supply chain management procedures, incorporating assessments of human rights, environment, safety, health, and management systems within the supply chain. We track suppliers' management and implementation levels in these areas, continuously encouraging them to uphold business ethics, protect labor rights, ensure safe and healthy working conditions, and develop materials and processes that reduce environmental impact.





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4.3.1 Supplier Selection Mechanism

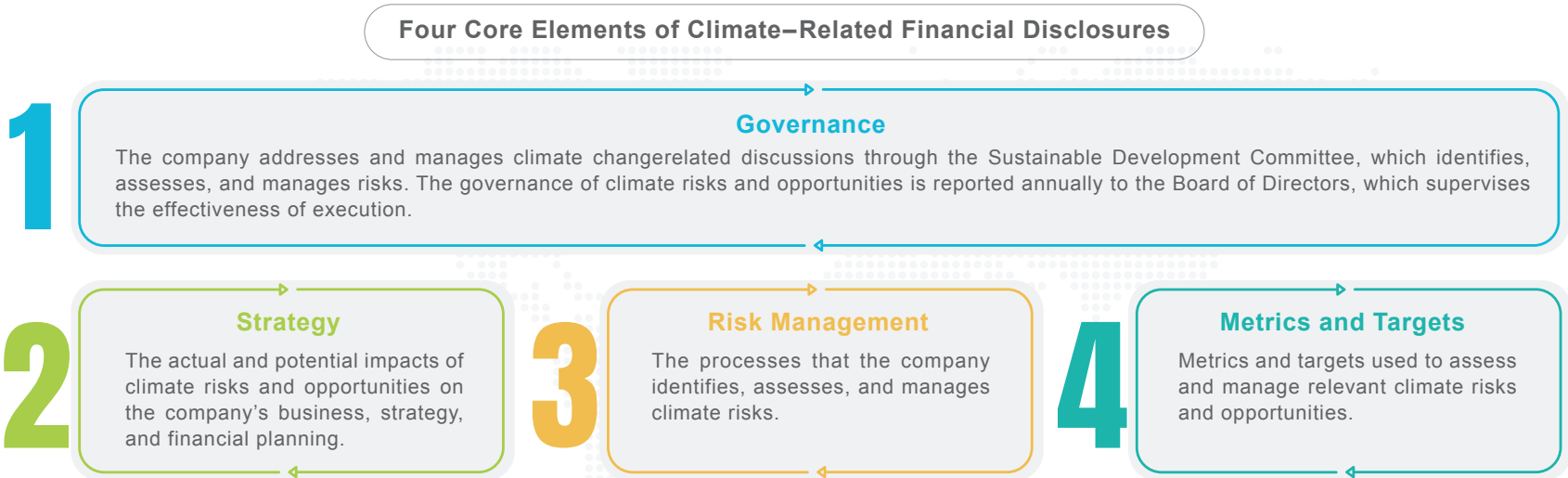
Supplier selection is not solely based on price but also considers suppliers' strengths and risk factors. Maintaining good relationships with suppliers is crucial. We conduct regular evaluations of pharmaceutical and medical suppliers to ensure that product quality, delivery times, and services meet procurement requirements.

In 2023, we added two new pharmaceutical and medical suppliers, both of whom signed the "Supplier Sustainability Commitment". We aim to have all long-term pharmaceutical and medical suppliers sign this commitment. For existing suppliers, this requirement will be implemented during the annual contract renewal, with a goal of achieving 100% signing within five years. We have also initiated the "Supplier Sustainability Self-Assessment Form" mechanism for domestic pharmaceutical and medical suppliers. In 2023, three suppliers completed the self-assessment, accounting for 37%. In 2024, we plan to complete ESG evaluations for both new and existing suppliers to ensure thorough supplier assessments. Suppliers unable to comply will receive guidance for timely improvements. If non-compliance significantly impacts the community or violates procedures, the company reserves the right to terminate contracts and blacklist such suppliers.

In addition to product quality, delivery times, and supplier cooperation, we urge suppliers to uphold social responsibility. Since 2023, we have included corporate social responsibility assessments in the selection criteria for new and existing suppliers, promoting risk management and business continuity planning in partnership with our suppliers.

4.4 Climate Change Risks and Opportunities

In recent years, climate change has become a global issue, impacting not only daily life but also significantly affecting businesses. Recognizing this, Excelsior refers to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) published by the Financial Stability Board (FSB) in 2017 to assess the climate change risks and opportunities currently faced by the company and to formulate appropriate response strategies.





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TCFD Framework

Excelsior adopts the 1.5°C Net Zero Scenario for transition risk discussions within the Sustainable Development Committee, utilizing tools provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) for assessing physical climate risk scenarios. The company ultimately chose the RCP8.5 scenario as its physical climate risk scenario, projecting a temperature increase of 1.9°C by 2050, resulting in a 5% increase in electricity consumption and corresponding costs. The following are the preliminary assessments and identifications of risks and opportunities related to climate change that the company has conducted.

Risks/ Opportunities	Item	Issue	Potential Financial Impact	Company Response Strategy
Transition Risks	Policies and Regulations	Strengthene demission reporting obligations	1. Increased operating costs (e.g., compliance costs and insurance premiums) 2. Policy changes leading to asset write-offs and early retirements 3. Increased costs and/or decreased product/service demand due to fines and legal decisions	1. Implemented ISO 14064-1 for carboninventory in 2023 and obtained verification, issuing the ESG Sustainability Report 2. Established the Sustainable Development Committee
Physical Risks	Long-term	Changes in rainfall patterns and extreme weather	1. Increased operating costs (e.g., insufficient water for hydropower or cooling in nuclear and thermal power plants) 2. Higher infrastructure costs (e.g., facility damage) 3. Decreased sales/output leading to reduced revenue 4. Higher insurance premiums and difficulty insuring assets in highrisk areas	1. Upgrade to lowenergyconsumption equipment to address increased water and electricity usage due to rising average temperatures 2. Arrange for water trucks during water shortages
Opportunities	Resource Efficiency	Reduced water usage and consumption	1. Reduced operating costs (e.g., through efficiency improvements and cost reductions) 2. Increased capacity and revenue 3. Increased fixed asset value (e.g., high-efficiency buildings) 4. Better workforce management and planning to reduce costs(e.g., improved hygiene and safety, employee satisfaction)	1. Install watersaving devices on water equipment 2. Irregularly promote watersaving among employees
Opportunities	Energy Sources	Participation in the carbon trading market	1. Reduced operating costs (e.g., using the lowest-cost carbon reduction measures) 2. Reduced exposure to future fossil fuel price increases 3. Reduced GHG emissions risk, lowering sensitivity to carbon trading price changes 4. Returns on investment in low-carbon technologies 5. Increased capital (e.g., more investors favoring low-carbon manufacturers) 6. Enhanced reputation and increased demand for products/services	1. Apply for membership in the carbon trading market platform 2. Plan to calculate carbon footprints for products or activities and purchase carbon credits for offsetting





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Metrics and Targets

Based on the TCFD framework for climate risks and opportunities, the company has set the following targets:

1. Issued the first Sustainability Report in 2023, continuously executing and verifying the ISO 14064–1 carbon inventory, overseeing and implementing the sustainability plan.
2. To minimize the impact of operations on the surrounding environment, significant resources have been allocated to all environmental indicators. For instance, water-saving devices were installed in the northern office building by the end of 2023, and energy-saving elevators are planned for the office building, aligning with the vision of sustainable development.
3. Beyond minimizing its own GHG emissions, the company aims to achieve product or activity carbon neutrality by purchasing carbon credits as a member of the carbon trading platform.

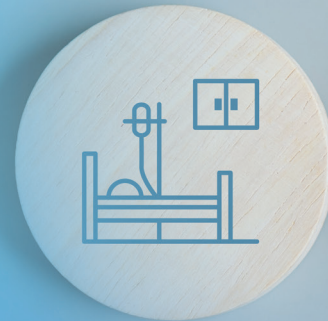
Excelsior will progressively implement relevant measures to address the identified climate change risks and opportunities, effectively mitigating potential financial impacts, enhancing organizational resilience, and seizing various potential climate-related financial development opportunities to explore new markets and business opportunities.



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- 5.1 Employee Overview
- 5.2 Talent Management
- 5.3 Occupational Safety and Health
- 5.4 Public Welfare Participation





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Excelsior values employee labor rights, creating a happy and safe workplace environment. The company organizes Family Day events to integrate employees' families into the Excelsior family, providing friendly and equal work opportunities, implementing gender equality policies, and fostering a respectful atmosphere. By offering competitive compensation, Excelsior enhances employee loyalty, reduces turnover, and ensures stable company operations. The company provides comprehensive training channels, irregularly holds various training courses to enrich employees' professional skills, and enhances workplace competitiveness. Transparent promotion channels enable employees to foresee their career development possibilities. Excelsior encourages positive labor management interaction, allowing employees to freely express their opinions in labor-management meetings, and the company responds kindly to achieve labor-management consensus. Additionally, Excelsior strengthens occupational education to reduce potential workplace hazards, decreases the occurrence of occupational accidents, and improves occupational safety and health management performance to effectively protect employees' physical and mental health. Lastly, Excelsior believes in giving back to society; apart from achieving outstanding revenue performance, the company actively participates in public welfare activities and cares for disadvantaged groups, fulfilling its social responsibility.

5.1 Employee Overview

Excelsior treats employees equally, eliminating any labor conditions that might cause workplace inequality through various equal rights measures to protect employees' labor rights.

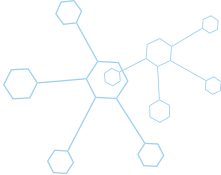
5.1.1 Human Rights Protection

Excelsior values employee rights, creating a friendly environment for human rights protection, respecting employees' freedom of association, caring for vulnerable groups, prohibiting child labor, all forms of forced labor, employment and job discrimination, and preventing any behavior that infringes on human rights. The company ensures gender equality and fair treatment for all employees. Excelsior's compensation policy guarantees that employees' salaries are not affected by gender, age, race, religion, or political stance.

On December 29, 2023, Excelsior announced its human rights policy and planned to promote it in the following year.

Meanwhile, the company adheres to labor and human rights laws at all operating sites, educating new hires and current employees on human rights protection and labor rights. Additionally, Excelsior provides a reporting channel for employees, handled by dedicated personnel to conduct responsible investigations while keeping the whistleblower's identity confidential. If verified, the company commits to not taking adverse actions against the whistleblower.





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5.1.2 Employee Statistics

High-quality talent is the foundation for the sustainable development of enterprises. Actively cultivating talent enables innovation and growth within the company. Excelsior offers various educational training programs to develop the professional knowledge and skills needed for business management, finding and cultivating future leadership talent. At the same time, the company also instills its business philosophy and spirit, fostering unity and consensus to accelerate growth and improve overall organizational efficiency.

