



**PARTNERSHIP  
MATTERS**



**富邦媒體科技**  
**momo.com Inc.**

**2021**

**Sustainability  
Report**

Environment · Social · Governance



**ENVIRONMENT  
MATTERS**



**SOCIETY  
MATTERS**



**EMPLOYEE  
MATTERS**



**CUSTOMER  
MATTERS**



Environment  
Social  
Governance

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## momo 2021 Sustainability Report

## Cover Story



The cover features a rising peach balloon, showing the implementation of momo's five blueprints for sustainable living, taking momo to the next level after years of hard work. The five sustainable development strategies focus on related SDGs projects, move towards the road of sustainable e-commerce, and achieve the goal of environmental sustainability. From employee benefits to green consumption, from enterprises to society, we exert the influence of leading online e-commerce platforms and demonstrate corporate social sustainable responsibility.

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## About momo Report

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Welcome to the seventh annual report published by momo.com Inc. ("momo"). The annual report is issued in response to international trends, fulfills sustainable development goals, and enhances the implementation of sustainable development by the Company. In line with the international convention on the disclosure of corporate information on environmental, social and governance sustainability (ESG), momo renamed the report "The Sustainability Report" in 2022. The publication of the report reflects momo's commitment to ESG development.

This report is published in both Chinese and English, and can be downloaded from our dedicated "ESG Sustainability" website. The authoring of this report is voluntary and is mainly aimed at providing stakeholders with detailed information on momo's efforts and accomplishments in ESG during 2021. momo will continue to publish "The Sustainability Report" on an annual basis in the future.

### • Reporting Period

This report provides disclosure on momo's activities and performance in environmental sustainability, social commitment, and corporate governance for the 2021 financial year (January 1, 2021 - December 31, 2021).



momo website

### • Reporting Boundary

The financial data disclosed in this report is consistent with the boundary of the consolidated financial report issued by momo.com Inc. In 2021, momo revenues in Taiwan accounted for 99.96% of its global revenues. Therefore, on the basis of materiality, the boundary of disclosure is momo's operations in Taiwan. If some of the environmental and social data disclosed falls outside of the scope of operations in Taiwan, additional clarification will be provided.

### • Editorial Principles of the Report

The authoring of this report adhered to the GRI Standards issued by the Global Sustainability Standards Board (GSSB). It also follows the Sustainability Accounting Standard (SASB Standard) for the E-Commerce industry on the disclosure of ESG information related to stakeholders. Please refer to the GRI Standards Comparison Table and SASB Reference Table in the annex of this report for more details.

### • Internal Review of Report

The information and data contained in this report went through an internal three-stage review process prior to disclosure. In stage one, the assigned owner in each department provided the information to the head of the department for review. In stage two, the information was compiled into this report by momo's Sustainable Department then verified by each department. In the final stage, the report was reviewed by the president prior to public disclosure.





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External Verification of the Report

All of the information and statistics disclosed in this report were compiled and calculated by the competent company units. Financial data came from published reports verified by the CPA; the descriptions of all data either followed the convention on such descriptions, cited information published by the government, or were obtained through our own statistics. There were no variations from the report for the previous year. Any special circumstances were explained as such within this report.

To ensure the reliability of all information disclosed in this report, the standards used for all data and their verification body are listed in the table below.

Data	Standard	Verification Body
Finance	Regulations Governing Auditing and Attestation of Financial State-ments by Certified Public Accountants, Generally Accepted Auditing Standards (GAAS)	Deloitte Taiwan
Environment	ISO 14064-1 Greenhouse Gas Inventory ISO 14001 Environmental Management System	BSI Taiwan
Information Security	ISO 27001 Information Security Management System ISO 27701 Privacy Information Management System	SGS Taiwan Ltd.
Occupational Safety and Health	ISO 45001 Occupational Safety and Health Management System	BSI Taiwan
Quality	ISO 9001 Quality Management System	SGS Taiwan Ltd.

The contents of this report were verified by British Standards Institution Taiwan Branch (BSI Taiwan) in accordance with GRI Standard: Core Option and AA1000AS v3 (Type 1 Moderate Assurance) to ensure the reliability of the disclosures. The assurance statement is included in the annex of this Report.

Report Publication History

This report is published annually by momo. All reports can be found and downloaded from the momo corporate website. Publication dates were:



momo report  
download



Feedback

If you have any questions or suggestions regarding this Report, please contact:

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Chairman

## From the Chairman

To All Stakeholders:

The reshaping of consumer habits in 2021 due to COVID-19 was like a surprise exam for the retail industry, testing businesses' risk management and their ability to adapt to the pandemic. As the leading virtual channel brand in Taiwan, momo rose to the challenge. We upheld the values of "Honesty, Friendliness, Professionalism, and Innovation" and focused on our corporate mission of "improving people's quality of life by providing affordable products and quality services". Thus, momo exceeded the customer's imagination of what online virtual channel services are capable of providing - quality products and services for every matter big and small. momo continues to make progress towards sustainability with our partners through our solid business foundations and pioneering strategy.

The COVID-19 pandemic accelerated the shift of consumer's buying habits. To satisfy consumer demand from all age groups, momo upgraded our products and services to realize the vision of "every matter, matters to momo." The surge in orders during COVID-19 put pressure on logistics delivery capacity and tested our ability to overcome logistical bottlenecks within the shortest amount of time possible. momo employed a long-term strategy of developing short-chain logistics and established in-house warehouses throughout Taiwan. We were also able to call upon additional capacity from Fu-Sheng Logistics to quickly restore the level of delivery service.

The rise of the digital economy and the COVID-19 pandemic spurred the development of contact-less and cash-less services. momo responded by upgrading member services and cultivating our membership economy through further expansion of the "momo Coin ecosystem." momo actively developed new usage scenarios, such as momo shopping coupons, cross-marketing, and momo coin rewards for co-branded credit cards. We also successfully established a foothold in the rewards economy through our telecommunications and multimedia coupon services.

momo's business expansion across the board was complemented by our internal push to become an industry role-model in ESG. The "momo Sustainable Living Blueprint" was drawn up in 2019 to align with the United Nations Sustainable Development Goals (SDGs). Every momo employee is now working together to implement the five strategies of "Partnership matters", "Customer matters", "Environment matters", "Employee matters" and "Society matters." Topics in environmental sustainability, social inclusion and governance are now being implemented through concrete actions. In 2021, we encouraged employees to boldly imagine the future. We also set clearer ESG evaluation goals and action plans and annual reviews were implemented to track progress. momo will leverage our strength as the leader in online retail to build a sustainable and inclusive future together with our partners.

In the pursuit of corporate sustainability, momo actively participated in important evaluations to gauge our progress. These included, being recognized among the top 5% in the Taiwan Stock Exchange "Corporate Governance Evaluation" for six consecutive years and being rated among the top 10% of TWSE/TPEX-listed "non-financial and non-electronics companies with a net worth over NT\$10 billion." We received the "BSI Sustainable and Resilient Navigator Award" for two consecutive years, as well as the "Taiwan Corporate Sustainability Award (TCSA)" from the Taiwan Institute for Sustainable Energy. This year we were awarded the "Top 50 Taiwan Corporate Sustainability Award", "Corporate Sustainability Report Gold Award (Trade and Retail)", as well as the "Gender Equality" and "Creativity in Communication" awards for best performance in specific categories. momo once again obtained the "Excellence in Corporate Responsibility Award" from the CommonWealth Magazine.

momo will continue to create sustainable value for investors, employees, customers, suppliers, communities, competent agencies and all stakeholders. With "Brand, Product, Green Consumption, Service, Talent, and Society" as our cornerstones, we will put the "momo Sustainable Living Blueprint" into practice and continue working to realize our vision of "To become the No.1 virtual shopping platform for consumers and suppliers in Asia."





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President

## From the President

To All Stakeholders:

The COVID-19 pandemic has structurally changed the global economy. These tumultuous times, with global lockdowns and the level 3 alert in Taiwan, have spurred the robust development of contactless and digital economies. The Ministry of Economic Affairs reported a 24.5% jump in online retail sales in 2021, a staggering result that was given a substantial boost by the pandemic. Faced with the new normal of the post-pandemic era, momo is committed to ESG in corporate development. We are embracing the "Sustainable Living Blueprint" for building consensus on sustainability, focusing on sustainable e-commerce, looking after the needs of our prosperity partners, maintaining good relationships, expanding our collaboration with value chain partners, and working together to create an inclusive industry ecosystem.

Sustainable governance continues to be a priority at momo, along with strengthening partnerships, enhancing the creation and communication of sustainable brands, and practicing robust governance in all matters. Thanks to everyone at momo uniting under the banner of sustainability, we achieved an outstanding 31.55% growth in annual revenue. The maintenance of stability and outstanding business performance was complemented by enhanced supplier management. In addition to ensuring the quality and safety of suppliers' products, we also continued to examine the potential environmental and social impact of our suppliers. In 2021, momo once again achieved a 100% registration rate for the "Ethical Business Management Statement" and "CSR Best Practice Principles". More than 9,900 suppliers have signed the momo CSR Best Practice Principles while more than 500 suppliers have completed the certification or on-site audit process to date.

momo's employees are partners in sustainability and we strive to protect their welfare. In addition to raising the basic salary of employees across the board, we also strove to cultivate and develop industry talent. This included hosting new hire seminars and in-service training with a completion rate of 100%. Up to 42,000 hours of online learning and training were completed, up 99% compared to 2020. The ISO 45001 occupational safety and health management system was also introduced to enforce occupational safety and health

as well as health management matters. The creation of a friendly workplace that promotes diversity and gender equality, as well as the promotion of labor rights and equality, reflects momo's mission to look after every employee matter.

As player in the online retail industry, environmental sustainability is a topic that momo cannot afford to ignore. In response to the global rise of green consumption, momo shop opened "momo Green Life" to promote the sustainability ideal of green products; momo TV shopping also applied its product development ability to focus on local agricultural specialty products, MIT products and green foods in order to provide consumers with more environmentally friendly product options. In terms of carbon emissions, momo invested in GHG emission monitoring and obtained ISO 14064-1 GHG inventory certification for six straight years. To upgrade our renewable energy system, we not only installed 14,850m<sup>2</sup> of solar panels on our northern logistics center but also have plans to install 9,900m<sup>2</sup> of solar panels at the southern logistics center, which is currently under construction. The power generated will be used internally to reduce the carbon emissions of our entire organization.

momo has partnered with stakeholders to practice green logistics and reduce our carbon emissions by approximately 515 tonnes in 2021. momo is actively embracing low-carbon transportation. This includes the "deployment of short-chain logistics" to create an optimal experience for "neighborhood" shopping. A dedicated momo fleet and supplier node reduction plan were also developed to reduce the carrier miles and carbon emissions of packages. Order consolidation was also enhanced to reduce the amount of consumables used and the number of transport trips. A diverse range of pickup service options were made available by momo as well. Consumers can collect their goods from the nearest retail channel, if need be, to reduce the distance traveled for home deliveries. The range of products offered was also expanded, a move that supports green logistics and further protects the environment by cutting down on multiple deliveries.

momo's ambition is to build a "Green fleet." Budget was set aside for the procurement of new electric vehicles in 2022 and electric vehicles are now expected to reach 50% of the total market by 2025. In terms of "green packaging", momo introduced the environmentally friendly "reusable bags" and "eco-friendly recycled bags" The "Cartons" used for shipping are made from 100% internationally certified reclaimed pulp, printed with eco-friendly dye, and have a total printed surface area less than 30%. To reduce resource consumption during the production process and improve the efficiency of recycling operations, no metal pins, wax, or membrane are used during packaging.

momo has taken a longstanding interest in social engagement. The power of the e-commerce platform was harnessed to promote the charitable initiatives of NGOs and NPOs as part of our continued contribution to social welfare matters. An "Online Charity Platform" was set up by momo to help charities speak out. Charitable donations supporting disadvantaged women and children, senior citizens, and the physically and mentally handicapped were also collected through the product management mechanism. A total of NT\$91.596 million was donated to charities in 2021. We also consolidated group resources to encourage employees and members to make contributions to society together. momo hopes to set an example for all stakeholders and work together to realize an inclusive future.

momo takes pride in being an exemplary company for ESG and sustainable development. In response to global trends and the government's 2050 net zero carbon emissions target, momo also became the first in the industry to introduced the Science Based Target initiative (SBTi) in 2022. We are putting our commitment to green operations into practice with the goal of becoming the "No.1 ESG green e-commerce vendor" in Taiwan.