Specifically, all employees at Excelsior are on non-fixed term contracts (full-time employees). In 2023, there were two contracted interns. The company provides long-term and stable employment, allowing employees to fully commit to their work without worries, thereby ensuring their economic well-being. Non-employee workers are contracted through a cleaning company and assigned three cleaning personnel, who are dispatched workers, showing no significant change from 2022.

Statistics/Year		2021		2022		2023	
Total Number of Employees (Note 1)		197		205		215	
Employment Contracts (Note 2)		Nonfixed term	Fixed term	Nonfixed term	Fixed term	Nonfixed term	Fixed term
Gender	Male	96	1	99	0	107	0
	Female	100	0	105	1	106	2
Region	Taiwan	196	0	204	0	212	0
	Overseas	1	0	1	0	3	0
Employment Type (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Gender	Male	97	0	99	0	107	0
	Female	100	0	105	1	106	2
Region	Taiwan	196	0	204	0	212	0
	Overseas	1	0	1	0	3	0

Notes1: Based on the total number of employees as of the end of the year (12/31).

Notes2: Employment contracts are categorized into non-fixed term contracts (full-time employees) and fixed term contracts (short-term, seasonal, specific projects, or replacement for employees on maternity/parental leave).

Notes3: Employment types are divided into full-time employees (working hours reaching the legal limit per week) and part-time employees (working hours not reaching the legal limit per week, such as student workers or hourly employees).





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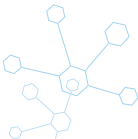
Furthermore, employees are mainly categorized as Field staff or Office staff. Field staff are predominantly male due to the nature of their work, while Office staff, engaged in administrative management, are primarily female. Regarding age distribution, employees under 50 years old account for approximately 66.5% of both side of staff, indicating that Excelsior primarily comprises middle-aged employees. Experienced senior managers lead young teams, ensuring stable manpower structure without any workforce gaps.



Diversity Statistics/Year				2021		2022		2023	
				Number	Percentage(%)	Number	Percentage(%)	Number	Percentage(%)
Employees	Office Staff	Gender	Male	21	10.7%	22	10.7%	27	12.6%
			Female	59	29.9%	63	30.7%	63	29.3%
		Age	Under 30	5	2.5%	11	5.4%	14	6.5%
			30 to under 50	47	23.9%	47	22.9%	46	21.4%
			50 and above	28	14.2%	27	13.2%	30	14.0%
		Education	Graduate School	10	5.1%	13	6.4%	9	4.2%
			University/College	45	22.8%	70	34.1%	76	35.3%
			Other	25	12.7%	2	1.0%	5	2.3%
Employees	Field Staff	Gender	Male	76	38.6%	77	37.5%	80	37.2%
			Female	41	20.8%	43	21.1%	45	20.9%
		Age	Under 30	2	1.0%	4	1.9%	5	2.3%
			30 to under 50	71	36.1%	73	35.6%	78	36.3%
			50 and above	44	22.3%	43	21.0%	42	19.5%
		Education	Graduate School	6	3.1%	6	2.9%	12	5.6%
			University/College	85	43.1%	87	42.4%	89	41.4%
			Other	26	13.2%	27	13.2%	24	11.2%

The percentage of field staff under 30 years old = (Total number of field staff under 30 years old at the end of the year / Total number of employees at the end of the year) * 100%.

The percentage of office staff with graduate school education = (Total number of office staff with graduate school education in the current year / Total number of employees at the end of the year) * 100%.





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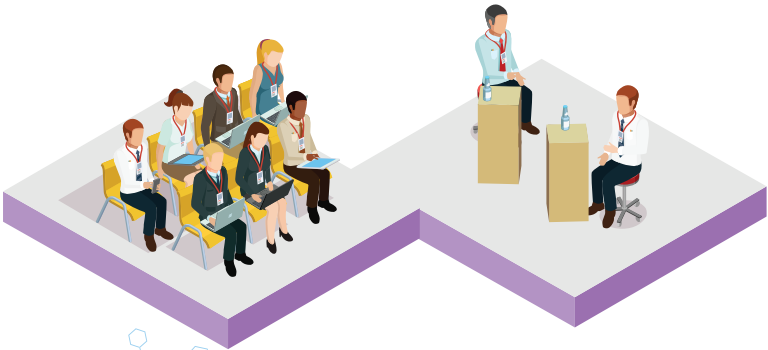
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Diversity Statistics/Year			2021		2022		2023	
			Total	Percentage (Note)	Total	Percentage (Note)	Total	Percentage (Note)
New Hires	Gender	Male	9	4.57%	11	5.37%	10	4.65%
		Female	4	2.03%	13	6.34%	11	5.12%
	Age	Under 30	1	0.51%	14	6.83%	10	4.65%
		30 to under 50	10	5.08%	10	4.88%	10	4.65%
		50 and above	2	1.02%	0	0.00%	1	0.47%
	Education	Graduate School	5	2.54%	4	1.95%	5	2.33%
		University/College	8	4.06%	19	9.27%	16	7.44%
		Other	0	0.00%	1	0.49%	0	0.00%
Departed Employees	Gender	Male	9	9.3%	8	8.1%	5	2.33%
		Female	7	7.0%	7	6.6%	12	5.58%
	Age	Under 30	2	28.6%	6	40.0%	10	4.65%
		30 to under 50	10	8.5%	8	6.7%	6	2.79%
		50 and above	4	5.6%	1	1.4%	1	0.47%
	Education	Graduate School	4	25.0%	1	5.3%	3	1.40%
		University/College	12	9.2%	14	10.4%	14	6.51%
		Other	1	1.9%	0	0.0%	0	0.0%

Note:
New hiring rate = (Total number of new employees in a specific category in the current year / Total number of employees at the end of the year) * 100%.
Departing rate = (Total number of departing employees in a specific category in the current year / Total number of employees at the end of the year) * 100%.





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Additionally, regarding gender equality, over 50% of Excelsior’s employees are female, with nearly 40% of senior managers being women, demonstrating the company’s commitment to female employees. At Excelsior’s Taiwan operational sites, 100% of senior managers are local talents, indicating the company’s willingness to collaborate with local communities to identify and attract outstanding talents, promoting local community recognition and enhancing the local economy.

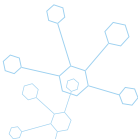
Statistics/2023	Female Employees	Total Employees
Total Number	108	215
Female Percentage	50.23%	—

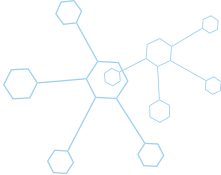
Statistics/2023	Female Senior Managers	Senior Managers
Total Number	14	40
Female Percentage	35.00%	—



5.2 Talent Management

A robust human resources foundation is crucial for Excelsior’s sustainable operations. To attract outstanding talent, the company offers competitive compensation and benefits, rewarding employees who demonstrate excellent performance and long-term contributions. Upholding the principle of equal treatment, Excelsior has established a transparent evaluation and reward system that fosters a fair and competitive work environment. This culture not only enhances employees’ commitment to the company but also encourages active participation in company affairs. Additionally, transparent promotion channels ensure that high-performing employees receive advancement opportunities, fostering a culture of excellence and continuous talent development. Excelsior also schedules training programs to support employees’ growth in their professional fields, helping them realize their personal value. Lastly, the company maintains multiple communication channels for employees to provide feedback, ensuring a harmonious and trusting relationship between labor and management.





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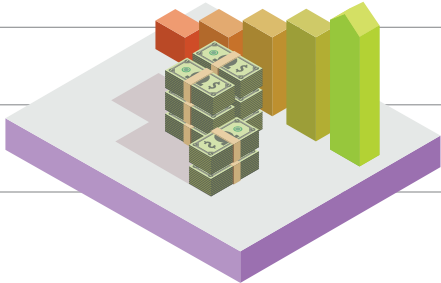
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5.2.1 Compensation and Benefits

Material Issue		Compensation and Benefits
Significance to the Company		Providing competitive compensation and comprehensive employee benefits attracts outstanding talent, enhances employee loyalty, and promotes mutual growth and success.
Policy/Commitment		<p>Through company policies, we effectively provide the human resources necessary for sustainable development, aligning with organizational growth needs. Employees are our most valuable asset; their physical and mental well-being cannot be ignored. Maintaining a healthy workforce is foundational for company operations, and irregularly family day events contribute to this effort. A positive work environment retains talent and allows them to thrive.</p> <p>The company adheres to a merit-based salary system, participating in salary surveys and adjusting compensation based on industry standards.</p>
Goals	Shortterm	<p>1. Achieve an average performance evaluation score of 80 or above for employees annually.</p> <p>2. Adjust bonus allocations based on individual performance contributions.</p>
	Mid to Longterm	<p>1. Ensure the median salary for non-management employees is above the biotechnology industry average.</p> <p>2. Adjust salary structures annually based on individual performance contributions.</p> <p>3. Increase employee satisfaction to establish a happy enterprise.</p>
Annual Resource Investment and Specific Outcomes		<p>1. Recruitment and Employment: Effective provision or utilization of manpower according to annual human resource plans to meet the needs of various units efficiently.</p> <p>2. Compensation and Benefits: Establish a competitive and fair salary and benefits system based on market salary trends and job evaluations. The company shares profits with employees through rewards such as annual bonuses employee compensation and adjusts salaries based on performance, economic growth rates, price indices, and industry salary trends.</p> <p>3. Education and Training: Enhance employee capabilities and support their growth in line with the company's development goals through annual training programs.</p> <p>4. Group Insurance: Comprehensive coverage for all employees.</p>
Responsible Department / Complaint Mechanism		Human Resources Department / emp872@excelsior.com.tw
Evaluation Mechanism / Outcomes		In 2023, we achieved a 100% success rate, with the average employee performance evaluation score over 80.





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Excelsior determines employee compensation based on the achievement of annual operational goals and company profitability, offering compensation packages that exceed local legal requirements and are competitive in the market. To reflect employee performance appropriately in their compensation, all employees undergo regular performance and career development evaluations, with results influencing their career advancement. Employees with specialized skills can grow into experts in their fields, while those with management and leadership potential can advance into managerial roles, providing ample career development opportunities.

Overall, Excelsior’s compensation structure considers individual tenure, educational background, and professional capabilities, without discrimination based on personal physiological or psychological differences. As employees’ tenure increases and their industry knowledge and experience deepen, the company shares its profits with them. In 2023, the average annual salary for non–management employees increased by 5.31%, ensuring financial stability and enhancing loyalty and a sense of belonging among employees.

Furthermore, to promote work efficiency, Excelsior offers various welfare measures and a comfortable office environment. Irregular welfare activities help reduce work pressure and foster positive interactions among colleagues.

To ensure sustainable operations and create a good working environment, the company aims to stabilize employees’ lives and fully utilize their talents. This includes forming an Employee Welfare Committee and holding regular labor–management meetings to discuss and implement welfare measures such as holiday bonuses, birthday gifts, marriage and bereavement allowances, uniform provision, group insurance, emergency loans, domestic and international travel, team meals, and other recreational activities.

Unit: Person / Thousand New Taiwan Dollars

Non–Managerial Full–Time Employees	Number of Employees	Average Annual Salary	Median Annual Salary
2022	191	941	793
2023	202	991	787
Difference	+11	+50	–6

2023 Reviewed Employees		Reviewed Number	Total Employees	Percentage
Gender	Male	95	99	95.9%
	Female	104	106	98.1%
Employee Category	Office Staff	80	85	94.1%
	Field Staff	119	120	99.2%

Note: Performance evaluations exclude employees with less than three months of service and interns.





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Labor Insurance

Fully compliant with labor insurance regulations.



National Health Insurance

Fully compliant with National Health Insurance regulations.



Group Insurance

The company fully funds group insurance, which includes term life insurance, accident insurance, hospitalization medical insurance, and occupational injury insurance for employees.

Employee Health Check-ups

To ensure the health and safety of employees, the company organizes free annual health check-ups to help employees monitor subtle changes in their health.



Employee Compensation

According to the company's articles of association, if there are annual profits, the Board of Directors proposes allocating no less than 1% of profits as employee compensation, subject to approval by the shareholders' meeting.

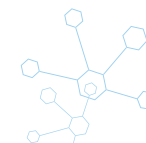


Year-end Bonus

Based on annual operational performance, year-end bonuses are distributed before the Lunar New Year, calculated proportionally based on employees' start dates. The recipients are employees who are still employed at the time of distribution.

Employee Welfare Fund System and Utilization

- At establishment, 1% of the total company capital was allocated.
- 0.075% of total monthly operating revenue is allocated.
- 0.5% of each employee's monthly salary is allocated.
- The welfare fund is used for: welfare subsidies (wedding gifts, childbirth subsidies, birthday gifts, funeral subsidies, illness condolences, emergency assistance, etc.), cultural and recreational activities (employee travel, birthday celebrations, club activities, cultural activities, etc.), and other welfare subsidies for Dragon Boat Festival, Mid-Autumn Festival, year-end party, etc.





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Retirement System

- Defined Benefit Plan (Old System): In accordance with the Labor Standards Act, 2% of the total salary of employees eligible under the retirement method stipulated by the act is allocated monthly and deposited into a designated account at Bank of Taiwan.
- Defined Contribution Plan (New System): In accordance with the Labor Pension Act, 6% of employees' monthly wages are contributed to their individual labor pension accounts managed by the Bureau of Labor Insurance.

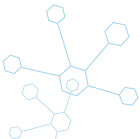
Parental Leave

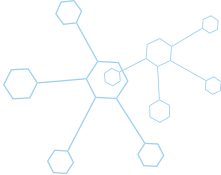
Parental Leave/Year	Gender	Statistics		
		2021	2022	2023
Number of employees eligible for parental leave	Male	2	0	1
	Female	0	2	2
Number of employees applying for parental leave	Male	0	0	0
	Female	0	2	0
Number of employees expected to return after parental leave (A)	Male	0	0	0
	Female	1	2	0
Number of employees actually returning after parental leave (B) (including early return)	Male	0	0	0
	Female	1	2	0
Return rate (B/A)	Male	0	0	0
	Female	100%	100%	100%
Number of employees who remained employed twelve months after returning from parental leave the previous year (C)	Male	0	0	0
	Female	1	1	2
Retention rate (C/previous year B)	Male	0	0	0
	Female	0	100%	100%

Note 1: The number of employees eligible for parental leave includes those who have applied for maternity or paternity leave in the past three years.

Note 2: Return rate = (Total number of employees actually returning / Total number of employees expected to return) * 100%.

Note 3: Retention rate = (Total number of employees still employed twelve months after returning / Total number of employees actually returning) * 100%.





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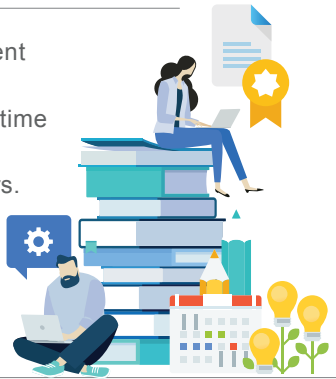
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5.2.2 Talent Cultivation

Material Issue		Talent Cultivation
Significance to the Company		The sustainable operation and growth of the company rely on employees fully utilizing their professional and managerial talents. Through training and development mechanisms at various levels, the company continuously enhances the competitiveness of employees and managers, making the company as a market leader in the medical industry.
Policy/Commitment		The company has established dedicated organizations and units to provide corresponding training and learning resources for employees and managers at various levels and positions, assisting in their job functions and career development.
Goals	Shortterm	1. Achieve a 100% training rate for new employees. 2. Increase the average training hours per person compared to the previous year.
	Mid to Longterm	1. Enhance leadership across all managerial levels through competency-based management training programs. 2. Continue offering elite internship programs to facilitate the transition from interns to full-time employees, enhancing their personal competitiveness. 3. Improve professional knowledge and management capabilities of employees and managers. 4. Establish learning passports linked to the performance evaluation system. 5. Implement an e-learning system. 6. Regularly review the management development blueprint to cultivate leaders capable of facing future challenges.
Annual Resource Investment and Specific Outcomes		1. Reviewed leadership competencies: In 2023, HR arranged discussions with company managers to align on development directions. 2. Upgraded learning platform: Enhanced user experience and convenience, offering both physical and online courses. 3. Enforced adherence to the Code of Ethical Conduct: Conducted three sessions of both physical and online courses in 2023, with tests to deepen adherence. 4. Arranged for personnel to obtain professional licenses (e.g., class-1 managers, lead auditor for ISO 13485). 5. Encouraged employees to attend external training for job-related skills, providing financial subsidies or project-based fee reductions.
Responsible Department / Complaint Mechanism		Human Resources Department / emp872@excelsior.com.tw
Evaluation Mechanism / Outcomes		1. In 2023, employees averaged 12.85 hours of training. 2. Achieved 100% in obtaining and maintaining professional certifications.





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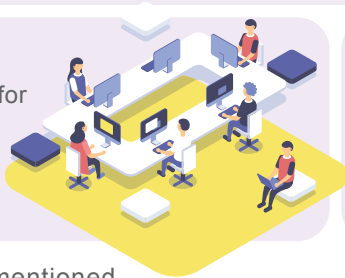
For Excelsior, the key to sustainable corporate operations lies in the continuous learning and growth of its employees. Training and development are crucial ways for ensuring the continuous appreciation of human capital. Therefore, Excelsior places great importance on employee training. The overall learning and development strategy is based on on-the-job training, complemented by training for new employees, specialized training, and managerial level training. This is structured around annual goals and the requirements of various business functions, forming a comprehensive training system.

1. New Employees

- A. On the first day of employment, the Human Resources Department explains the work rules, provides an overview of the company, introduces the office environment, and facilitates getting to know colleagues.
- B. Regular training sessions for new employees are conducted by the Human Resources Department, covering topics such as an introduction to the company's organization and responsibilities, an explanation of various management policies, an overview of the Employee Welfare Committee, an introduction to the information system, and an overview of the network environment and NOTES system.

2. Existing Employees

Each year, a training budget is allocated for each employee. The Human Resources Department coordinates and conducts quarterly on-the-job training for business functions.



3. Professional Training

Professional training related to the company's products is provided by the original principal once or twice a year.



Based on the training system framework mentioned above, Excelsior formulates and implements training plans annually, guided by the company's vision, policies, operational goals, specific client requirements, social responsibilities, and gaps in employee competencies. This approach ensures long-term career development for employees, enabling the company to benefit from their growth and progress. Additionally, internal training is used to continuously transfer skills and experience to relevant departments, assisting colleagues in planning their learning and development paths and serving as a basis for individual career planning. In 2022, with the introduction of the Code of Ethical Conduct and the ISO 13485 Medical Device Quality Management System, relevant personnel received corresponding training. Given that the majority of technical employees are male, their training hours were significantly higher than female employees. Early training sessions lacked comprehensive data collection. In 2023, due to the upgrade of the ERP system, office staff underwent software upgrade operation training, resulting in an increase in average training hours to 12.85 hours per employee.

Statistics/Year		2022	2023
Average training hours per employee (Note 1)		3.45	12.85
Average training hours per employee by gender (Note 2)	Female	1.71	15.52
	Male	5.32	10.16
Average training hour employee by category (Note 3)	Office Staff	2.50	33.19
	Field Staff	4.13	5.64

Note 1: Average training hours for all employees = Total training hours for all employees during the year / Total number of employees at year-end.

Note 2: Average training hours per female employee = Total training hours for all female employees during the year / Total number of female employees at year-end.

Note 3: Average training hours per employee by category = Total training hours for employees in the category during the year / Total number of employees in the category at year-end.





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5.2.3 Labor–Management Communication

Material Issue		Labor–Management Communication
Significance to the Company		Excelsior upholds the principles of open mind and respect, establishing diverse channels for labormanagement communication. By respecting employees’ opinions and fostering harmonious labormanagement relations, the company can improve employee morale and unity, ultimately enhancing operational performance.
Policy/Commitment		Excelsior has developed diverse channels for labormanagement communication to ensure smooth, twoway exchanges. This allows for timely, accurate, and effective communication of company information. Employees are provided with complaint channels to voice their concerns, opinions, or suggestions, which are addressed appropriately and promptly by the responsible department heads. These communications are used as a basis for improving company management efficiency and setting work goals and KPIs.
Goals	Shortterm	1. Regular communication meetings, including labormanagement meetings and the Employee Welfare Committee. 2. Human Resources initiatives such as performance evaluations, feedback channels, and personnel announcements. 3. Communication at various supervisory levels, including face–to–face interactions, unit/department meetings, and cross–department meetings.
	Mid to Longterm	Effective labor–management communication facilitates cooperation, enabling employees to understand the company’s development plans, business status, and market conditions. This allows management to better grasp employees’ working conditions and construct a friendly workplace that meets employees’ needs.
Annual Resource Investment and Specific Outcomes		Excelsior values the physical and mental well–being of employees. This year, the company provided health education courses covering topics such as healthy eating, regular exercise, gastrointestinal health, and gender equality. These face–to–face communications aimed to enhance employees’ health and well–being, cherish life, and promote health awareness.
Responsible Department / Complaint Mechanism		Human Resources Department Complaint Hotline: 02–22251888, extensions 1521 and 8885 Complaint Fax: 02–22212269 Complaint Email: emp872@excelsior.com.tw
Evaluation Mechanism / Outcomes		0 incidents of employee Complaint involving legal violations / no labor disputes occurred.