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## momo Sustainability Performance



## Economy/Governance

## Product Value, Service Value

Consolidated revenues of NT\$88.397 billion  
and growth over **30%**

North Distribution Center obtained  
**SGS ISO 9001**  
quality management system certification

momo Green Life sales grew by **68%**

## Brand Value

Top 5% in TWSE Corporate Governance

Evaluation for **6** consecutive years  
(Note: Sourced from Taiwan Stock Exchange announcement  
dated April 28, 2022)

Included in the "**Taiwan 50 Index**"  
for the first time

**Only Taiwanese e-commerce retailer**  
to receive the "CG6013 (2021) Corporate  
Governance System Assessment - Outstanding  
Enterprise Certification" from the Taiwan  
Corporate Governance Association



## Environment

## Green Consumption Value

momo Green Life added more than **650** items

North Distribution Center generated  
**1.337 million kWh** of solar power  
during 2021 to reduce carbon emissions by up to  
**671.19 MT**

Paperless applications reduced paper  
consumption by **50.54 million** sheets ;  
the equivalent to the annual carbon absorption  
of 1.5 Daan Forest Parks

Up to **41%** of imported merchandise shipped in  
original green packaging

momo reusable bags produced with 20%  
recycled materials and average recovery rate  
reached **14%** in 2021

100% of momo green fleet procurements were  
environmentally friendly vehicles, and now  
consist of **109** Level-1 energy efficient trucks  
and **105** Level-2 energy efficient motor scooters



## Society

## Social Value

Promoted 30 charitable and promotional  
events to raise up to NT\$**91.6 million**  
- a new record

Partnered with consumers to make a positive  
contribution. Donations were made by  
**53,109** momo members and benefited  
**72,881** people

Established Gender Equality Promotion  
Committee to promote gender equality and  
**women's rights** policies

## Talent Value

Each person participated in an average of  
30.26 hours of training,

up **83%** compared to 2020

Total hours of online training amounted to  
42,000 hours, up **99%** compared to 2020



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## Key Achievements and Awards

- |           |   |   |
|-----------|---|---|
| January   | <ul style="list-style-type: none"> <li>"Badge of Accredited Healthy Workplace - Linkou Warehouse" by the Ministry of Health and Welfare</li> <li>momo shopping network launched "5h Supermarket" with more than 5,000 listed products that can be delivered within 5 hours</li> <li>"Tainan-Yongkang Distribution Center" commenced operations</li> </ul>   |    |
| March     | <ul style="list-style-type: none"> <li>"Attestation of Compliance Certificate" issued by Payment Card Industry Security Standards Council</li> </ul>  |   |
| April     | <ul style="list-style-type: none"> <li>Ranked in the Top 5% of the 7th TWSE Corporate Governance Evaluation</li> </ul>  |    |
| May       | <ul style="list-style-type: none"> <li>Groundbreaking ceremony for construction of momo's new "South Distribution Center"</li> <li>Ranked in the Top 100 for growth in the CommonWealth Magazine "2021 Top 2000 Services Companies Survey"</li> <li>Completed ISO 14064-1 GHG Inventory (momo Headquarters and North Distribution Center)</li> <li>Obtained ISO 9001 Quality Management System certification</li> </ul>   |   |
| June      | <ul style="list-style-type: none"> <li>2020 Corporate Social Responsibility Report verified by BSI Taiwan</li> </ul>  |    |
| August    | <ul style="list-style-type: none"> <li>Obtained ISO 45001 Occupational Safety and Health Management System certification</li> <li>Obtained ISO 14001 Environmental Management System certification</li> <li>Obtained ISO 27001 Information Security Management System certification</li> <li>Obtained ISO 27701 Privacy Information Management System certification</li> </ul>  |   |
| September | <ul style="list-style-type: none"> <li>"2021 Excellence in Corporate Responsibility Award" by CommonWealth Magazine</li> <li>Invested NT\$1.32 billion towards the construction of momo's Central Distribution Center in Hemei, Changhua</li> </ul>   |  |
| October   | <ul style="list-style-type: none"> <li>"2021 The Best Service in Taiwan - Large Shopping Website - Gold Medal" by Commercial Times</li> </ul>   |   |
| November  | <ul style="list-style-type: none"> <li>momo.com Inc. established subsidiary "Prosperous Living Co., Ltd."</li> <li>"Top 50 Taiwan Corporate Sustainability Award", "Corporate Sustainability Report Gold Award (Trade and Retail)", as well as the "Gender Equality" and "Creativity in Communication" awards for best performance of specific categories at the 2021 (14th) Tai-wan Corporate Sustainability Awards (TCSA).</li> <li>"2021 BSI Sustainable and Resilient Navigator Award" by BSI Taiwan</li> </ul> |   |
| December  | <ul style="list-style-type: none"> <li>"CG6013 (2021) Corporate Governance System Assessment - Outstanding Enterprise Certification" by the Taiwan Corporate Governance Association</li> <li>"Badge of Accredited Healthy Workplace - Lujhu Warehouse" by the Ministry of Health and Welfare</li> </ul>   |  |



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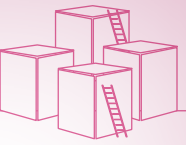
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# 1

## Sustainable momo







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As the leading e-commerce retailer in Taiwan, momo strives to surpass ourselves and become a model for the Taiwanese e-commerce industry.

Sustainable development at momo follows an "inside-to-outside" approach, centered around our corporate mission and vision, and backed by momo's corporate values. momo continuously creates value for stakeholders through sustainable developments, aiming to be a benchmark company among sustainable enterprises.

**momo  
Vision**

To become the No.1 virtual  
shopping platform for  
consumers and suppliers  
in Asia

**momo  
Mission**

Improving people's quality  
of life by providing  
affordable products and  
quality services

**momo  
Values**

Honesty, Friendliness,  
Professionalism and  
Innovation



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# 1.1 momo Sustainability Vision- Sustainable Living Blueprint

momo formally launched the sustainability vision program in 2019. The program is based on momo's six key values of "Brand, Product, Service, Green Consumption, Talent, and Society" and focuses on the five aspects of "Partnership, Sustainable Consumption, Sustainable Operations, Employee-friendly Workplace, and Social Inclusion." "Every matter, matters to momo" encompasses the five key sustainability themes of "Partnership Matters", "Customer Matters", "Environment Matters", "Employee Matters" and "Society Matters". 17 United Nations Sustainable Development Goals (SDGs) were examined and 12 were chosen as the focus for momo's future sustainable development efforts. The SDGs will guide our implementation of sustainability and represent our commitment to the creation of stakeholder value. momo harnesses the power of our e-commerce platform to provide consumers and society with a "Sustainable Living Blueprint."



momo Sustainable Living Blueprint

## Partnership Matters

momo Value Chain

Brand Value



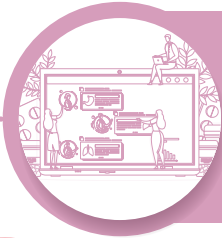
## Customer Matters

Product Value  
Service Value



## Environment Matters

Green  
Consumption  
Value



## Employee Matters

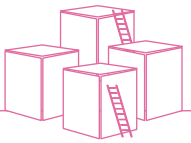
Talent Value



## Society Matters

Social Value





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#### SDGs

#### Meaning

#### SDGs Sub-Goals



Stakeholder needs are important to momo so a constructive relationship is maintained. We are also strengthening our collaboration with value chain partners to achieve inclusive growth within the industry ecosystem. We monitor sustainability governance, strengthen the building and communication of sustainable brands, and take a robust approach to all governance matters.

17.14  
17.17



momo strongly supports the awareness of sustainable consumption. We promote sustainability initiatives by increasing the ratio of sustainable merchandise and by providing responsible product disclosures so that consumers can support sustainable consumption through their purchases. momo values our customers. We monitor customer feedback and service experience while also practicing thorough product quality management and inspection. momo strives to provide customers with the best shopping experience.

12.2/12.5  
12.6/14.1  
15.1



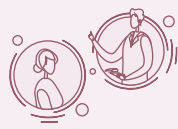
The growing importance of climate change makes momo strive to reduce the negative environmental impact of business activities by strengthening resource and waste management, developing green products, green logistics and packaging, and green low-carbon transportation, and implementing climate strategy. We collaborate with suppliers to mitigate our environmental impact, embrace green e-commerce, and build a green living circle together.

7.a  
9.4  
13.3



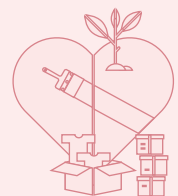
Employees are momo's sustainability partners. momo strives to protect employee welfare, create a friendly workplace that promotes diversity and gender equality, empower and cultivate industry talent, as well as promote labor rights and equality. We look after employees by paying attention to all employee matters.

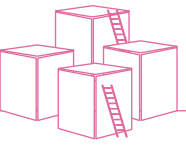
3.3/5.1  
5.2/5.4  
5.5/8.5/8.8



momo has leveraged the power of our e-commerce platform to help NGOs and NPOs promote charitable activities. We have identified and promoted projects connected to momo's core business, and we have taken an interest in topics that are of concern to the general public. We continue to invest in society matters big and small to create an inclusive living circle.

2.1  
2.3  
10.2





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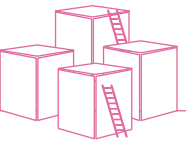
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## ● Sustainable Living Blueprint for Building Consensus on Sustainability and Sustainable e-Commerce

momo hosted two internal cross-departmental workshops in 2019 and 2020 based on the five sustainability themes. Voting by managers and employees was used to identify critical SDGs and to focus on the 12 goals that were highly relevant to momo. Between the end of 2020 and the start of 2021, momo developed 18 sustainability strategy aspects and more than 40 action plans. Qualitative and quantitative short, medium and long-term targets were set and annual checkpoints were defined for each target. Progress on action plans is tallied annually by momo and in 2021 the target completion rate was 93%. Two of the targets were not reviewed as they were merged into other targets as part of adjustments to the operational strategy. Therefore, actual performance is shown in the table below:

Status: Target exceeded  / Target met  / Target not met 							
Strategic Aspect	Action Plan	Short-Term Targets 2021	Actual Performance in 2021	Status	Short-term Targets 2022-2023	Medium and Long-term Targets 2024-2025	Responsible Team
<b>▼ Partnership Matters</b> 							
Transparency and integrity	Obtain certification for Corporate Governance Evaluation	Obtain certification of excellence	Obtained certification of high distinction		Obtain certification of distinction	Obtain certification of high distinction	Corporate Governance
	Maintain rating of top 5% among listed companies in the Corporate Governance Evaluation	Maintain rating of top 5% among listed companies	Top 5% among listed companies		Maintain rating of top 5% among listed companies	Maintain rating of top 5% among listed companies	
	Maintain rating of top 5% among listed non-financial and non-electronic companies with a net worth over NT\$10 billion in the Corporate Governance Evaluation (Tier 1)	Maintain rating of top 10%	Maintained rating of top 10%		Maintain rating of top 10%	Maintain rating of top 10%	
	Board Diversity	At least one female director	One female director appointed		At least one female director	Evaluate increasing independent directors to half of the Board	
	Zero tolerance for violations against code of conduct on ethical management	Zero tolerance	No related incidents		Zero tolerance	Zero tolerance	
Sustainability Communication and Advocacy	Host stakeholder forum	Host one stakeholder forum	Hosted one forum		Host one forum each year	Host one forum each year	
	Actively participate in ESG evaluations and related activities	Participate in at least two ESG awards each year	Participated in five CSR award nominations and received awards		Participate in at least three ESG awards each year	Participate in at least four ESG awards each year	
Sustainable Supply Chain Management	Supply chain inclusion - Host supplier conferences and events, enhance supplier sustainability awareness, annual increase in click-through-rate (CTR) for online training courses	Increase CTR for online training courses by 3%	CTR grew by 34% to 53,023 views in 2021		Increase CTR for online training courses by 5%	Increase CTR for online training courses by 7%	Product Responsibility



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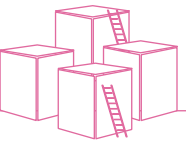
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Strategic Aspect	Action Plan	Short-Term Targets 2021	Actual Performance in 2021	Status	Short-term Targets 2022-2023	Medium and Long-term Targets 2024-2025	Responsible Team
Sustainable Supply Chain Management	Continue to require suppliers to sign "Ethical Business Management Statement" and "CSR Best Practices Principles".	Maintain 100% signing rate	100% signing rate		Maintain 100% signing rate	Maintain 100% signing rate	Product Responsibility
	Strengthen supplier information security - Maintain the number of suppliers suspended over information security risk at less than 0.5%	Maintain at less than 0.5%	Suspensions over information security risk amounted to 0.13%		Maintain at less than 0.5%	Maintain at less than 0.5%	
▼ Customer Matters							
Quality and Safety Assurance	Promote ISO 9001 Quality Management System	Expand employee coverage of ISO quality management system at distribution centers to 40%	Employee coverage reached 42%		Continue to mentor distribution centers on ISO quality management system and increase employee coverage to 65%	Continue to mentor distribution centers on ISO quality management system and increase employee coverage to 75%	Product Responsibility
	Quality and safety upgrade	Continue to strengthen inspections of high- risk products	New test added by momo laboratory (Salmonella)  Established product sampling mechanisms (targeting products shipped by suppliers that consumers have reported quality issues with on the social media)		Continued development of food safety tests by momo laboratory for protecting food safety  Addition of product transportation tests and setting of packaging guidelines to improve product quality and transportation safety	Develop keyword search system for tracking regulated products to ensure product quality	
Practice of Sustainable Consumption	Promotion of green consumption initiatives - Increase in number of local agricultural specialty products and green food products (Products with Health Food permit & organic foods) compared to 2020	Number of local agricultural specialty products and green food products (Products with Health Food permit & organic foods) grew by 2% compared to 2020	In 2021, products with Health Food permit declined by 6% and organic foods declined by 33% compared to 2020	(Note 1)	6% growth	10% growth	Product Responsibility
	Promotion of sustainable consumption activities by momo Green Life	30% growth in Green Life sales compared to the preceding year  Reach combined total of 500 offline and online visits for promotions	68% growth in Green Life sales compared to the preceding year  More than 1,800 visits	  	25% growth in Green Life sales compared to the preceding year  Reach combined total of 700 offline and online visits for promotions	20% growth in Green Life sales compared to the preceding year  Reach combined total of 1,000 offline and online visits for promotions	
Listening to Customer Feedback	Enhance service experience (Note 2)	Strengthen digital services to enhance customer experience	Please refer to sections 3.2.3 Customer Satisfaction Survey and 3.2.4 Enhancing Customer Service for actual performance		Continue to optimize system process for swift handling of customer requests	Study customer requirements to provide a greater range of quality services	Customer Commitment