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Smooth labor–management communication fosters cooperation, enabling employees to understand the company’s production plans, business status, and market conditions. It also allows management to better grasp employees’ working conditions, constructing a workplace based on employees’ needs. Excelsior strictly adheres to legal regulations, ensuring that internal personnel administration complies with local labor laws at each operational site. In accordance with the Labor Standards Act, labor–management meetings are held at least every three months. Management representatives, including business unit heads, corporate governance officers, and human resources managers, coordinate labor relations with employee representatives. Through regular communication, employees can express their opinions and advocate for improved working conditions, enhancing labor rights applicable to all employees. Additionally, in the event of significant operational changes affecting employment rights or labor conditions, the company will follow the minimum notice period for terminating employment contracts as stipulated by the Labor Standards Act.

At the same time, Excelsior also maintains diverse communication channels to facilitate two–way communication, allowing employees to fully express their opinions and for the company to respond timely. These suggestions are gradually implemented into policies. In 2023, Excelsior maintained harmonious labor relations without any labor disputes.

5.3 Occupational Safety and Health

5.3.1 Occupational Safety and Health Management System

Excelsior complies with local regulatory requirements and actively enhances worker safety and health. The company autonomously implements occupational safety and health management practices, prioritizing workplace safety and employee health. To ensure a healthy and safe work environment and to promote labor–management communication, Excelsior has established and announced the Occupational Safety and Health Code of Practice, Occupational Safety and Health Management Plan, Self–Inspection Plan, Operational Environment Measurement Guidelines, and Occupational Safety and Health Education and Training Methods in accordance with the Occupational Safety and Health Act and its related sub–laws.

5.3.2 Hazard Identification, Risk Assessment, and Incident Investigation

Excelsior has established relevant mechanisms to ensure the effective operation of hazard identification and risk assessment. In 2023, the company provided safety manuals with the aim of maintaining employees’ occupational safety and health to strengthen occupational safety and health education and training, effectively manage occupational safety and health, and reduce the incidence and severity of industrial accidents and occupational diseases. The management processes involve responsible personnel from various departments identifying safety and health hazards arising from company activities, facilities, and services. When employees encounter hazardous risks in their work environment, the company addresses these issues by implementing appropriate measures, creating a friendly workplace, and complying with regulations. Each operational process is evaluated for potential risk causes (unsafe behavior, unsafe environment), hazards from activities near or external to the workplace, and the potential harm to personnel within the workplace.

If employees find out a danger in their work area, they can stop work and evacuate to a safe location, reporting the situation to their immediate supervisor. In the event of an incident, the company will first assess the situation, notify the supervisor, and take corresponding measures. Following the incident, an investigation is conducted to prevent recurrence of occupational safety incidents.





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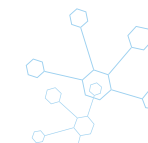
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Emergency Response Procedures

- ① To enhance Excelsior Medical Co., Ltd.'s handling of natural disasters, fires, and accidents, the company has established a crisis prevention mechanism and crisis management model to ensure employee safety, minimize damage, and facilitate swift recovery.
- ② Scope
 1. Natural disasters: typhoons, floods, earthquakes, and power outages caused by such events.
 2. Accidents: toxic chemical disasters, animal-related disasters, infectious diseases, food (drug) poisoning, traffic accidents, and other accidental injuries or fatalities.
 3. Public safety incidents: fires, explosions, power outages, and other crises related to office facilities.
 4. Other emergencies.
- ③ Implementation Methods
 1. Establish an Emergency Response Team and a communication software group that can be adjusted according to organizational structure or personnel changes.
 2. Develop emergency response processes and procedures for various emergency situations.
- ④ Emergency Response Process
 1. Activation: The Emergency Response Team leader announces the activation of the emergency response based on the situation.
 2. Execution: Each unit follows the emergency response procedures and reports back.
 3. Conclusion: The Emergency Response Team leader announces the end of the situation based on the reports and conducts a review.
- ⑤ Emergency Incident Handling Procedures
 1. General Affairs Section (or their deputies) first assess the disaster situation, report to the administrative responsible supervisor, and request the Emergency Response Team leader to decide on activating the emergency response plan.
 2. After confirming the cause and extent of the disaster, notify other General Affairs Section (or their deputies), conduct related inspections, and inform each unit/department of the operations.
 3. Upon activation of the emergency response plan, each unit's contact person executes the notification and coordination with relevant operational units. Customer service personnel contact regional warehouses to understand the order situation and report back to the business units for shipment status. IT personnel report to supervisors to decide on executing related procedures if there are no immediate hazards.
 4. During working hours, if an emergency evacuation is required, General Affairs Section (or their deputies) first notify on-site personnel for evacuation and guide them (using elevators or stairs). If anyone is injured, contact an ambulance then inform the department supervisor.
 - * General Affairs Section (or their deputies) should understand the building structure and inform the building management committee to announce the current situation (including the public area status, stairway access, and elevator availability).
 5. If the phone system is operational, the General Affairs Section (or their deputies) will notify the telephone company to forward the calls from the affected area to personnel in another area (if there is no internet or power, forwarding is not possible).





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6. In non-emergency evacuations, if it is confirmed that work cannot continue and the HR supervisor allows early leave, each employee must complete the following tasks before leaving the office:

- 1 | Unplug personal computer power cords.
- 2 | Turn off area lights/air conditioning.
- 3 | Lock area doors.
- 4 | Close and lock windows.
- 5 | General areas are managed by the General Affairs Section (or their deputies).

7. The General Affairs Section (or their deputies) will inspect the entire area to ensure protective measures are implemented before leaving (except in emergency evacuations).
8. The General Affairs supervisor consolidates reports from each area and notifies the administrative responsible supervisor, who then reports to higher management to keep them informed.
9. The building management center promptly report any disaster damage to the General Affairs supervisor.
10. The General Affairs Section (or their deputies) will notify the system security team to lock doors and set access control at each site after power is restored, and then report to upper management upon completion.
11. Post-Disaster Procedures by Each Unit:

- (1) The General Affairs Section (or their deputies) will inspect the office environments at 08:00 the following workday:

a. Inspect for disaster damage.

b. Adjust air conditioning timers.

c. Ensure telephone exchange is operational.

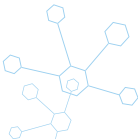
d. Confirm server room air conditioning operation and temperature.

- (2) The IT unit will inspect all systems (HR, ERP, Notes, network, etc.) at 08:00 on the next workday. If any service issues are found, they will be addressed promptly. If IT personnel cannot resolve the issue in a timely manner, emergency repair vendors will be contacted, and the system user units will be coordinated for subsequent handling.
- (3) The HR unit will address attendance anomalies the following day.
- (4) The Stock Affair Section will evaluate disaster losses for potential public announcement.
12. The administrative supervisor will summarize the situation, identify execution gaps or improvements, and report to upper management.

- ⑥ Each office environment may have unique circumstances requiring flexible adjustments according to this procedure and specific office conditions. Contact information is adjusted according to organizational structure or personnel changes.
- ⑦ This procedure takes effect upon approval by the chairman and follows the same process for amendments.

5.3.3 Promotion of Occupational Health Services

Our company continually advances “occupational disease prevention” and “health promotion” to create a reassuring and healthy workplace, promoting the physical and mental well-being of employees. Based on the three-tiered, five-level public health concept and incorporating the “Ottawa Charter for Health Promotion” strategies, we implement seven major workplace health management plans and workplace health promotion activities. In 2023, we continued to systematically and cyclically implement employee health protection plans, achieving diversified health promotion planning.





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The execution measures for workplace health management and occupational disease prevention are as follows:

1. In 2023, we invited Jingmei Hospital, an accredited institution for labor physical and health examinations, to provide annual physical and health checks for all colleagues, exceeding legal requirements. Simultaneously, workplace health management questionnaires including the “Simple Scale,” “NMQ Musculoskeletal Symptom Survey,” and “Personal and Work Fatigue Scale” were conducted. Based on health check results, we offered health check report consultation services, analyzed the results alongside the health questionnaires, and cross-referenced with employees’ age and health risks for health management. Regular on-site labor health services included health management and promotion through interviews and follow-ups with occupational health personnel, encouraging colleagues with abnormal health data to seek proactive medical follow-ups and rechecks. In 2023, there were 26 on-site health care interviews totaling over 50 hours.

Third Tier

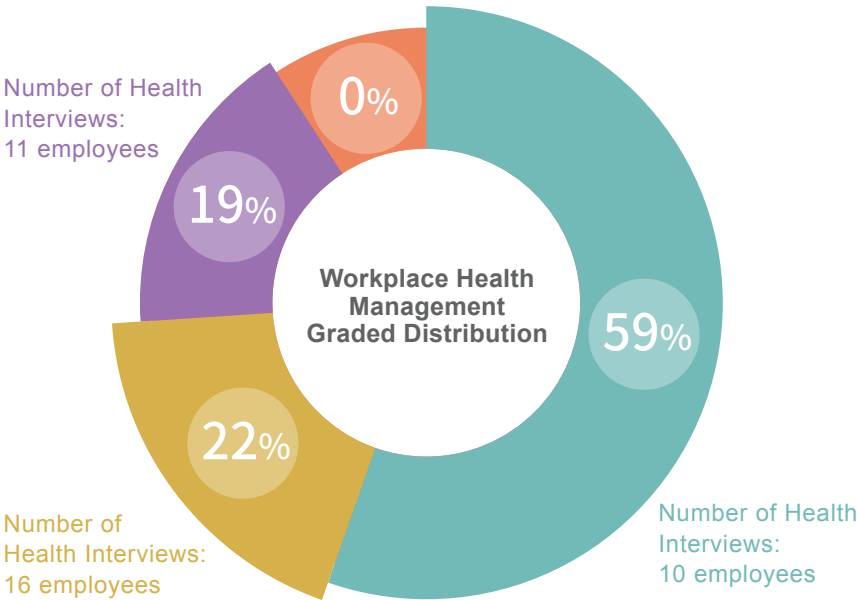
11 employees were interviewed, showing an increased willingness to participate compared to 2022. Employees received appropriate health information through onsite care.

Second Tier

In 2023, 16 employees completed care interviews.

First Tier

Workplace health education was widely disseminated, achieving a 100% coverage rate, with 10 colleagues volunteering for workplace care interviews.



First-Level Health Management:

No abnormalities found in health checks and questionnaire analysis; only self-health management and regular check-ups required.

Second-Level Health Management:

Mild abnormalities found in health checks and questionnaire analysis requiring attention; health guidance information provided.

Third-Level Health Management:

Moderate abnormalities found in health checks and questionnaire analysis requiring attention, or follow-up treatment recommended; individual health guidance information provided, with doctor consultation arranged if necessary.

Fourth-Level Health Check:

Severe abnormalities found in health checks and questionnaire analysis requiring immediate follow-up and treatment; follow-up treatment and individual health guidance information provided through phone calls and interviews, with on-site doctor consultation arranged.





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2. Disease Protection Plan for Abnormal Workloads: Based on annual labor physical and health check results including “age,” “gender,” “total cholesterol,” “HDL cholesterol,” “smoking,” and “blood pressure” data, we conducted a Framingham Risk Score ten-year cardiovascular disease risk prediction analysis, cross-referenced with the “Personal and Work Fatigue Scale” workplace health survey questionnaire.

(1) In 2023, 33.50% of Excelsior’s workforce were middle-aged and older. 84 valid questionnaires were collected.

(2) For employees with high work-related fatigue scores, on-site care and work assessments were conducted by nurses and HR supervisors. Statistics showed zero high-risk cases of disease triggered by abnormal workloads for the year.

(3) Based on comprehensive health check results, tracking employees with a ten-year cardiovascular risk >10% revealed common chronic metabolic issues like weight management and prevention of “the three highs” prevalent in office settings. Regular follow-ups and health promotion activities such as nutrition and exercise seminars were conducted by nurses. In 2024, targeted health promotion activities focusing on smoking cessation and weight loss will be initiated to emphasize and implement healthy behaviors, reducing the ten-year cardiovascular risk index.

3. Human Factors Hazard Prevention Plan: Using the “NMQ Musculoskeletal Symptom Survey” to investigate employees’ self-perceived musculoskeletal symptoms, surveys were distributed via email and paper. During on-site care interviews, we understood colleagues’ lifestyle habits, work patterns, and causes of musculoskeletal discomfort, providing precise health education information. On-site doctor consultations offered improvement suggestions and medical referral information. In 2023, 37 employees were interviewed, achieving a 100% coverage rate through email health education dissemination.

4. Maternal Health Protection Plan: In 2023, two new maternal health protectees were added. Comprehensive environmental risk assessments and “Maternal Health Risk Assessment Forms” were filled out complying with regulations. Simple health education on pregnancy adjustments and self-protection was provided to alleviate pregnancy discomfort, adapt work arrangements, and offer psychological support. The annual regular prenatal check-up rate was 100%, and maternal health protection guidance achieved a 100% rate, continuously promoting workplace safety and health for pregnant employees.

5. Protection Plan Against Unlawful Acts While Performing Duties: Complying with regulations, we implemented annual workplace hazard identification and risk assessments, preventive measure investigations, and workplace inspections covering physical environment, workplace design, administrative management measures, suitability of job assignments, and job design. In 2023, sexual harassment prevention seminars and related health education dissemination were conducted in the northern, central, and southern office areas to cultivate employees’ response abilities and risk management awareness, ensuring absolute safety in workplace operations. There were zero reported incidents of workplace unlawful acts for the year.





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Health Management

Complying with regulations, we commissioned the qualified labor health service medical institution “Xintai General Hospital” to provide labor health services. Monthly on-site health consultations and care services were conducted for colleagues. Through the internal Occupational Safety and Health Management Committee, labor health service doctors/nurses arranged on-site times and locations, allowing colleagues to schedule appointments for professional medical consultations and health information, creating a reassuring work environment and healthy workplace.

Photos of On-Site Services at the Northern Headquarters



*Photos taken with employee consent.



*Photos taken with employee consent.

The Occupational Safety and Health Management Committee, in collaboration with labor health service doctors/nurses, developed workplace health management plans targeting work overload, human factors hazards, and common modern diseases like the “the three highs” and insomnia. Health management services included health education dissemination and consultations for employees with abnormal health check data. In 2023, occupational health education covered the following topics:

- 1 Positive thinking and speaking methods in the workplace (based on ABNLP Neuro-Linguistic Programming)
- 2 Daily water intake
- 3 Awareness and prevention of monkeypox
- 4 Are you happy today? (Depression prevention education)
- 5 Summer health maintenance
- 6 Workplace stress relief methods
- 7 Mid-Autumn Festival health tips
- 8 Insect crisis prevention – How to prevent bedbugs
- 9 How to coexist with emotions
- 10 Winter health maintenance education





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Through daily health education promotion, we enhance employees' health awareness, preventing common diseases. Accurate health and related promotion activities help colleagues create a healthy workplace and lifestyle.

The company values employee health, striving to create a safe and healthy culture. The "Labor Health Protection and Occupational Disease Prevention Management Procedure" mandates at least one annual health check, allowing employees to work confidently at their posts. Occupational safety and health management personnel are required to attend statutory retraining regularly, ensuring comprehensive employee safety management. Internal emails promote and share health promotion knowledge and environmental safety information, continuously reminding colleagues of the importance of health and safety, establishing a comprehensive health care network.

Employee Health Check Event Highlights

Employee health check route guidance



▲ Registration counter



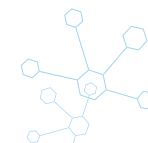
▲ X-ray examination

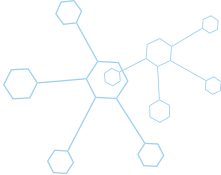


▲ Doctor consultation



▲ Physical examination





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5.3.4 Worker Participation, Consultation, and Communication

Excelsior has established a Labor–Management Communication Committee and a Fire Safety Management Committee in compliance with regulations. The Labor–Management Communication Committee consists of department heads, HR personnel, and labor representatives selected from various units, while the Fire Safety Management Committee is chaired by the General Manager.

The labor–management meetings are held quarterly to review, coordinate, and provide suggestions on labor–related matters, health management, and health promotion proposals, ensuring a safe and healthy work environment for employees. Specific measures for worker participation, consultation, and communication are as follows:

- Quarterly labor–management meetings to discuss labor and fire safety issues, and to formulate relevant policies and improvement measures.
- Establishment of a complaint channel, with zero complaint recorded from 2021 to 2023.

5.3.5 Worker Training on Occupational Safety and Health

Excelsior places great emphasis on occupational safety and health, ensuring the safety and well–being of its employees through regular training. In 2023, multiple occupational safety and health training sessions were provided, covering various topics such as class–1 business supervisors, occupational safety and health, and self–defense firefighting team training, etc. These training sessions enabled employees to become more familiar with safety and health measures and to respond quickly and effectively to potential hazards. Additionally, the company encourages employees to participate in relevant occupational safety and health courses, offering financial assistance to promote professional growth. Continuous training and education help employees understand the importance of occupational safety and health, stay high alert at work, and ensure their safety and health.

- Completed occupational safety and health courses with a total of 100 training sessions, each lasting 4 hours, achieving a 100% pass rate. Other courses included firefighting drills covering firefighting operations and related disaster prevention topics.

Occupational Safety Training

Date	Course Name	Date	Course Name	Date	Course Name
5/12	Fire Safety Manager_1	7/1–8/31	Occupational Safety and Health	11/10	Fire Safety Manager_2
Internal Training/Hours	External Training/Hours	Internal Training/Hours	External Training/Hours	Internal Training/Hours	External Training/Hours
44	0	400	0	68	0





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Occupational Safety Training Activities



5.3.6 Health Promotion for Workers

Excelsior is committed to promoting the physical and mental health of its employees, recognizing each colleague as an important business development partner. Assisting colleagues in developing physical and mental health, life meaning, and work value is the goal of workplace health promotion and the cornerstone of sustainable and stable corporate development. In 2023, the company continued to promote multifaceted worker health promotion programs, helping colleagues establish health awareness and enhancing health promotion coverage to include every employee, extending to their families, and achieving the vision of comprehensive care and precise health.

The 2023 health promotion activities were led by the Occupational Safety and Health Management Committee members, in collaboration with contracted labor health service nurses. Based on employees' preferences and needs, internal and external instructors were integrated to plan diverse health education courses covering topics such as healthy eating, regular exercise, gastrointestinal health, and gender equality trends. These courses provided health knowledge to enhance employees' well-being, cherish life, and spread health.

1. Nutrition and Exercise Seminars:

- (1) A team of professional nutritionists from the Excelsior Health Foundation led a seminar on "Healthy Meals with Whole Grains," focusing on staple foods consumed at each meal. Employees examined their BMI ranges and ideal plate proportions; only 29% had healthy eating habits, but post-seminar, 100% were willing to enhance their healthy eating behaviors, with a 94% satisfaction rate.
- (2) Exercise sessions were led by professional fitness equipment supplier, guiding employees in fitness activities like "stretching squats and light muscle training," teaching workplace colleagues proper warm-up exercises to strengthen core and lower limb muscles. Only 24% had regular exercise habits, but post-seminar, 100% were willing to enhance their exercise behaviors, with a 100% satisfaction rate.





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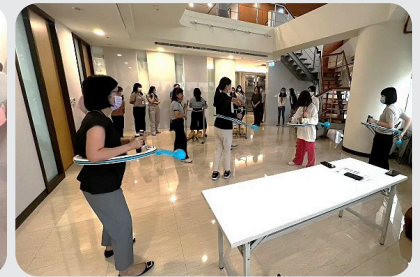
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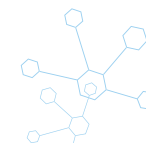
2. Sexual Harassment Prevention Seminar: Occupational health nurses from Xintai General Hospital's labor health service team explained "Creating a Gender-Friendly Workplace: Assertive and Warm Communication," covering legislative history, gender equality concepts, emergency response, and workplace communication skills, urging supervisors and colleagues to establish a gender-friendly workplace. Post-seminar, 100% pledged to protect themselves and respect others, with 94% implementing measures to reject inappropriate behaviors, and others reporting anomalies to supervisors, achieving a 100% satisfaction rate.
3. Probiotic Health Seminar: External trainers from professional probiotic health product supplier, along with occupational health nurses, conducted a "Probiotic Gut Health Seminar," helping employees examine work habits and office gastrointestinal syndrome symptoms, educating on gut health knowledge, choosing suitable probiotic products, and proper usage and timing. About 90% of colleagues frequently sat for long periods and lacked dietary fiber and related nutrients; postseminar, nearly 80% considered enhancing probiotic intake, with an 80% satisfaction rate.