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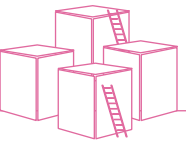
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Strategic Aspect	Action Plan	Short-Term Targets 2021	Actual Performance in 2021	Status	Short-term Targets 2022-2023	Medium and Long-term Targets 2024-2025	Responsible Team
Promotion of Information Security	Introduction of information security verification system	Expand scope of verification through TSP security management procedure	Included TSP in ISO 27001 and ISO 27701, and completed certification		Strengthen information security management system through regular reviews to ensure its validity (ISO 27001, App 3.0)  Promote education and training courses to raise employees information security risk awareness	Refine security management system, monitor information security topics and devise response plans to ensure its continued applicability and effectiveness	Customer Commitment
	Introduce and deploy information technologies	Introduce up to five information security technology projects	Introduced five information security technology projects		Introduce up to eight information security technology projects	Introduce up to ten information security technology projects	
	Introduce and promote personal information security verification system	Convert personal information management system from BS 10012 to ISO 27701 and obtain certification	Conversion and certification completed in 2021		Promote up to six information security enhancement projects	Promote up to eight information security enhancement projects	
		PCIDSS compliance and certification for credit card transactions	Compliance report obtained in March 2021				
		Promote up to four information security enhancement projects	Reached four information security enhancement projects (one went live in March 2022)				
<div>▼ Environment Matters</div> <div><div> 7 AFFORDABLE AND CLEAN ENERGY</div><div> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div> 13 CLIMATE ACTION</div></div>							
Green Partnership	Partner with suppliers to promote circular logistics boxes	Promote green logistics and select one brand- name vendor to use circular boxes for stock	Please refer to section 4.3 Green Packaging Matters (SDG 12 Highlight) for actual performance		Introduce and mentor at least three suppliers on adoption of circular boxes for stock	Introduce and mentor at least five suppliers on adoption of circular boxes for stock	Product Responsibility
	Partner with brand-name vendors to promote node removal plan	Cooperate with at least 1 brand name vendor on node removal through direct shipments from factory for stock	Please refer to section 4.2 Green Logistics Overview (outcome of node removal) for actual performance		Introduce and mentor at least three suppliers on node removal plan	Introduce and mentor at least five suppliers on node removal plan	Environmental Sustainability
	Work with distributor to develop plan for improving transportation efficiency	Work with at least one distributor to develop action plan for improving transportation efficiency	Worked with distributor to introduce fast store delivery	System integration in process	Participation of at least two distributors in action plan to improve transportation efficiency	Participation of at least three distributors in action plan to improve transportation efficiency	
Environmentally Friendly Circular Packaging	Inventory and reduction plan for plastic packaging and packing	Up to 40% of own-brand merchandise shipped in original green packaging	Up to 41% shipped in original packaging		Set up packaging laboratory to develop and introduce new environmentally friendly packaging materials	Adhere to the Reduce, Reuse, Recycle (3R) principles to purchase 100% recyclable/ reusable packaging materials (padding, packaging)	Product Responsibility
		Inventory of packaging materials, packing tape, and plastics	Please refer to section 4.3 Green Packaging Matters for actual performance			Reduce packing tape and plastic materials usage by 20%	Environmental Sustainability



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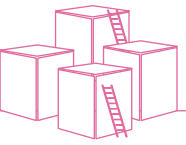
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Environmentally Friendly Circular Packaging	Circular packaging advocacy	Adhere to the EPA "Packaging Reduction Guidelines" by using reusable bags for shipments	Reached 14% recycled rate for reusable bags. Added Simple Mart as recycling location in 2022		Plan to introduce circular packaging as a shipping option for online shopping	Increase percentage of consumers that opt for reusable bags for shipping to 3% of all shipments	Environmental Sustainability
		Reduce printed surface area of cartons by 50% and use 100% recycled pulp	Cartons made from 100% recycled pulp and printed surface area lower than 30%		Plastic packaging to be made from 30% recycled materials and account for 50% of total usage	Increase use of packaging made from recycled plastic to 70% of total usage	
Green Energy and Transportation	Short-chain logistics strategy	Continue roll out of short-chain logistics - reach 25 satellite warehouses	Built 28 satellite warehouses		Build automated south storage and distribution center with renewable energy system installed	Build Taiwan-wide network of high-efficiency logistics system	
	Co-sharing carbon reduction plan	Cooperate with post office to introduce i-Postbox delivery locations	Reached 2,400 locker locations		Cooperate with convenience stores to offer in-store returns	Lower transport-related carbon emissions	
	Carbon reduction plan for company-owned fleet operations	Develop centralized trans-shipment strategy for company-owned fleet to reduce parallel deliveries	Single trips reached 57.49% in 2021		Increase load factor per trip of company-owned fleet to over 95%	Effectively reduce transport-related carbon emissions by reducing the transport distance of company-owned fleet by 2,400 km per month	
	Mentor Fu-Sheng Logistics on energy management	Energy-efficient trucks and scooters to account for 100% of procurement	Energy efficient trucks/scooters accounted for 100% of procurement		Procure and introduce electric scooters that use alternative energy	Continue to procure electric scooters and increase proportion of electric scooters to 50%	
	Introduction of product carbon footprint	Set up energy and transportation database	Target deleted due to adjustment of carbon reduction strategy	[Note 3]	-	-	
Climate Action	Greenhouse gas inventory and expand scope of inventory	Cooperate with revision of verification system and complete update (2006 - 2018)	Completed ISO 14064-1:2018 certification		Expand scope of verification to six locations and verify one additional location	Verify five additional locations	
	Carbon reduction master plan (2018 as baseline year) [Note 4]	1% reduction	11% reduction		3% reduction	5% reduction	
	Install solar power system for company-built warehouse	Plan for renewable energy system with an installed capacity of 1,000 kW on the rooftop of the South Distribution Center	Planning completed and scheduled for completion in 2023		Installation of renewable energy system on rooftop of South Distribution Center	Monitor the generating capacity of the renewable energy system at South Distribution Center to track its generating performance	
	Establish effective energy management system	Evaluate feasibility of introducing energy management system [Note 5]	Postponed due to COVID-19	[Note 6]	Evaluate feasibility of introducing ISO 50001	Continue to monitor the electricity usage of equipment through the system and replace old/worn equipment	



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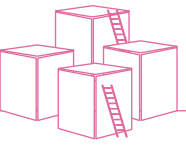
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Strategic Aspect	Action Plan	Short-Term Targets 2021	Actual Performance in 2021	Status	Short-term Targets 2022-2023	Medium and Long-term Targets 2024-2025	Responsible Team
Green Operations	Reduce administrative paper consumption (2020 as baseline year)	Reduced paper consumption by 3% compared to 2020	Reduced average paper consumption per person by about 20%		Reduced paper consumption by 5% compared to 2020	Reduced paper consumption by 8% compared to 2020	Environmental Sustainability
	Reduce average waste per person at Headquarters (2020 as baseline year)	1% reduction compared to 2020	14% reduction		3% reduction compared to 2020	5% reduction compared to 2020	
	Develop and implement green procurement policy	Introduce green procurement policy	Exceeded NT\$13.5 million in amount of green procurement		Increase amount of green procurement by 2% each year	Increase amount of green procurement by 2% each year	
▼ Employee Matters							
Occupational Safety and Health	Expand scope of ISO 45001	Complete re-certification	Passed re-certification		Verify two additional locations	Verify two additional locations	Employee care
	Warehouse accident reduction plan (2019 as baseline year)	Reduce on-site accident rate to below 3.5% (North Distribution Center)	On-site accident rate was 3% (North Distribution Center)		Reduce on-site accident rate to below 3% (all major warehouses)	Reduce on-site accident rate to below 3% (all major warehouses)	
	Monitor traffic accident management for delivery fleet	Fu-Sheng Logistics delivery fleet (North Distribution Center)	Zero occupational injuries for Fu-Sheng Logistics delivery fleet (North Distribution Center)	 (Note 7)	-	-	
Friendly Workplace and Support	Promote employee health promotion course and reach 85% satisfaction rate	85%	Online course satisfaction reached 96%		90%	90%	
	Implement maternal employee care (pre-natal health education and post-natal telephone outreach)	90%	100% implementation rate for all 47 employees		95%	100%	
Women Empowerment		Host empowerment courses, seminars and workshops for female managers	Hosted five empowerment courses for female managers		Continue to host up to 4 sessions of empowerment courses, seminars and workshops for female managers	Continue to host up to 6 sessions of empowerment courses, seminars and workshops for female managers	
	Enhance leadership training for women	Inventory percentage of female managers and employees that receive training	64% of female managers and employees received training		Reach 50% of female managers that receive training	Continue to increase percentage of female managers that receive training up to 60%	
					Host training courses with 50% quota for female employees	Continue to host training courses with 60% quota for female employees	



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Strategic Aspect	Action Plan	Short-Term Targets 2021	Actual Performance in 2021	Status	Short-term Targets 2022-2023	Medium and Long-term Targets 2024-2025	Responsible Team
Promotion of Gender Equality	Promote gender equality awareness among all employees	Set up Gender Equality Promotion Committee	Set up committee and promoted related activities		Conducted training for 5,000 employees and reach 80% course satisfaction	Add online learning platform - promotion section (including multimedia and articles)	Employee care
		Plan up to 2 sessions of gender equality promotion activities and courses. Conduct training for up to 2,500 employees	Two sessions completed and training conducted for up to 2,700 employees			Conduct training for up to 7,000 employees and improve course satisfaction to 90%	
		100% completion rate for gender equality promotion training	100% completion rate		100% completion rate for gender equality promotion training	100% completion rate for gender equality promotion training	
		Implement course satisfaction and feedback survey	Completed post-course satisfaction and feedback survey		Carry out related improvement plans based on satisfaction feedback	Continue to carry out related improvement plans	
Internal Talent Cultivation	Encourage continued education and learning by all employees	Build e-learning platform, accumulate 20,000 hours of training and reach 100% of employees	Completed 42,000 hours of training and reached 100% of employees		Promote e-learning platform, accumulate 40,000 hours of training and reach 100% of employees	Continue to host e-learning platform, accumulate 60,000 hours of training and reach 100% of employees	
		Internal talent development plan for elite personnel	Evaluation and promotion process completed by 5 employees		Internal talent development for elite personnel with regular assessments and progress tracking	Continue with internal talent development for elite personnel and account for up to 80% of promotions	
▼ Society Matters							
Philanthropy and Social Influence	Support the local community through “Online charity platform”	Collaborate with at least 12 charities on a regular basis each year	Collaborated with 18 charities		Collaborate with at least 20 charities on a regular basis each year	Collaborate with at least 30 charities on a regular basis each year	Social care

Note 1 · Most local agricultural specialty products required refrigeration and had short shelf lives. Cold-chain logistics was impacted by COVID-19 so the executing unit adjusted its product selection strategy for the year to focus on epidemic prevention products and failed to meet the target for agricultural specialty products.

Note 2 · Customers are increasingly turning to digital customer support services so enhancement of customer digital experience was chosen as the new metric. The existing case closure rate now serves as an internal tracking metric instead.

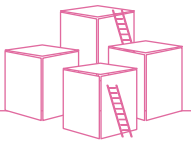
Note 3 · The introduction of SBTi is now being planned by momo. Future GHG management will be based on SBT planning so the introduction of product carbon footprint was deleted for now.

Note 4 · Current focus is on Scope 1 and Scope 2 at momo Headquarters and North Distribution Center. momo plans to complete the inventory of all operating locations in Taiwan by 2023 and their verification by 2024 in accordance with the "Sustainable Development Roadmap for TWSE/TPEX-listed Companies"(GHG Inventory Disclosure Schedule).

Note 5 · Energy Management System (EnMS) collects and uploads data from electronic devices in a smart power distribution cluster to the database. The data is displayed on a large screen for real-time monitoring of the device's power consumption and assessment of device anomalies.

Note 6 · System introduction would require on-site visits for equipment inventory, understanding of the environment, and interviewing personnel on their operating habits. To reduce unnecessary exposure during the COVID-19 pandemic, introduction of the energy management system was temporarily postpone. A feasibility study on the introduction of ISO 5001 is planned for 2022.

Note 7 · An outcome analysis of the management system target found that there were no occupational injuries in the region during the year. As the sample size for the region was relatively small, it was decided that the target should be terminated ahead of schedule.



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## 1.2 Execution Policy for Sustainable Living Blueprint

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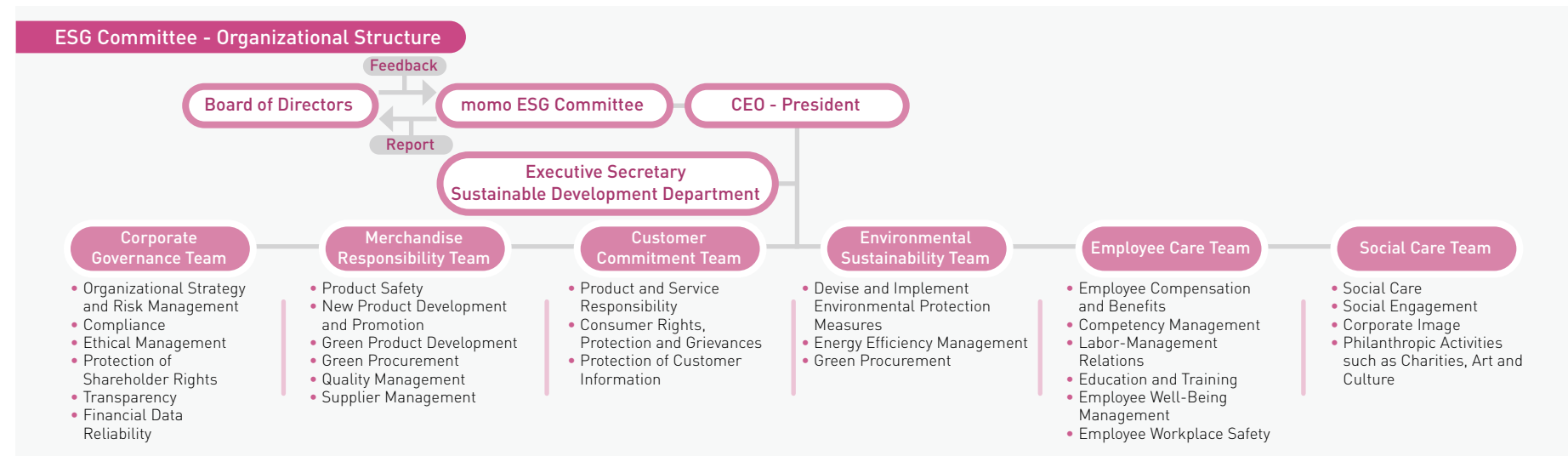
### ● Guiding Principle for Sustainability

The "Corporate Social Responsibility Best Practice Principles" was approved by momo's Board of Directors in January 2016. CSR was integrated into the operational strategy and management to serve as the guiding principle for the promotion of sustainability. Sustainability has become an increasingly diversified topic. To reflect our mission and ownership of corporate sustainability, momo updated parts of the "CSR Best Practice Principles" and renamed it "ESG Best Practice Principles" in January 2022. The existing "CSR Committee" and "CSR Report" were also renamed the "ESG Committee" and "ESG Report" to demonstrate momo's commitment to sustainability.