Health Seminar Highlights – [Nutrition & Exercise Seminars]



Sexual Harassment Prevention Seminar

[Taipei Office]





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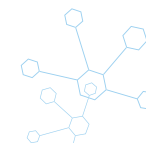
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[Kaohsiung]



Probiotic Health Seminar





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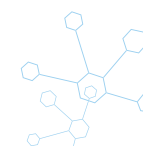
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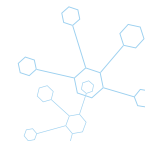
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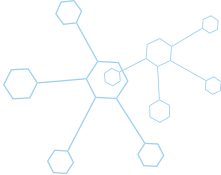
5.3.7 Prevention and Mitigation of Occupational Safety and Health Impacts

Excelsior recognizes the importance of occupational safety and health to the company's operations. We strive to prevent and mitigate impacts directly related to occupational safety and health during business activities.

Regular risk assessments are conducted to identify potential hazards to employee safety and health, and effective measures are taken to eliminate or control these risks, ensuring a safe and healthy working environment. By preventing and mitigating impacts directly related to occupational safety and health, we can make greater efforts to safeguard employees' safety and health, laying a more solid foundation for the company's sustainable development.

In 2023, the company implemented the following measures to ensure employee occupational safety:





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5.3.8 Statistical Analysis of Occupational Injuries

Based on statistical analysis of occupational injuries and occupational diseases among employees, the data from 2021 to 2023 show that there were no fatalities or occupational diseases (including recordable occupational diseases) due to workplace injuries among all employees. Adhering to the spirit of zero workplace injuries, Excelsior continues to implement safety training to prevent future occupational injuries.

Excelsior Employees – Occupational Injury and Occupational Disease Statistics				
Statistic/Year		2021	2022	2023
Total Work Hours		405,960	419,416	422,744
Fatal Accidents Due to Occupational Injuries (Note 1)	Number	0	0	0
	Ratio	0	0	0
Serious Occupational Injuries (Note 2)	Number	0	0	0
	Ratio	0	0	0
Recordable Occupational Injuries (Note 3)	Number	0	0	0
	Ratio	0	0	0
Occupational Diseases	Number	0	0	0
	Ratio	0	0	0
Recordable Occupational Diseases (Note 3)	Number	0	0	0
	Ratio	0	0	0

Notes 1: Calculated per million hours worked.

Notes 2: Serious occupational injuries: injuries resulting in death or preventing the worker from recovering their health status within six months, excluding the number of deaths from the statistics.

Notes 3: Recordable occupational injuries or diseases: those resulting in death, departing from work, restricted work or job transfer, medical treatment beyond first aid, loss of consciousness, or diagnosed significant injuries or illnesses by a doctor or other licensed healthcare professionals, including the number of deaths from the statistics. Excludes minor injuries treated on-site.

Notes 4: Recordable occupational injury rate = (Number of recordable occupational injuries x 200,000) / Total work hours.

Notes 5: Statistics for occupational injuries and diseases among non-employees will be disclosed once the data collection method is confirmed.





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5.4 Public Welfare Participation

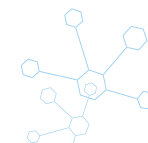
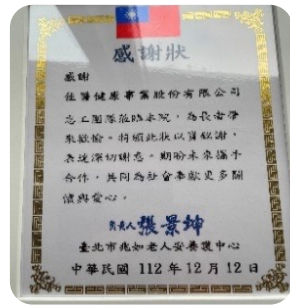
5.4.1 Blood Donation Activities

“Donate a Bag of Blood, Save a Life” – Excelsior has regularly promoted blood donation activities over the years. On June 8, 2023, in collaboration with the Taipei Blood Center, a blood donation drive was held at the Zhonghe company building, attracting over a hundred participants and collecting a total of 124 bags of blood. Excelsior is committed to continuing these life-saving blood donation campaigns.



5.4.2 Promoting Employee Participation in Volunteer Activities

Excelsior encourages employees to engage in social participation and take action by organizing the “Light up Love Volunteer Campaign.” In 2023, employees participated in activities at the “Taipei Zhaoru Senior Care Center,” making dumplings and chatting with the elderly. Volunteers created a joyful atmosphere, promoting interaction and enhancing finger dexterity. One elderly grandpa, thrilled to share, mentioned it was his first time making dumplings at 90 years old, while a lively elderly grandma shared stories of fellow residents, demonstrating a positive and optimistic outlook on life. Both seniors and volunteers benefited greatly from the experience, and Excelsior commits to continuing the “Light up Love Volunteer Campaign.”





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5.4.3 Sponsoring the New Campus of St. Paul's Hospital in Taoyuan City

The "SAINT PAUL'S HOSPITAL, CONGREGATION OF THE SISTERS OF SAINT PAUL DE CHARTRES, expanded with a new campus completed in October 2023. Inspired by Sister Shen Yalian, who has dedicated her life to healthcare in Taoyuan since 1967, Excelsior donated NT\$500,000 to support the new campus, hoping it will provide better healthcare to Taoyuan residents, embodying the vision of "caring for the young and the old," and promoting love, joy, and health in the community.

5.4.4 Caring for the Underprivileged

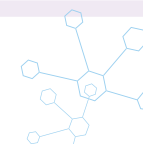
Excelsior extends medical and public welfare services to care for the underprivileged through the "Excelsior Foundation," which is dedicated to assisting disadvantaged groups and mobilizing employees to engage in social welfare activities. Major activities in 2023 included winter relief donations for disadvantaged families in Bijou and Nanpu Townships, Nantou County, with eligibility determined by village chiefs.

5.4.5 Long-Term Care

The "Excelsior Health Foundation" focuses on community elderly care, promoting community care and related knowledge. It organizes forums on elder care topics such as sarcopenia prevention and swallowing disorder management. On December 27, 2023, in collaboration with Central Taiwan University of Science and Technology, the "2023 National Creative Elderly Food Competition" was held, emphasizing care for senior meals and aligning with UN SDG 4, "Good Health and Well-being." The foundation promotes the knowledge that "life is care, and care is life," organizing numerous activities for elderly participation, ensuring quality elderly life. Excelsior also aligns with government policies, establishing dementia care points, care points, Cleaveland neighborhood care stations, and public daycare, with total service counts for 2021–2023 detailed below:



life is care,
and care is life





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2021–2023 Total Service Instances at Daycare Points and Service Centers					
Category	Community Care Points	2021	2022	2023	Growth Rate
Dementia Care Points	Songshan	1,646	2,611	7,139	173.4%
	Daan	403	2,160	4,230	95.8%
	Wenshan	1,870	2,432	4,545	86.9%
	Sanxia Heng'an	Not Yet Established	972	1,512	55.6%
C–Level Neighborhood Care Stations	Kaohsiung	2,423	3,472	5,266	51.7%
Public Daycare	Sanxia Daycare	2,159	3,602	4,377	21.5%
Care Points	Wenshan	Not Yet Established	936	2,785	197.5%

5.4.6 Sponsorship of Scholarships

The “Excelsior Health Foundation” provides scholarships to students from economically disadvantaged families and dialysis patients to support their academic endeavors. Following an application and review process, scholarships are awarded to 13–15 students annually. Over the past three years, NT\$795,000 has been distributed, with NT\$240,000 awarded to 13 students in 2023.



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Appendix 1 GRI Content Index

Appendix 2 SASB Sustainability Accounting Standards

Appendix 3 Climate-Related Information for Listed Companies

Appendix 4 Verification Statement



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Appendix 1 GRI Content Index | ★ indicates a material issue

Statement of Use | Excelsior Medical Co., Ltd. has reported the information for the period from January 1, 2023, to December 31, 2023, following the GRI Standards.

GRI 1 Used | GRI 1: Foundation 2021

Applicable GRI Sector Standards | The company belongs to the listed biotech medical industry, and there are currently no GRI sector standards available.



Topic	Disclosure	Description	Section	Page	Omission/Explanation
GRI 2: General Disclosures 2021					
Organization and Reporting Practices	2-1	Organizational Details	2.1 Company Profile	17	
	2-2	Entities Included in the Organization's Sustainability Reporting	Editorial Policy	04	
	2-3	Reporting Period, Frequency, and Contact Person	Editorial Policy	04	
	2-4	Restatements of Information	Editorial Policy	04	As the first Report, there is no Restatements.
	2-5	External Assurance	Editorial Policy	04	
Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	2.1 Company Profile	17	
	2-7	Employees	5.1.2 Employee Statistics	61	
	2-8	Workers Who Are Not Employees	5.1.2 Employee Statistics	61	
Governance	2-9	Governance Structure and Composition	3.1 Governance Practices	24	
	2-10	Nomination and Selection of the Highest Governance Body	3.1 Governance Practices	24	
	2-11	Chair of the Highest Governance Body	3.1 Governance Practices	24	
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	3.1 Governance Practices	24	
	2-13	Delegation of Responsibility for Managing Impacts	3.1 Governance Practices 3.2 Risk Management	24, 35	
	2-14	Role of the Highest Governance Body in Sustainability Reporting	3.1.2 Functional Committees	30	
	2-15	Conflicts of Interest	3.1 Governance Practices	24	
	2-16	Communication of Critical Concerns	3.1 Governance Practices	24	
	2-17	Collective Knowledge of the Highest Governance Body	3.1 Governance Practices	24	
	2-18	Evaluation of the Performance of the Highest Governance Body	3.1 Governance Practices	24	
	2-19	Remuneration Policies	3.1 Governance Practices	24	
	2-20	Process to Determine Remuneration	3.1 Governance Practices	24	





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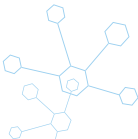
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Topic	Disclosure	Description	Section	Page	Omission/Explanation
Governance	2-21	Annual Total Compensation Ratio	—	—	Confidentiality Constraints/ This information is internal and not disclosed publicly.
Strategy, Policies, and Practices	2-22	Statement on Sustainable Development Strategy	Message from the Chairman	03	
	2-23	Policy Commitments	3.1.4 Ethics and Integrity	34	
	2-24	Embedding Policy Commitments	3.1.4 Ethics and Integrity	34	
	2-25	Processes to Remediate Negative Impacts	3.1.4 Ethics and Integrity	34	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	3.1.4 Ethics and Integrity	34	
	2-27	Compliance with Laws and Regulations	3.3 Regulatory Compliance	38	
	2-28	Membership Associations	2.4 Participation in External Organizations	22	
Stakeholder Engagement	2-29	Approach to Stakeholder Engagement	1.2 Stakeholder Communication Channels and Issues of Concern	07	
	2-30	Collective Bargaining Agreements	5.2.3 Labor–Management Communication	71	
GRI 3: Material Issues 2021					
Material Issues	3-1	Process to Determine Material Issues	1.3 Identification of Material Issues	09	
	3-2	List of Material Issues	1.3 Identification of Material Issues	09	

Economic Aspects					
Topic	Disclosure	Description	Section	Page	Omission/Explanation
★ Economic Performance (Operational Performance)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.4 Operational Performance	39	
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	3.4 Operational Performance	39	
	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	4.4 Climate Change Risks and Opportunities	56	
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	5.2.1 Compensation and Benefits	65	
	201-4	Financial Assistance Received from Government	—	—	Confidentiality Constraints/ This information is internal and not disclosed publicly.
Market Position					
GRI 202: Market Position 2016	202-2	Proportion of Senior Management Hired from the Local Community	5.1.2 Employee Statistics	61	





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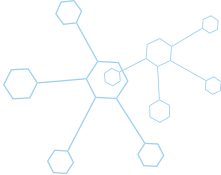
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Environmental Aspects					
Topic	Disclosure	Description	Section	Page	Omission/Explanation
Energy					
GRI 302: Energy 2016	302-1	Energy Consumption within the Organization	4.1 GHG Management	50	
	302-3	Energy Intensity	4.1 GHG Management	50	
★ Emissions (Carbon Emissions)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	4.1 GHG Management	50	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	4.1 GHG Management	50	
	305-2	Energy Indirect (Scope 2) GHG Emissions	4.1 GHG Management	50	
	305-3	Other Indirect (Scope 3) GHG Emissions	4.1 GHG Management	50	
	305-4	GHG Emissions Intensity	4.1 GHG Management	50	
	305-5	Reduction of GHG Emissions	4 Sustainable Environment	47	
	305-6	Emissions of Ozone-Depleting Substances (ODS)	---	---	Not Applicable/No Emissions
	305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	---	---	Not Applicable/No Emissions
Waste					
GRI 306: Waste 2020	306-1	Waste Generation and Significant Waste-Related Impacts	4.2 Waste Management	54	
	306-2	Management of Significant Waste-Related Impacts	4.2 Waste Management	54	
★ Supplier Environmental Assessment (Supply Chain Sustainability Management)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	4.3 Supply Chain Management	55	
GRI 308: Supplier Environmental Assessment 2016	308-1	New Suppliers Screened by Environmental Criteria	4.3 Supply Chain Management	55	
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	4.3 Supply Chain Management	55	





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Social Aspects					
Topic	Disclosure	Description	Section	Page	Omission/Explanation
★ Labor Relations (Compensation and Benefits)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	5.2.1 Compensation and Benefits	65	
GRI 401: Employment 2016	401-1	New Hires and Turnover	5.1.2 Employee Statistics	61	
	401-2	Benefits Provided to Full-Time Employees (Excluded Temporary or Part-Time Employees)	5.2.1 Compensation and Benefits	65	
	401-3	Parental Leave	5.2.1 Compensation and Benefits	65	
★ Labor/Management Relations (Labor-Management Communication)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	5.2.3 Labor-Management Communication	71	
GRI 402: Labor/Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	5.2.3 Labor-Management Communication	71	
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	5.3.1 Occupational Safety and Health Management System	72	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	5.3.3 Promotion of Occupational Health Services 5.3.4 Worker Participation, Consultation, and Communication	74 79	
	403-3	Occupational Health Services	5.3.6 Health Promotion for Workers	80	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	5.3.4 Worker Participation, Consultation, and Communication	79	
	403-5	Worker Training on Occupational Safety and Health	5.3.5 Worker Training on Occupational Safety and Health	79	
	403-6	Promotion of Worker Health	5.3.6 Health Promotion for Workers	80	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	5.3.7 Prevention and Mitigation of Occupational Safety and Health Impacts	84	
	403-8	Workers Covered by an Occupational Safety and Health Management System	5.3.8 Statistical Analysis of Occupational Injuries	85	
	403-9	Occupational Injury	5.3.8 Statistical Analysis of Occupational Injuries	85	
	403-10	Occupational Disease	5.3.8 Statistical Analysis of Occupational Injuries	85	





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Topic	Disclosure	Description	Section	Page	Omission/Explanation
★ Training and Education (Talent Cultivation)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	5.2.2 Talent Cultivation	69	
GRI 404: Training and Education 2016	404-1	Employee Average Training Hours per Year	5.2.2 Talent Cultivation	69	
	404-2	Improvement of Employee Skills and Transition Assistance Programs	5.2.2 Talent Cultivation	69	
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	5.2.2 Talent Cultivation	69	
★ Supplier Social Assessment (Supply Chain Sustainability Management)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	4.3 Supply Chain Management	55	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	4.3 Supply Chain Management	55	
	414-2	Negative social impacts in the supply chain and actions taken	4.3 Supply Chain Management	55	
★ Customer Health and Safety					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.5.1 Product Quality and Safety	42	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.5.1 Product Quality and Safety	42	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.5.1 Product Quality and Safety	42	
★ Marketing and Labeling (Product and service labeling)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.5.1 Product Quality and Safety	42	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.5.1 Product Quality and Safety	42	
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.5.1 Product Quality and Safety	42	
	417-3	Incidents of non-compliance concerning marketing communications	3.5.1 Product Quality and Safety	42	
★ Customer Privacy (Protection of Trade Secrets and Transaction Security)					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.6 Information Security	45	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.6 Information Security	45	



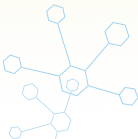


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Custom Topic					
Topic	Disclosure	Description	Section	Page	Omission/Explanation
★ Customer Relationship					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.5.2 Customer Relationships	44	
Custom Material Issue	Custom	Customer satisfaction surveys	3.5.2 Customer Relationships	44	
★ Product Quality					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.5.1 Product Quality and Safety	42	
Custom Material Issue	Custom	No Critical Incident Occurred	3.5.1 Product Quality and Safety	42	
★ Information Security					
GRI 3: Material Issues 2021	3-3	Management of Material Issues	3.6 Information Security	45	
Custom Material Issue	Custom	No Critical Information Security Incident Occurred	3.6 Information Security	45	





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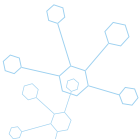
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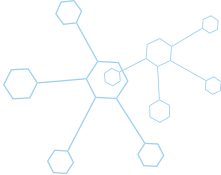
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Appendix 2 SASB Sustainability Accounting Standards

Healthcare / Medical Equipment and Supplies

Topic	Metric Code	Disclosure Item	Company Response
Affordability and Pricing	HC-MS-240a.1	Weighted average net price increase (for all products) compared to the annual increase in the U.S. Consumer Price Index (X:X)	The current pricing strategy is primarily based on customer contracts and does not reference the U.S. Consumer Price Index.
	HC-MS-240a.2	Description of how price information is disclosed to consumers and distributors	Contract review documents are established according to ISO 13485 standards.
Product Safety	HC-MS-250a.1	Number of recalls issued, total units recalled (items, units)	In 2023, a proactive recall of one blood bag product was initiated, totaling 11,960 units.
	HC-MS-250a.2	List of personal medical devices included in the FDA's MedWatch Safety Alerts	In 2023, there was no products sold to the U.S.
	HC-MS-250a.3	Number of fatalities related to products reported in the FDA's Manufacturer and User Facility Device Experience	None
	HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	No cGMP violations occurred in 2023.
Ethical Marketing	HC-MS-270a.1	Total amount of losses as a result of legal proceedings associated with false marketing claims	In 2023, there were no legal incidents related to false labeling.
	HC-MS-270a.2	Description of code of ethics governing promotion of offlabel use of products	Usage is based on indications approved by the competent health authorities as stated in the package inserts.
Product Design and Lifecycle Management	HC-MS-410a.1	Description of processes and considerations for managing environmental and human health impacts of chemicals in products, and compliance with sustainable product standards	Not applicable (pharmaceutical products primarily focus on human health).
	HC-MS-410a.2	Total amount of products accepted for take-back, reuse, or donation, by (1) device or equipment (2) supplies (tons)	Not applicable (pharmaceutical products are not subject to take-back or reuse).





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Topic	Metric Code	Disclosure Item	Company Response
Supply Chain Management	HC-MS-430a.1	Percentage of facilities and Tier 1 suppliers audited by third parties for manufacturing and product quality	See section 4.3.1 of the report on supplier selection mechanisms.
	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	All products have manufacturing batch numbers that are recorded in detail during the distribution process for subsequent traceability.
	HC-MS-430a.3	Description of management of risks associated with the use of critical materials	Excelsior ensures that medical devices distributed by agents are accompanied by relevant product safety documentation provided by manufacturers, and TFDA medical device licenses are obtained.
Business Ethics	HC-MS-510a.1	Total amount of losses as a result of legal proceedings associated with bribery or corruption	No legal proceedings related to bribery or corruption occurred in 2023.
	HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	See section 3.1.4 of the report on ethical integrity.
Activity Metrics	HC-MS-000.A	Number of units produced by product category	See the 2023 Shareholders' Annual Report, page 106.





Appendix 3 Climate-Related Information for Listed Companies

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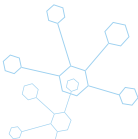
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Item	Content	Response				
1	Description of the Board of Directors and management's oversight and governance of climate-related risks and opportunities.	<p>The company's Sustainable Development Committee is responsible for various ESG matters, consolidating management indicators for Environment (E), Social (S), and Governance (G) and integrating them into routine operational tasks.</p> <p>The Governance Team regularly identifies stakeholders, collects, and reviews issues of concern to them. These are reported in the annual meeting to ensure all material issues are covered. After confirmation by the committee, action plans, outcomes, and future strategies are developed and reported to the chairman for presentation to the Board of Directors.</p>				
2	Description of how identified climate risks and opportunities affect the company's business, strategy, and financial planning (short-, mid-, and longterm).	Risk/ Opportunity	Issue No.	Issue	Potential Financial Impact	Company Response
		Transition Risk	Policy and Regulation	Enhanced emissions reporting obligations	<ol style="list-style-type: none">1. Increased operational costs (e.g., compliance costs and higher premiums)2. Policy changes leading to asset writedowns and premature retirements3. Increased costs due to fines and judgments and/or reduced demand for products and services	<ol style="list-style-type: none">1. In 2023, the company implemented ISO 14064-1 for carbon inventory verification and issued its ESG Sustainability Report.2. Established a Sustainability Development Committee.
3	Description of the financial impact of extreme weather events and transition actions.	Physical Risk	Longterm	Changes in precipitation patterns and extreme climate changes	<ol style="list-style-type: none">1. Higher operational costs (e.g., insufficient water for hydropower plants or cooling water for nuclear and thermal power plants)2. Increased infrastructure costs (e.g., facility damage)3. Decreased sales/output leading to reduced revenue4. Higher premiums and difficulty insuring assets in "high-risk" areas	<ol style="list-style-type: none">1. Replaced high-energy consumption equipment with energy-efficient alternatives to address increased water and electricity usage caused by rising average temperatures.2. Coordinated with water truck providers to fill up water supplies during water shortages.