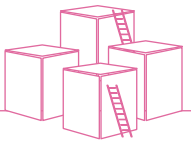
Sustainable  
Development Best  
Practice Principles

### ● ESG Committee

The momo "Corporate Social Responsibility Committee" was established in October 2016 with the approval of the Board. To strengthen our corporate culture of sustainability governance and enhance our sustainable development, the CSR Committee was renamed the "ESG Committee" in January 2022. The company president serves as the chair of the Committee, while the Director of Finance & Accounting (Vice President) serves as the executive director. Four vice presidents and two directors from each division/office make up the ex-officio members of the Committee. The purpose of the Committee is to identify risks and opportunities from the relevant environmental, social and governance (ESG) topics and to develop sustainability policies that are closely integrated with our operations and core resources. The Committee oversees six working groups - Corporate Governance, Merchandise Responsibility, Customer Commitment, Environmental Sustainability, Employee Care, and Social Care. The working groups are responsible for the execution of ESG-related action plans. Dedicated staff and a separate budget have been allocated to the Finance & Accounting Division since 2019 for cross-departmental coordination. Special teams are set up for topics or projects that may require collaboration, and meetings are convened as necessary to accelerate the execution of specific projects.







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## ● ESG Committee - Activities

## Meeting Interval and Frequency

Meetings are convened every six months. Two meetings were held in 2021 and four resolutions were passed. Meeting reports and resolutions were submitted to the Board.

## Reported Items

1. Progress on CSR implementation during the first half of 2021 and plans for the second half of the year
2. Accolades and recognition for annual CSR report
3. Communication during the 3rd Stakeholder Conference in 2021
4. Report on CSR implementation during 2021 as well as the planned targets for 2022

## Resolutions

1. Motion to rename the momo "CSR Committee" and "CSR Report"
2. Material topic identification and matrix for the 2021 report
3. Introduction of SBTi (Science-Based Target Initiative) commitment in 2022 and plan approval
4. Motion to raise the ESG indicators for the annual performance evaluation of each company unit's top managerial officers

● Building of Sustainability Awareness and  
Strengthening of Sustainability DNA

As a member of the e-commerce retail industry, momo is keenly aware of the impact that e-commerce has on the environment. We therefore strive to reduce the consumption of natural resources, cut the amount of waste we release, promote effective recycling, and work with our employees and value chain partners to expand the circular economy business model.

momo strives to progressively introduce the sustainability philosophy into our operations. Having trialed "reusable bags" in 2020, an internal "Circular Economy Awareness Workshop" was held in October 2021 to discuss examples of benchmark enterprises based on the five main business models of the circular economy. Employees were encouraged to come up with prioritized development plans that could serve as innovative proposals related to the circular economy. The workshop not only enhanced the understanding of circular economy concepts among momo employees but also built up internal consensus on the promotion of the circular economy. By strengthening the connection between corporate operations and ESG, momo inspires employees to follow through on the vision of sustainable corporate development.



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# 1.3 Stakeholder Communication and Identification of Material Topics

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● Stakeholder Identification

Every year the six working groups under momo’s ESG Committee discuss and review all the internal/external groups or individuals that influence or are influenced by momo’s operations as well as those that are closely linked to the business functions of each unit. This is carried out in accordance with the five principles of the AA1000 Stakeholder Engagement Standard (SES). Seven key stakeholders were identified through such reviews.

Government Organization	Comply with government regulations to secure the trust and support of the government. Collaborate to promote the continuity and development of the enterprise.
Shareholder/ Investor	The long-term support of momo’s shareholders and investors sustains our growth. The creation of robust profits is momo’s duty to shareholders and investors.
Customer	The voice of momo customers is our source of growth. We actively work to satisfy customer needs by diversifying our offerings.
Supplier	Suppliers are an important component of momo’s sustainability. The support of our value chain is crucial to the delivery of comprehensive products and services.
Employee	People are essential to businesses for maintaining continuity of operations and their competitiveness in the industry. They also play a central role in driving corporate innovation and transformation.
Community and NGO/NPO <small>(Note)</small>	The community, neighborhood and non-profit organizations are momo’s partners in the promotion of sustainability projects as well as companions for mutual learning and growth.
Media	The media serves as the most direct channel for momo to communicate our brand philosophy and image. They serve as a medium for communicating with stakeholders.

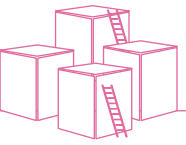
Note · There were no changes in the seven categories of stakeholders. The scope of "Community and NGO/NPO" in 2021 and "Community Groups (including groups involved in social welfare, charity, sports, and environmental protection groups and local residents)" in 2020 are the same. The title was adjusted to make it clear that NGOs/NPOs are included as well.

● Stakeholder Communication and Response

As the leading e-commerce company in Taiwan, momo takes the voices of our stakeholders to heart. Since 2019 an annual “Stakeholder Forum” has been conducted to engage in face-to-face communication with stakeholders, responding directly to their expectations. The forum serves as the foundation for our sustainable development by guiding the promotion of economic, social and environmental sustainability at momo. The outcomes of stakeholder communication in 2021 were reported to the Board in February 16, 2022.



Dedicated grievances and feedback channels are provided in the Stakeholder Section of the momo corporate website to monitor stakeholder requirements. We welcome timely feedback from all stakeholders, including the implementation and improvement of our diverse grievance channels. Suggestions can also be provided through the grievance and feedback channels and opinions on material topics collected by momo are tracked by the competent units. Customer Service is responsible for following up on the progress of subsequent action plans. The six CSR Committee working groups carried out sustainability projects. We also continue to communicate with all stakeholders to determine whether momo is responding effectively to stakeholder requirements.



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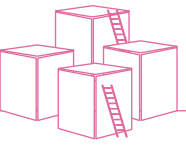
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## ● momo Stakeholder Communication Frequency and Feedback Channels

Stakeholder	Material Topic	Communication Materiality	Communication Frequency and Channels	2021 Communication Performance	Grievance and Feedback Channels
 Government Organization	<b>Corporate Governance</b> <b>Occupational Health and Safety</b> <b>Labor Rights and Equality</b>	<ul style="list-style-type: none"> <li>Non-compliance with government regulations makes government trust and support difficult to secure and impacts business continuity and development</li> </ul>	<ul style="list-style-type: none"> <li>Ad hoc participation, policy symposiums, forums, or public hearings</li> <li>Ad hoc visits or hosting of competent authorities to create opportunities for direct exchange</li> <li>Ad hoc exchange of correspondence, e-mail, telephone communication, and on-site audits</li> <li>Appointment of government liaison and contact in the Stakeholder section of the corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Selected as a constituent stock of "TWSE Corporate Governance 100 Index" for five consecutive years</li> <li>Ranked in the top 5% of TWSE Corporate Governance Evaluation seven times and in the top 10% of TWSE/TPEX-listed non-financial and non-electronics companies with a net worth over NT\$10 billion</li> <li>Selected as a constituent stock of MSCI in August 2021</li> <li>Selected as a constituent stock of "FTSE TWSE Taiwan 50 Index" in September 2021</li> </ul>	Contact: Ms. Chang, Shareholder Affairs Section, Finance & Accounting Division Contact Number: (02) 2162-6688 E-mail: momosd@fmt.com.tw
 Shareholder/ Investor	<b>Corporate Governance</b> <b>Business Performance</b> <b>Risk Management</b>	<ul style="list-style-type: none"> <li>The long-term support of shareholders and investors is critical to momo for maintaining robust growth</li> </ul>	<ul style="list-style-type: none"> <li>Hosting of annual shareholder's meeting</li> <li>Monthly publication of business performance</li> <li>Quarterly publication of financial statements and hosting of investor conferences</li> <li>Ad hoc participation in domestic/overseas institutional investor forums to explain our financial and business situation</li> <li>Appointment of spokesperson and deputy spokesperson, and stakeholder section and shareholder contact person on the corporate website</li> </ul>	<ul style="list-style-type: none"> <li>146 important announcements in Chinese/English</li> <li>36 institutional investor conferences/events (attended by 949 people)</li> <li>240 institutional investor conferences (attended by 394 people)</li> </ul>	Contact: Ms. Liu, Investor Relations Department, Finance & Accounting Division Contact Number: (02) 2162-6688 E-mail: ir@fmt.com.tw For the contact method of the service agency, please refer to the " <a href="#">Investor Relations</a> ." For information on the spokesperson and deputy spokesperson, please refer to <a href="#">the TWSE Market Observation Post System website</a>



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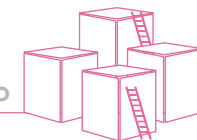
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Stakeholder	Material Topic	Communication Materiality	Communication Frequency and Channels	2021 Communication Performance	Grievance and Feedback Channels
 Customer	<b>Customer Privacy and Information Security</b> <b>Customer Relations Management</b> <b>Quality Safety Requirements and Inspection</b> <b>Product and Service Innovation</b> <b>Sustainable Consumption Advocacy</b>	<ul style="list-style-type: none"> <li>momo must actively upgrade our diverse consumption services to satisfy customer requirements for growth to be sustained</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated personnel are assigned to processing consumer complaints and their progress</li> <li>Customer satisfaction surveys are conducted on a regular basis</li> <li>Consumer grievance channel and customer service hotline provided in the Stakeholder section of the corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Overall score from customer satisfaction survey was 85</li> <li>In-person marketing events were held at different times to interact and connect with consumers</li> </ul>	Contact: Ms. Chen, Customer Service Center Contact Number: (02) 6626-3559 Toll-free Customer Service Hotline: 0800-777-939 E-mail: webduty@fmt.com.tw
 Supplier	<b>Sustainable Supply Chain</b> <b>Quality Safety Requirements and Inspection</b> <b>Product and Service Innovation</b>	<ul style="list-style-type: none"> <li>Suppliers are an important part of momo's sustainability. We would find it difficult to provide proper products and services without support from the value chain</li> </ul>	<ul style="list-style-type: none"> <li>Appointment of vendor liaison specialists to help vendors solve problems through one-to-one consulting and mentoring</li> <li>Visits by representatives, telephone, meetings, and e-mail Monthly supplier information sessions</li> <li>Establishment of supplier back-end management system to handle supplier problems</li> <li>Establishment of supplier grievance hotline and contact in the stakeholder section of the momo website</li> </ul>	<ul style="list-style-type: none"> <li>Hosted 38 supplier education and training sessions</li> <li>Strengthened the awareness and education of information security through on-site visits and telephone interviews (telephone interviews were used in some cases due to COVID-19); eight suppliers were inspected in 2021</li> </ul>	Contact: Ms. Chiu, Operations Support Department, Logistics Management Division Contact Number: (02) 6600-7606 E-mail: momoservice@fmt.com.tw
 Employee	<b>Talent Recruitment and Retention</b> <b>Labor Rights and Equality</b> <b>Diverse and Healthy Workplace</b> <b>Career Development and Talent Cultivation</b>	<ul style="list-style-type: none"> <li>Talent and innovation are the most important building blocks for the core competitiveness of businesses. Failure to craft a sound and stable working environment for employees has a negative impact on sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Monthly employee meetings Labor management meetings and occupational safety and health meetings are convened quarterly</li> <li>Ad hoc: Issuing of news updates through the dedicated employee "M+" app, convening of employee welfare meetings to discuss related topics, compliance and cybersecurity information and education, internal training</li> <li>Conduct two performance evaluation interviews and career development reviews each year</li> <li>Establishment of employee grievance hotline and mailbox in the stakeholder section of the momo website</li> </ul>	<ul style="list-style-type: none"> <li>Labor management meetings were convened 4 times and 10 proposals were discussed, including epidemic prevention matters related to COVID-19.</li> <li>Occupational safety and health (OSH) meetings were convened 4 times. 25 reports on labor safety enforcement and 9 resolutions on OHS management were discussed and approved. Each item was then submitted to top management for approval before being implemented by the Committee</li> </ul>	Contact: Ms. Chang, Human Resources Department Contact Number: (02) 2162-6688 E-mail: momohr@fmt.com.tw





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Stakeholder	Material Topic	Communication Materiality	Communication Frequency and Channels	2021 Communication Performance	Grievance and Feedback Channels
 Community and NGO/ NPO	<b>Environmental and Energy Management</b> <b>Social Welfare</b> <b>Green Packaging and Logistics</b>	<ul style="list-style-type: none"> <li>Actively promote social welfare activities on a continuous basis to exert a positive influence. Combining social welfare with business improves our image and allows us to more easily attract potential customers</li> </ul>	<ul style="list-style-type: none"> <li>Charity projects, sponsorships amounts and funds raised, as well as the number of products sold for charity or donated each year are published through the CSR Report</li> <li>Hold one annual stakeholder forum for stakeholder communications and response</li> <li>Appointment of community liaison and contact in the stakeholder section of the corporate website</li> <li>Participate in the building management meeting to check on disinfection matters</li> </ul>	<ul style="list-style-type: none"> <li>More than NT\$90 million in charity</li> <li>Partnered with consumers to make a positive contribution. Donations were made by more than 53,000 momo members</li> <li>Leveraged the power of e-commerce to raise about 4,300 products for charity sales and donations.</li> <li>Provided assistance to nearly 40 groups (charity groups and school units)</li> <li>Hosted one stakeholder forum</li> </ul>	Contact: Mr. Huang, Occupational Safety and Health Management Section, General Affairs and Purchasing Department Contact Number: (02) 2162-6688 E-mail: Q1005@fmt.com.tw  Contact: Ms. Chang, Marketing & Communications Department Contact Number: (02) 2162-6688 E-mail: momopr@fmt.com.tw
 Media	<b>Business Performance</b> <b>Corporate Governance</b> <b>Social Welfare</b>	<ul style="list-style-type: none"> <li>Media is the fastest and most direct channel for communicating brand image. Utilizing this channel will increase brand value and international status</li> </ul>	<ul style="list-style-type: none"> <li>Ad hoc press releases/press conferences/interviews</li> <li>Communication and response by dedicated unit and personnel</li> <li>Appointment of media liaison and contact through the stakeholder section of the momo website</li> </ul>	<ul style="list-style-type: none"> <li>Improved momo's image through the hosting of press conferences and interviews. This provided stakeholders with a picture of what momo is planning for the year. In 2021, more than three press conferences were held. These included more than 146 press releases and 18 customer interviews</li> </ul>	Contact: Ms. Chang, Marketing & Communications Department Contact Number: (02) 2162-6688 E-mail: momopr@fmt.com.tw



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● Identification of Material Topics

momo identified the sustainability topics of concern to stakeholders through a systematic analytical model. We referred to the four reporting principles (materiality, stakeholder inclusiveness, sustainability context and completeness) of GRI Standards and analyzed the material topics through the material topic identification process. The material topics identified in this manner then underpinned the strategy and goals for our promotion of sustainable development.