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Item	Content	Response				
		Risk/ Opportunity	Issue No.	Issue	Potential Financial Impact	Company Response
		Opportunity	Resource Efficiency	Reduction in water usage and consumption	<ol style="list-style-type: none">1. Lower operational costs (e.g., through improved efficiency and cost reduction)2. Increased production capacity and revenue3. Enhanced fixed asset value (e.g., highefficiency buildings)4. Improved labor management and planning (e.g., better hygiene and safety, employee satisfaction), reducing costs	<ol style="list-style-type: none">1. Installed water–saving devices on water usage equipment.2. Conducted irregular awareness campaigns to encourage employees on saving water.
		Opportunity	Energy Source	Participation in carbon trading markets	<ol style="list-style-type: none">1. Reduced operational costs (e.g., using the most cost–effective carbon reduction measures)2. Lowered exposure to future fossil fuel price increases3. Reduced GHG emission risks, lowering sensitivity to carbon trading price changes4. Returns from investments in low–carbon technologies5. Increased capital (e.g., more investors favoring low–carbon manufacturers)6. Enhanced reputation and increased demand for products/services	<ol style="list-style-type: none">1. Applied for membership in the carbon trading market platform.2. Planned to calculate the carbon footprint of products or activities and purchase carbon credits to offset emissions.





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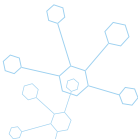
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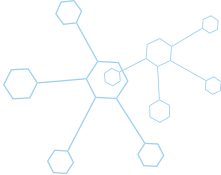
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Item	Content	Response
4	Description of how the processes for identifying, assessing, and managing climate risks are integrated into overall risk management.	Excelsior has established a “Risk Management Policy” to enhance corporate governance and strengthen risk management operations. The risk management framework centers on each responsible department, conducting related risk management tasks, evaluating the probability of risk occurrence, and responding to specific high–risk items to ensure the company’s sustainability.
5	If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.	Excelsior referenced the 1.5°C (Net Zero Scenario) for transition risk discussions within the Sustainable Development Committee. The Taiwan Climate Change Projection and Information Platform (TCCIP) tools were used to evaluate physical climate change risks. Ultimately, RCP8.5 was adopted as the company’s physical climate risk scenario, projecting a temperature increase of 1.9°C by 2050, a 5% increase in electricity consumption, and a corresponding 5% increase in electricity costs under constant electricity price conditions.
6	If there is a transition plan to manage climaterelated risks, describe the content of the plan and the metrics and targets used to identify and manage physical and transition risks.	<ol style="list-style-type: none">1. The company implemented ISO 14064–1 for carbon inventory in 2023, obtaining verification and issuing an ESG sustainability report.2. Established a Sustainable Development Committee.3. Upgraded to low–energy–consuming equipment to address increased water and electricity use due to rising average temperatures.4. Coordinated with water truck companies for water supply in case of water shortages.5. Installed water–saving components on water equipment.6. Conducted regular water–saving campaigns for employees.7. Applied for membership in carbon trading market platforms.8. Planned to calculate carbon footprint for products or activities and purchase carbon credits for offsetting.
7	If internal carbon pricing is used as a planning tool, explain the basis for setting the price.	The company has not planned an internal carbon pricing mechanism and is awaiting further GHG regulations or guidelines from competent authorities. Meantime, self-inventory and reduction measures are implemented.
8	If climate–related targets are set, describe the covered activities, GHG emission scopes, planning periods, annual progress, and use of carbon offsets or Renewable Energy Certificates (RECs), including their sources and quantities.	<ol style="list-style-type: none">1. Issued the first sustainability report in 2023, continuing ISO 14064–1 carbon inventory execution and verification, supervising and implementing the sustainability plan.2. Invested resources in all environmental indicators to minimize the company’s impact on the surrounding environment, such as installing water-saving faucets in the Northern Office Building by the end of 2023 and planning to replace energy–saving elevators in the office building, aiming for sustainable development.3. In addition to minimizing the company’s GHG emissions, plans to purchase carbon credits on the carbon trading platform to achieve carbon neutrality for products or activities.





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Item	Content	Response
9	GHG inventory and assurance status, reduction targets, strategies, and specific action plans (filled in separately in 1–1 and 1–2).	As shown in the table below

1–1 GHG Inventory and Assurance Status

1–1 GHG Inventory and Assurance Status for the Past Two Years

1–1–1 GHG Inventory Information

State the GHG emissions (metric tons CO_{2e}), intensity (metric tons CO_{2e} per million NTD), and coverage for the past two years.

Emissions for two years: 2022: 732.3479 metric tons CO _{2e} 2023: 742.1366 metric tons CO _{2e}	Intensity: 2022: 0.1573 metric tons CO _{2e} per million NTD 2023: 0.1414 metric tons CO _{2e} per million NTD	Coverage includes the company's headquarters, Taichung, Tainan, and Kaohsiung offices.
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1–1–2 GHG Assurance Information GHG Assurance Information

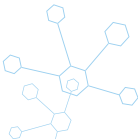
State the assurance status for the past two years as of the annual report printing date, including the scope of assurance, assurance bodies, assurance standards, and assurance opinions.

Assurance Scope: Headquarters, Taichung, Tainan, and Kaohsiung offices Assurance Body: GREAT Certification	Assurance Standards: ISO 14064–3:2019 Assurance Opinion: Reasonable assurance for categories 1–2 / limited assurance for categories 3–6
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1–2 GHG Reduction Targets, Strategies, and Specific Action Plans

State the baseline year and data, reduction targets, strategies, specific action plans, and progress toward achieving the reduction targets.

Baseline year is 2022. Relevant reduction targets, strategies, and specific action plans are planned for the future.





Appendix 4 Verification Statement

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Independent Assurance Statement Based on 2023 Sustainability Report of EXCELSIOR MEDICAL CO., LTD.

Statement No.: 2406010

EXCELSIOR MEDICAL CO., LTD. (hereinafter referred to as EXCELSIOR MEDICAL) and GREAT International Certification Co., Ltd. (hereinafter referred to as GREAT) are independent companies and organizations. Except for the evaluation and verification of the company's 2023 sustainability report, GREAT has no financial relationship with EXCELSIOR MEDICAL.

The purpose of this independent assurance statement (hereinafter referred to as the Statement) is only to serve as the conclusion of guaranteeing the relevant matters within the scope defined in the following relevant EXCELSIOR MEDICAL's Sustainability Report, and not for other purposes. Except for the Statement for fact verification, GREAT does not bear any relevant legal or other responsibilities for the use of other purposes, or anyone who reads this Statement.

This Statement is based on the conclusions made by the relevant information verification provided by EXCELSIOR MEDICAL to GREAT. Therefore, the scope of the review is based on and limited to the content of the information provided. GREAT believes that the information content is complete, accurate and precise. Any questions about the content of this Statement or related matters will be answered by EXCELSIOR MEDICAL.

The Scope of Assurance

The verification scope of EXCELSIOR MEDICAL and GREAT agreement includes:

- The contents of the entire sustainability report and all operating performance of EXCELSIOR MEDICAL from January 1, 2023 to December 31, 2023;
- According to the type 1 of AA1000 Assurance Standard v3, evaluate the nature and degree of EXCELSIOR MEDICAL's compliance with the AA1000 Accountability Principles (2018), excluding the verification of the reliability of the information/data disclosed in the report.
- This Statement is made in Chinese and translated into English for reference.

Verification Opinion

We summarize the content of EXCELSIOR MEDICAL's sustainability report, and provide a fair standpoint of EXCELSIOR MEDICAL's related operations and performance. We believe that the specific performance indicators of EXCELSIOR MEDICAL in 2023, such as economy, society, environment and corporate governance, are presented correctly. The performance indicators disclosed in the report demonstrate EXCELSIOR MEDICAL's expectations and efforts to identify and satisfy stakeholders.

Our verification work is carried out by a group of teams with verification capabilities according to the AA1000 Assurance Standard v3, as well as the planning and execution of this part of the work to obtain the necessary information data and instructions. We believe that the evidence provided by EXCELSIOR MEDICAL is sufficient to show that its reporting method and self-declaration in accordance with the AA1000 Assurance Standard v3 and its 2018 appendix are in line with the GRI Sustainability Reporting Guidelines.

Verification method

To gather the evidence relevant to the conclusions, we performed the following:

- To conduct a senior management review of issues from external parties related to EXCELSIOR MEDICAL's corporate policies to confirm the appropriateness of the Statement in this report;
- To discuss with the managers of EXCELSIOR MEDICAL about the way of stakeholder participations, and have no direct contact with external stakeholders;
- To interview with employees related to the preparation of the sustainability report and information provision;
- To audit the performance data of EXCELSIOR MEDICAL on a sampling basis;
- To evidence supporting the claims made in the review report;
- To Review the management process of the principles of inclusivity, materiality, responsiveness, and impact described in the company report and its related AA1000 Accountability Principles (2018).

Conclusion

The results of a detailed review of the AA1000 Accountability Principles (2018) including inclusivity, materiality, responsiveness, impact and GRI sustainability reporting standards are as follows:

- **Inclusivity**

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EXCELSIOR MEDICAL has established a process of cooperation with major stakeholders, including government agencies, shareholders/investors, customers, suppliers/contractor, employees and bank, etc., and will launch a series of stakeholder activities in 2023, involving economy, society, environment, corporate governance and a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of EXCELSIOR MEDICAL.

- Materiality

The report has stated that EXCELSIOR MEDICAL focuses on environmental, social and economic topics, and identified 11 major topics including produce quality, operating performance, customer relations, salary benefits, information security, talent education, product and service labeling, supply chain sustainability management, labor-employer communication, business secret protection and transaction security, and energy saving and carbon reduction, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of EXCELSIOR MEDICAL.

- Responsiveness

EXCELSIOR MEDICAL responds to requests and opinions from stakeholders. Implementation methods include shareholders meeting, corporate briefing session, public information observatory, official website investor area, spokesperson mechanism, customer meeting, customer satisfaction survey, supplier business review meeting, labor-management meeting, employee grievance channel, bank visit meeting/fax, those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of EXCELSIOR MEDICAL.

- Impact

EXCELSIOR MEDICAL has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. EXCELSIOR MEDICAL has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of EXCELSIOR MEDICAL.

- GRI Guidelines

EXCELSIOR MEDICAL provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI Sustainability Reporting Standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers EXCELSIOR MEDICAL's social responsibility and sustainability themes.

Assurance level

According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this Statement.

Responsibility

The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of EXCELSIOR MEDICAL. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide an Statement for the stakeholders.

Ability and Independence

GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

On behalf of the assurance team JUNE 26th, 2024

GREAT International Certification Co., Ltd.

Taiwan, Republic of China

Signed by General Manager W. J. Chen



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Excelsior Medical Co., Ltd.