STEP1. Gather and study sustainability topics:

1. Identify the sustainability topics and trends of international concern (DJSI, SASB, SDGs).
2. Select appropriate domestic and overseas benchmark enterprises (in the e-commerce, department and retail, logistic and warehouse industries) to generate a list of material topics.
3. Compare the material topics of benchmark enterprises with momo to find emerging sustainability topics.
4. Take international sustainability trends, material topics of benchmark enterprises, focal points of competent authorities, and momo's business strategy to arrive at the 20 items that make up momo's list of material topics for 2021.

Compared to the previous year, there was one additional material topic in 2021 and one material topic was adjusted with the changes outlined below:

Material Topic	Description of Divergence	Reason for Adjustment
Climate Strategy	Addition of new topic	Identify the potential impacts and opportunities of climate change on own operations and value chain so that corresponding policies and risk management measures can be developed
Talent Recruitment and Retention	Adjustment of topic title	The scope of the previous material topic, "Employee welfare and compensation", was maintained while strengthening the topic to encompass employee retention system and measures

STEP2. Analyze degree of impact on stakeholder assessment and decision-making:

Questionnaires were distributed to representatives of momo's external stakeholders to score the materiality of each topic. A total of 111 valid responses were collected.

STEP3. Analyze the importance of topic to corporate operations:

Questionnaires were distributed to momo executives to establish the degree of influence from each topic on corporate operations and materiality score. A total of 29 valid responses were collected.

STEP4. Analyze the topic's degree of influence and impact on ESG:

Questionnaires were distributed for internal stakeholders to score the degree of influence from each topic on the environmental, governance, and social aspects. A total of 35 valid responses were collected.

STEP5. Determine the Material Topic Matrix:

The results from the 175 questionnaires were used to identify 14 material topics and 6 secondary topics. The diagram below shows the results of the material topic analysis:



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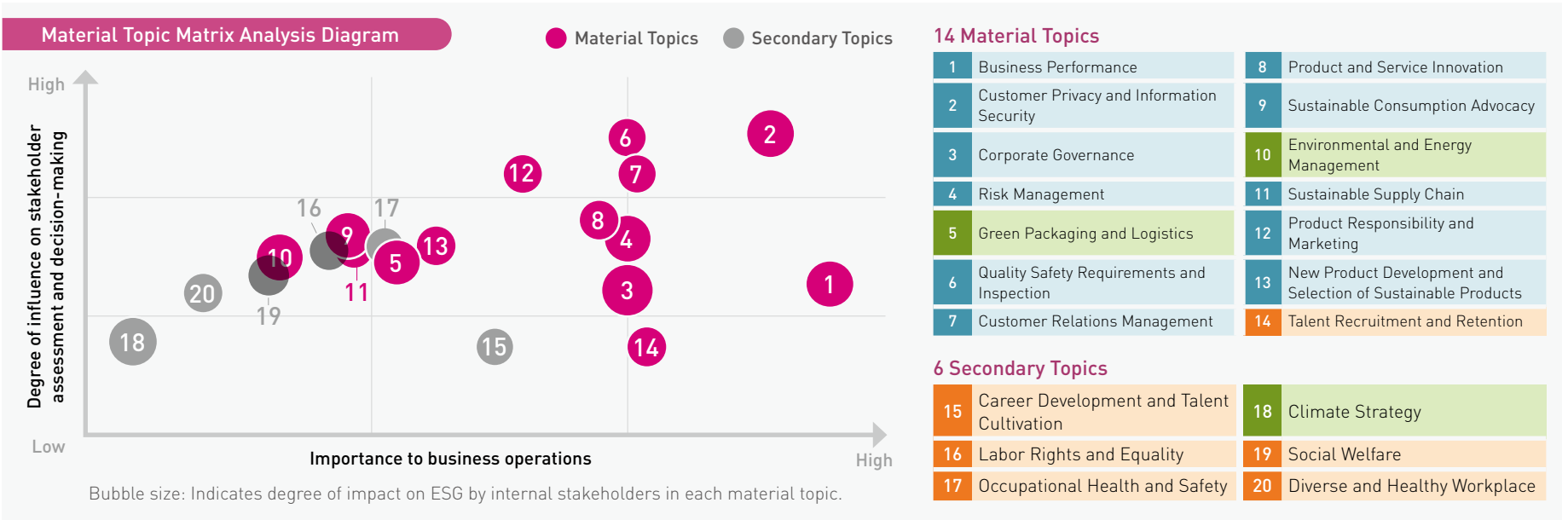
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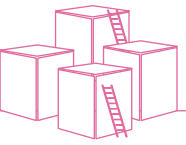
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● Impact Boundaries of Material Topics

The GRI policies, sections, practices and impact boundaries corresponding to the material topics identified above are tabled below:

Material Topic	GRI Standards Topic	Management Policy and Corresponding Section	Reason for Materiality and Corresponding Practices	Impact Boundaries						
				Direct Effect	Commercial Effect	Indirect Effect				
				momo	Supplier	Customer	Shareholder/ Investor	Community	Media	Government
Governance Aspect ▼										
Corporate Governance	102-18 Governance Structure	2.3 Corporate Governance Overview	momo has always believed that upholding ethical business values, along with sound corporate governance mechanisms, will not only strengthen the stability and transparency of business operations but are also fundamental to corporate sustainability. We strive to realize the corporate governance goal of integrity and transparency.	●			●			
Business Performance	201 Business Performance	2.1 About momo 2.2 Business Management Overview	The e-commerce retail market is an extremely competitive industry. momo will put innovative business models into place and focus on local development to expand our market share, consolidate our leading position, and maximize returns for stakeholders.	●			●			



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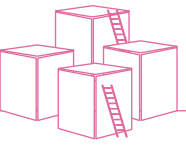
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Material Topic	GRI Standards Topic	Management Policy and Corresponding Section	Reason for Materiality and Corresponding Practices	Impact Boundaries							
				Direct Effect	Commercial Effect	Indirect Effect					
				momo	Supplier	Customer	Shareholder/Investor	Community	Media	Government	
Risk Management	417 Marketing and Labeling 419 Socio-economic Compliance	2.4 Risk Management Overview	To ensure the security of business operations, improve the quality of service, and increase shareholder value, momo has established a comprehensive and rigorous risk management system that tracks all relevant risks through risk identification, measurement, monitoring, response and reporting.	●	●						●
Sustainable Supply Chain	204 Procurement Practices 308 Supplier Environmental Assessment 414 Supplier Social Assessment	2.5 Supply Chain Overview	Realize a sustainable supply chain through the incorporation of ESG factors into the supplier management process, such as risk assessment and audits, as well as strengthening the collaboration with suppliers on ESG aspects.	●	●						
New Product Development and Selection of Sustainable Products	Self-Defined Topic	3.1.3 Environmentally Friendly Product Development and Sales	Select environmentally friendly and healthy ingredients during the development of new products, such as those that save energy, save water, or contain natural/organic ingredients. Our goal is to become an e-commerce shopping platform for green living.	●	●						
Quality Safety Requirements and Inspection	416 Customer Health and Safety	3.1.1 Product Inspection, Discrepancy and Prevention	momo embraces "every matter, matters to momo" as our core strategy. We provide consumers with peace of mind by scrutinizing the quality of every product through specifications, certifications, and inspections.	●	●						
Product and Service Innovation	Self-Defined Topic	3.2.2 Convenient Customers Access	Innovative concepts are integrated into product development and services to take action on sustainability as well as promote responsible marketing and consumption.	●	●	●					
Product Responsibility and Marketing	417 Marketing and labeling	3.1.2 Product Label Management	The mission of momo is to manage product labeling, provide complete product information and marketing communication content, and supply consumers with affordable, good quality products.	●					●	●	
Customer Relations Management	Self-Defined Topic	3.2 Consumer Experience Optimization Overview	As an e-commerce company, we strive to provide complete product information, labeling, and honest marketing. Proper management of customer feedback and requirements, as well as improving our responsiveness to customers, are all important to our business growth.	●		●					



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Material Topic	GRI Standards Topic	Management Policy and Corresponding Section	Reason for Materiality and Corresponding Practices	Impact Boundaries						
				Direct Effect	Commercial Effect	Indirect Effect				
				momo	Supplier	Customer	Shareholder/Investor	Community	Media	Government
Customer Privacy and Information Security	418 Customer Privacy	3.3 Cybersecurity Protection and Privacy Overview	"Cybersecurity matters are what matters most to momo." We attach great importance to the security of customer information and have rigorous systems in place to protect privacy. We are continuing to invest in the development and maintenance of information management systems and assets in order to satisfy customers' requirements and expectations.	●		●				
Sustainable Consumption Advocacy	Self-Defined Topic	3.1.3 Environmentally Friendly Product Development and Sales	We are continuing to promote environmentally friendly and high-quality local products in all channels as part of the momo's green consumption and living.	●	●	●		●	●	
Social Aspect ▼										
Talent Recruitment and Retention	401 Employment 404 Training and Education 405 Diversity and Equal Opportunity	5.1.1 Recruitment and Turnover 5.2.1 Performance and Reward Scheme 5.2.2 Diversified Benefits Scheme	Employees are the cornerstone of continued progress and innovation at momo. We will continue to focus on talent recruitment, employee benefits, and generous compensation in order to improve employee retention and foster a better internal corporate culture.	●					●	●
Environmental Aspect ▼										
Environmental and Energy Management	302 Energy 303 Water and Effluents 305 Emissions	4.1 Green Operations Overview	momo is an e-commerce retail company but we are actively responding to the increasing severity of climate change and environmental pollution problems. The Environmental Management Committee was established in 2018 to actively manage our energy and resource security measures. "Energy conservation and carbon reduction" and "pollution prevention" were therefore integrated to become "Environmental and Energy Management" due to their importance. There were no major changes to topic boundaries this year.	●	●					●
Green Packaging and Logistics	302 Energy 306 Waste	4.2 Green Logistics Overview 4.3 Green Packaging Overview	The e-commerce industry generates packaging waste carbon emissions during logistics activities. momo is actively responding to these problems by managing waste and carbon emissions from packaging, logistics and delivery.	●	●	●				●

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# Partnership Matters



This chapter corresponds to 4 main stakeholders

- Government organizations
- Shareholders/Investors
- Customers
- Suppliers
- Employees
- Communities and NPO/NGO
- Media

## Performance Highlights

Consolidated revenue of NT\$88.397 billion grew by **31.55%** compared to 2020

EPS was NT\$**18.02** per share

EBITDA of NT\$4.992 billion grew by **64.52%** compared to 2020

Continued to rank in the **top 5%** of Corporate Governance Evaluation for **6 consecutive years**

Selected as a constituent stock of "**FTSE TWSE Taiwan 50 Index**" for the first time

Presented with the "CG6013 (2021) Corporate Governance System Assessment - **Outstanding Enterprise Certification**" by the Taiwan Corporate Governance Association

Maintained **100%** registration rate for the "Ethical Business Management Statement" and "CSR Best Practice Principles."

More than **9,900** suppliers signed the momo CSR Best Practice Principles

More than **500** suppliers have completed the certification or on-site audit process to date



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## Dedicated Management Unit

- ESG Committee - Corporate Governance Team and Product Responsibility Team

## momo's Promise

- Embrace the philosophy of ethical business management while maintaining stable and outstanding business performance.
- Enforce supplier management, not only ensuring the quality and safety of suppliers' products but also continuing to examine the potential environmental and social impact of suppliers.
- Strive to protect consumer rights and prevent harm from information security issues by requiring suppliers to improve their information security capability and protect personal information.

## Investment of Resources

- Consolidate group resources to expand the business synergies of member logistics and cashflow services.
- Continue to promote ethical management, ethical conduct and other compliance-related regulations to the Board of Directors and all employees.
- Improve the transparency of our website.
- Increase reporting to the Board of Directors and increase the operational involvement of the Board.
- Strengthen the trans-departmental information security team, expand connectivity audits, accelerate the reporting process and strengthen system protection.

## Management Approach and Assessment Mechanism

- Refine internal rules and systems.
- Monitor the latest regulatory changes to adjust the teaching materials accordingly and provide compliance education and training to internal personnel or external partners on an ad hoc/regular basis.
- Arrange for the conveners of functional committees to make regular reports to the Board of Directors, and provide the Board with additional reports on operational topics, such as ethical management and intellectual property management.
- Strengthen supplier information security management by encrypting shipping information. Suppliers that fail to meet information security standards are subjected to rigorous audits and suspension.
- Regularly evaluate existing suppliers based on activity, scale, account transaction conditions, and merchandising operations.





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## 2.1 About momo

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As the leader of Taiwan's online retail industry, momo's portfolio encompasses momo shop, momo mall, TV shopping, and catalogs. In keeping with our corporate mission of "improving people's quality of life by providing affordable products and quality services" and upholding the four business values of "Honesty, Friendliness, Professionalism, and Innovation", we strive to realize our vision "to become the No.1 virtual shopping platform for consumers and suppliers in Asia". We provide consumers and suppliers with a high-quality shopping experience.

In 2019, we expanded our membership business by launching the first "momo co-branded credit card" and introducing a new framework for membership services. In 2020, we partnered with Taiwan Mobile's 800 myfone stores throughout the country to launch the "In-Store Pickup 2.0" service, which aimed for in-store pickup within 24 hours. We also accelerated our blueprint for logistics services by establishing "Fu Sheng Logistics Co., Ltd." as a 100%-owned subsidiary. Enhancing transportation links between our distribution centers, satellite warehouses, customers and suppliers allowed us to expand the last-mile component of our short-chain logistics strategy. In the same year, momo set up MFS as a 100%-owned subsidiary focusing on the cultivation of brand-name products. MFS combines a customer-oriented approach with international horizons and local experiences to provide consumers with better products. In 2021, the subsidiary "Prosperous Living Co., Ltd." became a new addition to the group portfolio in response to such factors as the growth of consumer health awareness, the increase in chronic metabolic illnesses, the decline in birth rates, and the aging population. The mission of the new company is to provide consumers with products and services related to healthy living. "Prosperous Living" also safeguards the health of consumers by providing truthful and reliable product information and assuring product safety. In the future, we will continue to strengthen our competitiveness and leverage our leadership in online retail to expand our services and build new ecosystems, boosting the long-term investment value of the company and becoming an industry leader.



## momo (8458) Profile

Established  
September 2004Headquarters Location  
Neihu Technology ParkEmployees  
2,771Paid-in Capital  
NT\$1.8 billionTotal Assets  
NT\$23,015,046,000Main Operating  
Locations  
8Distribution Locations  
1 automated distribution center /  
13 primary warehouses /  
28 satellite warehouses

### ● momo is the Undisputed Leader of B2C e-Commerce in Taiwan

We are responding to the fast-changing retail market and advances in technology by adopting an agile business model, consolidating group resources, and accelerating the expansion of our operations in order to increase our share of the retail market. In 2021, the resurgence of COVID-19 reshaped consumer habits. This not only accelerated the vibrant development of virtual retail channels but also tested the risk management and pandemic response capabilities of businesses. momo's forward-looking business strategy provided an effective counter to the fallout from the pandemic. An aggressive effort was mounted to deliver high-quality products and services that challenged the way customers imagined online service. As a result, annual consolidated revenues climbed to new heights and surged past NT\$88.4 billion with 31.5% growth year-on-year; net profits after tax amounted to NT\$3.28 billion. Our business channels spanned online shopping, TV, and catalog sales. Individual consumers were our primary customer with online shopping accounting for 93.97% of total revenue and

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achieving 34.88% year-on-year growth. This outstanding business performance made momo the undisputed leader of e-commerce channels.

### ● Increasing the Competitive Advantage - Building the momo Moat

We are continuing to strengthen our logistic infrastructure and partnership with brand-name suppliers. In 2020, we consolidated across the group to launch the "momo co-branded" credit card in partnership with Taipei Fubon Bank. At the same time, we also diversified our service offerings by joining forces with Taiwan Mobile to provide 24-hour in-store pick-up at myfone stores. The extensive resources of the group were harnessed to enhance the momo brand image. Cross-selling of group merchandise on multiple platforms as well as the integration of physical and virtual channels helped establish the Fubon and Taiwan Mobile Group ecosystems. This provides members with a variety of options for redeeming momo coins even as digital technology continues to gather steam. momo worked actively to introduce new usage scenarios during 2021; in addition to redemption through the momo shop, crossover marketing activities, and momo co-branded card rewards, the all-new "MyVideo movie rental/purchase coupon" service was activated in Q3. We also expanded our presence into "online discount of telecommunications bills" to successfully enter into the telecommunications and multimedia discount services sector.

To make the most of each subsidiary's strengths, we embarked on a strategic e-commerce development plan to link together the upstream, midstream and downstream parts of the e-commerce industry value chain. These were aimed at helping each subsidiary maximize synergies from procurement to the sales channel. New technologies, such as block chain and big data, were also used to enhance the customer experience and the configuration of momo's logistics services was strengthened. Surges during the COVID-19 pandemic in 2021 created a sudden increase in the number of orders, which tested the ability of e-commerce operators to relieve congestion in the logistics system. Thanks to momo's automated warehouses throughout Taiwan as well as additional distribution capacity provided by Fu Sheng Logistics Co., Ltd., we were able to swiftly clear up congestions and restore delivery standards.

During 2021, we continued to invest in the construction of our Taiwan-wide logistics network. We now have 42 facilities in operation, including distribution

centers, primary warehouses, and satellite warehouses. To strengthen our distribution network in southern Taiwan, we completed the construction of the Tainan-Yongkang Distribution Center and immediately broke ground for the "South Storage and Distribution Center" as well. Planning of the "Central Distribution Center" is moving forward as well now that a suitable site has been found. Once they become operative, we expect the regional warehouse infrastructure to significantly boost our overall e-commerce logistics capability, making it a key milestone for the e-commerce industry in Taiwan.

#### momo Business Portfolio and Investment Subsidiaries

Company Name	Business Portfolio	Shareholding Ratio
momo.com Inc.	Online shopping, TV shopping, Catalogs	-
Fu Sheng Travel Service Co., Ltd.	Travel Agent	100%
Fuli Life Insurance Agent Co., Ltd.	Life Insurance Agent	100%
Fuli Property Insurance Agent Co., Ltd.	Property Insurance Agent	100%
Bebe Poshe International Co., Ltd.	Wholesale of Cosmetics	85%
Fubon Gehua (Beijing) Enterprise Ltd.	Wholesaling	76.70%
TV Direct Public Company Limited	TV Shopping, Online Shopping	21.35%
Global Home Shopping Co., Ltd	TV Shopping, Online Shopping	20%
Fu Sheng Logistics Co., Ltd.	Logistics	100%
MFS Co., Ltd.	Wholesaling	100%
Prosperous Living Co., Ltd.	Wholesaling and Retailing	73.62%

Note 1 · Prosperous Living Co., Ltd. was established on November 26, 2021.

Note 2 · Statistics are current as of December 31, 2021.



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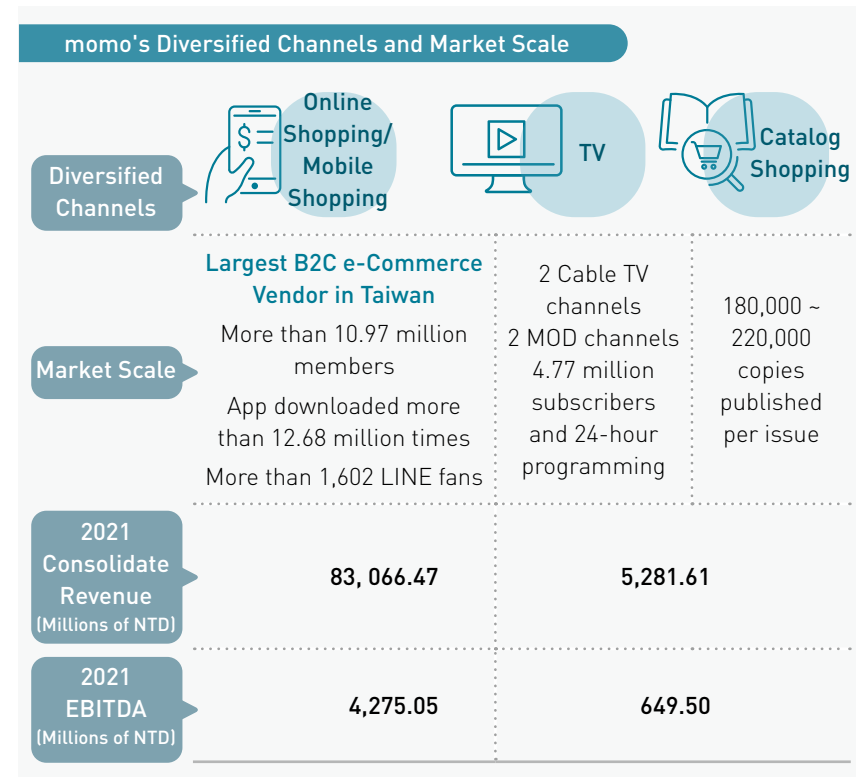


## 2.2 Business Management Overview

### 2.2.1 New Retail Industry Environment and Scale

102-6 · 102-7 · 103-1 · 103-2 · 103-3

momo is the leading virtual channel brand in Taiwan. To satisfy consumer demand from all age groups, momo continues to develop quality products, refine our membership services, and build a Taiwan-wide logistics network that improves our overall business performance. We strive to cater for all consumer lifestyle needs with the vision of becoming the No.1 virtual shopping platform for consumers and suppliers.



### ● 2021 Strategic Focus

**KEY STRATEGY 1.**

Shopping service that satisfies consumer demand from all age groups

- Maintain the balanced development of product categories based around "every matter, matters to momo"
- In response to the explosive growth in the eating-at-home category due to COVID-19, momo focused on expanding the perishables line with an emphasis on the three key indicators of "most brands, most products, best quality" for consumer peace of mind.
- Fuli Life Insurance Agent, a momo subsidiary, launched COVID-19 and vaccine insurance policies, and enabled online "contactless" purchase of insurance coverage to help consumers upgrade their epidemic resilience.

**KEY STRATEGY 2.**

Building the next-generation Taiwan-wide logistics network

- Short-chain logistics is a cornerstone of momo's long-term development strategy. Our recent investments in the construction of warehousing infrastructure throughout Taiwan and the development of an e-commerce logistics roadmap is expected to take the Taiwanese e-commerce industry to the next level.

**KEY STRATEGY 3.**

Crossover redemption of momo coins and focus on optimization of membership services

- momo is actively developing new usage scenarios to provide members with a wide variety of options for redeeming momo coins. In addition to momo shop, crossover marketing activities, and momo co-branded card rewards, the all-new "MyVideo movie rental/purchase coupon" service was activated in Q3 for members. We also expanded our presence into "online discount of telecommunications bills" to successfully enter into the telecommunications and multimedia discount services sector.
- To continue optimizing the shopping experience for consumers, momo launched "upgraded payment services" to streamline the payment process.
- To support the Ministry of Finance's transition to cloud receipts, momo introduced the "printing of winning receipts at convenience stores" to make it easier and quicker for consumers to redeem their prizes.

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**KEY STRATEGY 3.** Core focus on international markets

- momo invested in "TV Direct Public Company Limited (Thailand)" providing support for e-commerce sales and R&D. We helped upgrade the mobile shopping app in response to the shift from physical to online shopping during lockdowns.
- In the China market, our subsidiary "Fubon Gehua (Beijing) Enterprise Ltd." and affiliate "Global Home Shopping Co., Ltd." not only continued to maintain our steady development of TV shopping but also launched our social commerce strategy this year.



## 2.2.2 Continued Excellence in Financial Performance

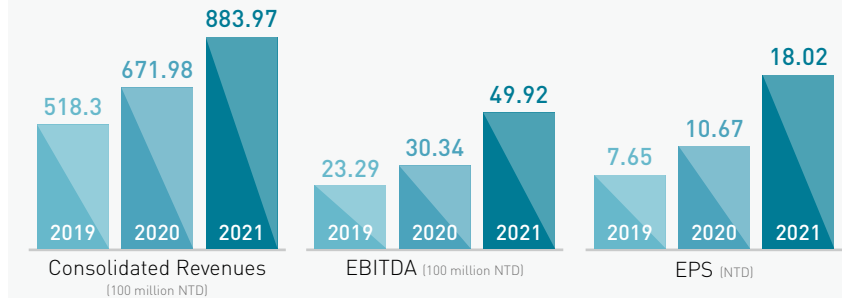
102-6 · 102-45 · 201-1

momo will continue to ride the wave of "high-tech e-commerce" and leverage our values of "Honesty, Friendliness, Professionalism, Innovation" to accelerate our business expansion, increase our share of the retail market, and become an even more forward-looking, benchmark enterprise.

### ● Consolidated Financial Performance

Our sales have continued to grow at a steady pace and have reached new heights thanks to rigorous execution of our strategic plan. In addition to the regular distribution of surpluses to stakeholders, we also support government measures and taxation reforms aimed at promoting business innovation, research and development, and economic growth. In 2021, momo surpassed NT\$80 billion in consolidated revenues - an all-time record.

## momo's Consolidated Financial Performance



Note 1 · EBITDA is net operating profit before interest, tax, depreciation, and amortization.

Note 2 · Calculation of EPS was based on weighted average shares after retrospective adjustment due to stock grants.

### ● Financial Performance Table

	2019	2020	2021
Unit: Thousands NTD			
Operating Capability			
Total Assets	14,599,169	17,809,034	23,015,046
Total Liabilities	8,422,936	10,859,054	14,166,033
Total Shareholder Equity	6,176,233	6,949,980	8,849,013
Net Operating Profit	1,655,629	2,219,090	4,042,072
Net Income after Tax (attributed to the owner of the Company)	1,393,781	1,938,938	3,275,266
Profitability			
Return on Assets (%)	10.44	12.01	16.10
Return on Equity (%)	22.56	29.54	41.46

Note · Sourced from the consolidated financial report of momo.com Inc. Parent and subsidiary companies audited by Deloitte Taiwan. The items within the consolidated report can be found in the 2021 consolidated financial report.



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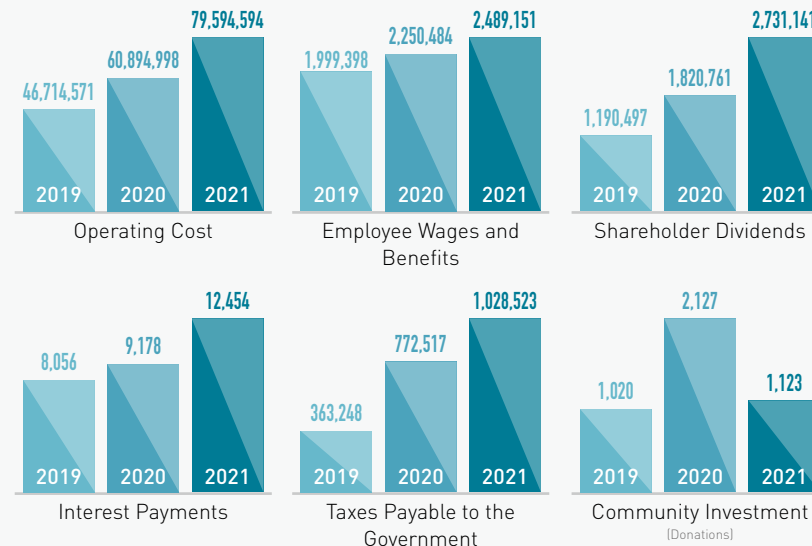
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## Stakeholder Economic Value

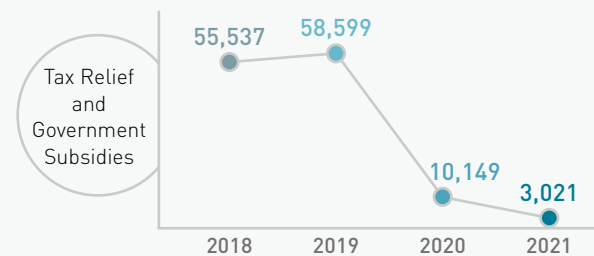
Unit: Thousands NTD



Note · Only the information for momo.com Inc. is listed.

## Financial Assistance Government

Unit: Thousands NTD



Note 1 · Only the information for momo.com Inc. is listed. Consisted mainly of tax credits for investment in equipment, technology, research and development, and talent development, consumer rebates on agricultural products, subsidies for warehouse rental, and subsidies from the Youth Employment Flagship Project.

Note 2 · The equipment at North Distribution Center was no longer eligible for credits in 2020 thus contributing to the substantial decrease. The tax credit information for the 2021 FY was submitted in May 2022 and the actual data will be fully disclosed the following year.

## ● Areas in which Core Products Are Sold and Services Provided

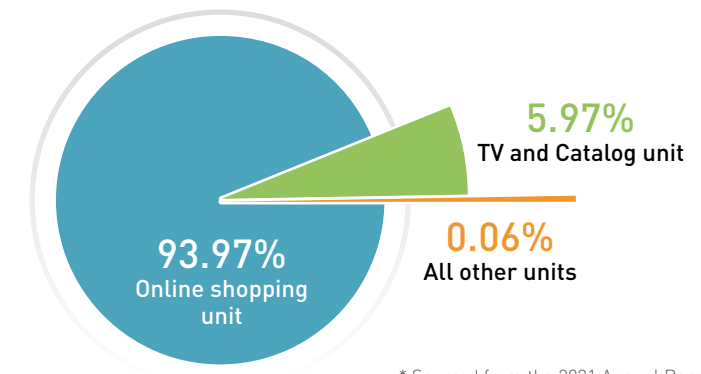
Unit: Thousands NTD, %

Sales Region	2019		2020		2021	
	Revenue	% of total	Revenue	% of total	Revenue	% of total
Taiwan	51,729,529	99.81%	67,148,341	99.93%	88,374,588	99.97%
Mainland China	100,888	0.19%	49,763	0.07%	22,108	0.03%
Total	51,830,417	100%	67,198,104	100%	88,396,696	100%

Note 1 · Products and services consisted of TV shopping, online shopping, catalog mail order, travel services, personal insurance agency, property insurance agency, and logistics services. We operated on a B2C model and individual consumers were our primary customer.

Note 2 · Fubon Gehua, our subsidiary in China, sold a smaller range of products most of which were non-essentials. The impact of COVID-19 between 2020 and 2021 led to a large decline in sales compared to the preceding period.

## ● Business Performance of momo Channels



\* Sourced from the 2021 Annual Report



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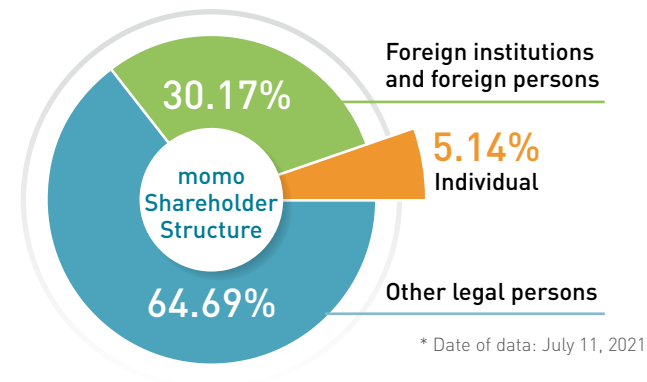
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## ● Dividend Policy and Shareholder Equity

Our dividend policy adheres to the company articles of incorporation and current legislation. To meet the operational demands of the company and maximize shareholder equity in the present environment and stage of growth, the distribution of dividends is based on a combination of surplus dividend and high payout ratio. The company's future capital budget plan is used to gauge funding needs in upcoming years. Profitability, financial structure and the degree to which earnings per share are diluted are all taken into account. A suitable dividend distribution proposal is then devised by the board of directors and submitted to shareholders' meeting for approval. Employee profit sharing is distributed as cash to safeguard shareholder equity.



## ● Dividend Distribution in the Last Three Years

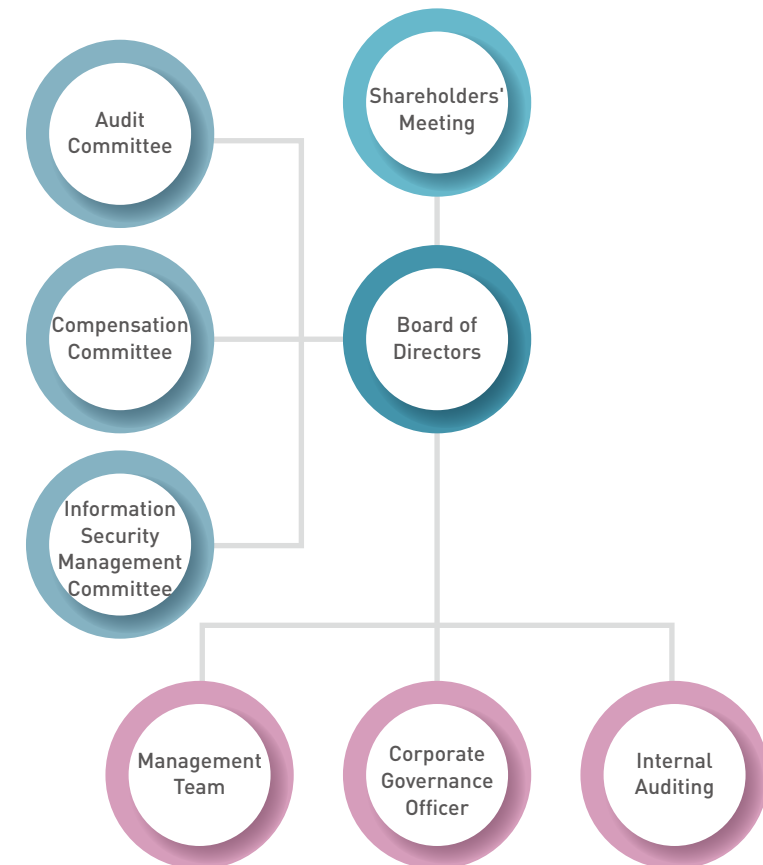
Unit: NTD

		2019	2020	2021
EPS	Before Adjustment	9.95	13.87	18.02
	After Adjustment	7.65	10.67	
Cash Dividend per Share		\$8.5	\$10	\$13
Stock Dividend per Share		-	3	2

Note · Calculation of EPS was based on weighted average shares after retrospective adjustment due to stock grants.

2.3 Corporate Governance  
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## ● Corporate Governance Structure



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## 2.3.1 Board Professionalism and Independence

102-18 - 405-1

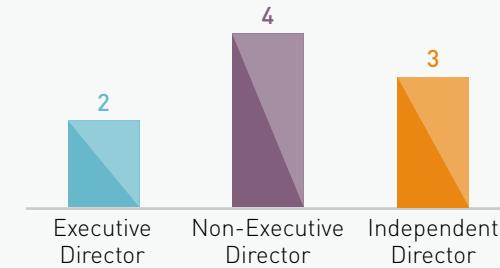
The Board of Directors is the highest governing body of momo. Board members serve a 3-year term; the current term runs from May 15, 2020 through to May 14, 2023. The purpose of the Board is to encourage compliance and ethical management, maintain sound communications and constructive interactions with the management team, and supervise the conduct of company business and the making of key decisions. All directors are elected using the candidate nomination system. Candidates are nominated by Board members or shareholders that hold the percentage of shares required by law. The nomination of candidates and review of their eligibility are carried out in accordance with the "Rules for Director Election" and statutory procedure before being submitted to the Shareholder Meeting for selection. To ensure a sound board structure and promote diversity, the "Rules for Director Election" were amended by momo in 2020 and diverse aspects such as gender, age, nationality, professional knowledge and skills must now be taken into consideration.

As the leader of the e-commerce industry, momo is well-aware of the importance of information security management. Therefore, "information security knowledge and management" was listed as one of the key skills that directors should possess. This ensures that we are able to retain the kind of professional talent essential to our sustainability. The election of the nine directors that make up the seventh Board of Directors took place in 2020. An additional directorship was reserved for women to increase the level of female participation in decision-making and strengthen the board structure. To ensure the independence of the independent directors, all three independent directors appointed by the Company have not served for more than 9 years in consecutive terms. Our Board members come from diverse professional backgrounds including finance, commerce, information technology, operations management, e-commerce/marketing, and legal affairs.

Rules for Director  
Election

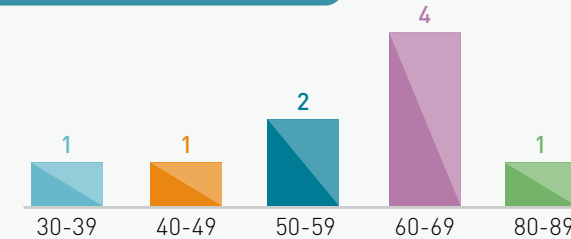
Distribution of Board Members by Type

Unit: person



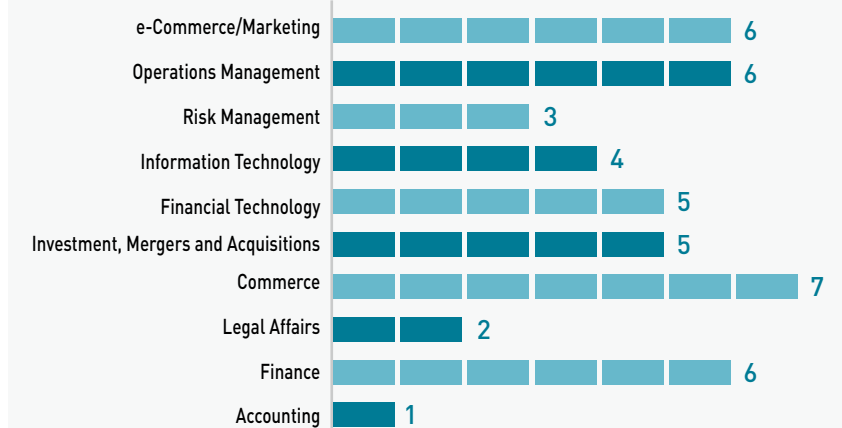
Age Distribution of Board Members

Unit: person



Distribution of Board Member's Professional Backgrounds

Unit: person



\* For more information, please refer to the 2021 Annual Report.



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## ● Board Diversity

Director Name	Director Type	Age Group	Gender	Professional Background (Education)	Length of Appointment (Years)			Core Diversity Items (Top 5)									
					< 3	3-6	> 6	Accounting	Finance	Legal Affairs	Commerce	Investment, Mergers and Acquisitions	Financial Technology	Information Technology	Risk Management	Operations Management	e-Commerce/Marketing
C.F. Lin	Executive Director	60-69	M	Master of Science, Baker University, Kansas, USA			●		V				V	V		V	V
Jeff Ku	Executive Director	50-59	M	EMBA, National Taiwan University	●						V		V	V		V	V
Jamie Lin	Non-Executive Director	40-49	M	MBA, NYU Stern School of Business, US	●				V		V	V		V			V
Rosie Yu	Non-Executive Director	60-69	F	BS in Business Administration, National Taiwan University	●			V	V			V			V	V	
Chris Tsai	Non-Executive Director	30-39	M	BS in Economics, The Wharton School of the University of Pennsylvania, US		●			V		V		V			V	V
Mao-Hsiung Huang	Non-Executive Director	80-89	M	Master of Economics, California State University, USA			●		V		V	V			V	V	
Hong-So Chen	Independent Director	60-69	M	Department of Transportation, Engineering and Management, National Chiao Tung University			●			V	V			V		V	V
Brian Y. Hsieh	Independent Director	60-69	M	J.S.D., School of Law, Stanford University, US			●			V	V	V	V		V		
Chieh Wang	Independent Director	50-59	M	Bachelor of Finance and Taxation, National Chengchi University	●				V		V	V	V				V

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## 2.3.2 Board of Directors Operations

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The momo Board of Directors convenes at least once per quarter. In 2021, the Board convened a total of 11 times. All Board members took an active role in Board operations and director attendance was 100%. The Board exercises its powers and responsibilities in accordance with the Company Act, the Articles of Incorporation, and the resolutions passed during the Shareholder Meeting. It supervises overall company operations, devises business strategies and development, identifies operating, financial and taxation risks, and oversees the implementation of sustainability by the Company.

momo has put in place a sound governance structure guided by key corporate governance regulations, such as "Human Rights Policy", "Corporate Governance Best Practice Principles", "Code of Ethics", "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Corporate Social Responsibility Best Practice Principles", "Regulations Governing the Handling of Complaints on Illegal, Unethical, or Dishonest Behavior", and "Regulations for Board of Directors and Functional Committee Performance Assessments." We continue to update our internal regulations in accordance with corporate governance standards and practices in Taiwan and overseas.

Key Company Rules  
on Governance● Formulation and Amendment of Key Company Rules  
by the Board of Directors

Board of Directors Rules and Regulations	Regulations for Board of Directors and Functional Committee Performance Assessments
Corporate Governance	Articles of Incorporation, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Sustainable Development Best Practice Principles (Note)
Internal Control System	Regulations Governing the Handling of Complaints on Illegal, Unethical, or Dishonest Behavior

Note · "The Corporate Social Responsibility Best Practice Principles" was renamed the "Sustainable Development Best Practice Principles" according to a resolution by the Board of Directors on February 16, 2022.

## ● Compensation and Performance Evaluation Mechanism

momo conducts assessments for the Board of Directors, individual directors and functional committees to improve the operational performance of the Board in accordance with the "Regulations for Board of Directors and Functional Committee Performance Assessments." The assessments evaluate the operations of the Board, contributions of Board members, and level of ESG engagement. Board performance is also assessed by outside experts, independent organizations or a team made up of external experts and academics at least once every three years. The outcomes of the internal and external performance assessments are submitted to the Compensation Committee for analysis and an evaluation report and improvement proposal are then submitted to the Board.

Taiwan Corporate Governance Association was commissioned by momo in 2021 to conduct an external assessment and the "Board of Directors Performance Assessment Report" was issued on December 3, 2021. Recommendations from the report and the Company's proposed actions were reported to the Board on January 19, 2022. The outcomes of the internal performance assessment on the Board of Directors and functional committees were reported to the Board in March 2022. An explanation of the internal and external Board performance assessment outcomes is available on our corporate website.

Board of Directors (including  
Functional Committees)  
Performance Assessment  
and ImplementationExternal Performance  
Assessment of Board of  
Directors

The "Director Compensation Rules" were amended by momo in 2020 to strengthen the link between director performance and compensation. Performance indicators for directors were incorporated into their compensation procedure. The actual ratio and amount of director compensation at momo is allocated in accordance with the Articles of Incorporation and submitted to the Compensation Committee for assessment and review. Board approval is required before it is presented during the Shareholder Meeting. Director compensation takes into account the level of director participation in company operations, the value of their contribution, and prevailing industry standards. In 2021, director compensation amounted to 0.42% of net profit after tax.

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## ● Enhancing the Professional Competency of the Directors

To promote the exchange of corporate governance experience, keep track of international trends, and respond to the latest developments in corporate governance, sustainability and related topics in Taiwan and overseas, all momo directors actively take part in training courses and workshops on corporate governance and ESG hosted by professional institutions in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies." Experts and academics in related fields are also invited by the Company to conduct continuing education courses for directors each year. Courses in 2021 included "Balancing intelligence and security risks in corporate digital transformation", and "What investors are thinking - Corporate sustainability transformation from an ESG investment and financing perspective. These courses enabled networking on the latest corporate governance topics and kept directors in touch with the latest trends. Board members continued to participate in continuing education courses on corporate governance and corporate sustainability during their term. During 2021, Board members completed 66 hours of continuing education, or an average of more than 6 hours per person.

## 2.3.3 Functional Committee Operations

102-18

The "Audit Committee", "Compensation Committee", and "Information Security Management Committee" were established under the Board of Directors to strengthen the Board functions and fulfill its supervisory role. The independent and specialized committees support and enhance the Board's decision-making. To ensure the effective performance of the functional committees, the convener of each committee reports regularly to the Board on the outcomes of their work.

Audit  
Committee

## Committee Composition and Duties

- Made up of three independent directors
- Proper presentation of the Company's financial reports
- Selection/dismissal, independence and performance of CPAs
- Effective implementation of the Company's internal control system
- Compliance with relevant laws and regulations by the Company
- Management of existing or potential risks by the Company

## 2021 Operations

- Convened at least once each quarter
- A total of 10 meetings were convened in 2021 and Committee members attendance rate was 100%
- The Chief Audit Officer and CPA meet separately with the Audit Committee every quarter to discuss business activities
- The convener of the Audit Committee reported on committee activities during the year at the 2021 Shareholders' Meeting

## Reference

Organic Charter of  
the Audit CommitteeCommunication between  
Independent Directors and  
Internal Audit Officer and  
Accountants



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Committee Composition and Duties

- Made up of three independent directors
- Establish and periodically review the performance assessments for directors and managerial officers and the policies, systems, standards, and structure for their compensation
- Periodically review and stipulate director and manager compensation packages
- Define and periodically review the Regulations for Board of Directors and Functional Committee Performance Assessments

2021 Operations

- Convened at least twice a year
- A total of six meetings were convened in 2021 and Committee member attendance rate was 100%

Reference



Organic Charter of the Compensation Committee



Committee Composition and Duties

- Made up of three directors (including two independent directors)
- Review of information security management policy, devising of information security management structure and organizational functions, as well as periodically reviewing the development, deployment and results of the Company's overall information security management mechanism
- Review the information security management mechanism of new businesses
- Review the damage report and response measures for major information security incidents
- Review matters covered by standards or requirements set out by the competent authority, Board of Directors, or various information security policies that need to be reported to the Board

2021 Operations

- Must be convened at least once a year and may also be convened as necessary
- A total of two meetings were convened in 2021 and Committee member attendance rate was 100%

Reference



Organic Charter of the Information Security Management Committee

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## 2.3.4 Improvement of Governance Mechanism

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We strive to continually improve our corporate governance mechanisms, ensuring harmonization with international corporate governance developments and our evolution as a sustainable enterprise. momo appointed a corporate governance officer (CGO) to assist the Board with the performance of its duties, although it is not mandatory under the Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers. The Board appointed Vice President of Finance and Accounting, Gina Lu, as the CGO in October 2020. The CGO is responsible for all matters related to corporate governance, providing directors with necessary support, and promoting the continued improvement of all governance mechanisms.

## ● Key Corporate Governance Initiatives in 2021

## Strengthen the Structure and Operation of the Board of Directors

1. Convened 11 Board meetings with 100% attendance from all directors
2. Provided educational materials to all directors, covering director responsibilities and duties, resources, continuing education requirements, insurance coverage and compensation structure to facilitate director performance
3. Additional reports provided to the Board - Status of ethical business management and intellectual property management operations
4. Commissioned external professional organization to assess Board performance and corporate governance system (received certificate of high distinction)

## Protection of Shareholder Rights/Improving Information Transparency

1. Report on implementation of corporate governance presented at the Shareholder Meeting for the first time
2. Annual report was made available online 16 days before the Shareholder Meeting. The Chinese and English versions were both uploaded on the same day (exceeding statutory requirements)
3. Added disclosure of ESG information (corporate governance, CSR, stakeholders, risk and IP management operations, ESG risk assessment and related management strategies) to the annual report and corporate website
4. Hosted anti-insider trading courses

ESG Communication and Implementation/Refinement of  
Internal Rules and Regulations

1. Hosted in-person stakeholder forums for three consecutive years
2. Defined investor relations procedure
3. Amended the Ethical Corporate Management Best Practice Principles. Defined the Procedures for Ethical Management and Guidelines for Conduct
4. Updated the whistleblower incentive policy. Amended the Regulations Governing Management of Complaints on Illegal, Unethical, or Dishonest Behavior
5. Defined the Operating Guidelines for Management of Intellectual Property Violations
6. Added online IP courses

## 2.4 Risk Management Overview

potential risks so that early action can be taken and helps momo maintain steady growth. It also protects the interests of stakeholders so that we can fulfill our responsibility on social sustainability.

2.4.1 Comprehensive Risk Management  
Organization

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To strengthen our corporate governance, momo has developed a sound risk management strategy for identifying potential threats to the Company and keeping risks under control. In addition to the material topics identified for the year, we also constantly monitor emerging risks and climate change risks from around the world. Both were added as categories to the existing risk management structure as of 2020. The overall risk management situation will be compiled and reported to the Board on an ad hoc basis so that members can supervise management's ability to track and respond to company risks.

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## ● Threefold Assessment and Supervision Mechanism for Risk Management Operations

Under the Company's risk policy, the president is responsible for convening the competent units, based on the type of risk, and implementing risk management measures. Full participation in risk management by all personnel is emphasized and multiple layers of protection are enforced as the standard for effective risk control.

For emerging risks posing a threat to company operations, management must convene the units with the greatest potential exposure to discuss countermeasures, assess the likelihood of each risk factor, and the degree

of impact. External consultants may be called to advise if necessary. Impact factors are incorporated into operational strategy planning and existing internal controls and risk appetite are taken into account when making decisions. Once a decision is determined, risk countermeasures are carried out by the relevant units, including the implementation schedule and required sources. Management monitors the execution progress, adjusts the countermeasures as necessary, and reviews the resources needed in order to remain on track with company targets despite the emerging risks. The Auditing Office inspects each executing unit's compliance with a delegation of authority, management regulations and procedures to ensure proper risk management awareness and implementation by all employees.



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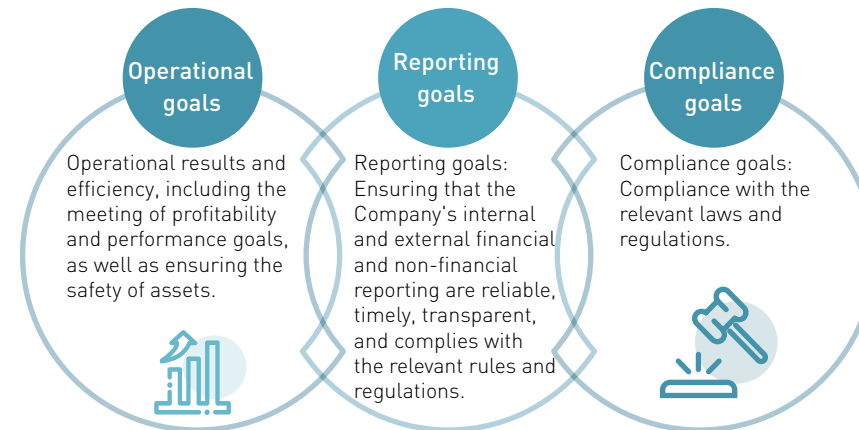


## 2.4.2 Established Risk Management Mechanism

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## ● Internal Control System

The internal control system of the Company is designed by managers and approved by the Board. The management process is implemented by the Board, managers and other employees. The goal of the internal system is to promote sound management and ensure that the following goals can be achieved through reasonable means:



## ● Supervision and Management of Internal Auditing Unit

The Company has established an internal auditing unit under the Board of Directors to independently assess, plan, and strengthen the review procedures for annual and special audits. The audits focus on the material operating risks identified by the Company, and cover the operational and management functions of the Company and its subsidiaries, including finance and sales. The audits aim to identify potential deficiencies in the internal control system in a timely manner and prepare audit reports that provide each unit and management with timely suggestions for improvement. The goal is to ensure that the internal control system can continue to be implemented in an effective and persistent manner. The Chief Auditing Officer is required to periodically report to the Audit Committee

and Board of Directors on the progress of auditing activities. In addition to routine audits, the internal auditing unit also supervises internal self-assessments by each Company unit and establishes a self-supervision mechanism. The self-assessment findings are used by the Board and the president to evaluate the overall validity of the internal control system and as the basis for issuing the internal control system statement. No deficiencies or anomalies in the internal controls were discovered during the 2021 audit. Recommendations relating to business flow were submitted to help each unit improve their quality of management.

## Internal Auditing Process



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## ● Risk Identification

Management identifies the main operating risks based on their experience and expertise and evaluates the source of such risk. Risk management is then enforced in accordance with the defined risk management policy.

Under the Company's risk policy, the President is responsible for convening the competent units based on the type of risk and implementing risk management measures. Full participation in risk management by all personnel is emphasized and multiple layers of protection are enforced as a standard for effective risk control. The functional committees are also regularly convened to ensure the effectiveness of related risk management strategies.

Key Operating Risks	Cause of Risk	Response
<b>Information Security</b>	Risk of company losses due to information system crash, backup failure, or security weakness.	Develop a comprehensive information management mechanism.
<b>Privacy Protection</b>	Potential risks to the Company from the unauthorized use, leak, tampering or damage of personal information due to negligence, malice, or natural disasters.	Enforce the Company's privacy policy.
<b>Business Disruption</b>	Risk of an accident disrupting business operations.	Enforce the prevention plan defined by the Company and look for ways to transfer the risk.
<b>Legal Risk</b>	Risk of financial loss or damage to business reputation due to non-compliance with regulations issued by the competent authorities, or a contract being invalidated due to the signed contract having no legal force, acting in excess of authority, loopholes, or inadequate specifications.	Pay attention to the latest regulatory amendments and business-related bulletins issued by the competent authorities, and periodically carry out the compliance self-assessment procedure.
<b>Operating Risk</b>	Risk of company losses due to inadequate operating systems, improper or negligent management and operation.	Adjust the operating rules or handbook based on actual operations when necessary and enforcing personnel education and training.
<b>Climate Change Risk (Note)</b>	Impact of extreme climate and natural disasters on company operations.	Identify the potential impacts to corporate operations for the corresponding measures and management approach to be carried out by the competent unit.

Note · Climate change risk is an emerging risk.

## 2.4.3 Responding to Emerging Risks - Climate Change Risk Management

momo recognizes that climate change and its environmental impact are increasing in severity. Environmental risk topics are expected to continue growing in importance within the next 5 to 10 years according to a 2022 report issued by the World Economic Forum. Given that environmental issues are expected to impact many company operations, the CSR Committee introduced the "TCFD Climate-Related Financial Impact Assessment" project at the end of 2020 to launch the Task Force on Climate-Related Financial Disclosures (TCFD) framework published by the UN Financial Stability Board. We identified potential climate risks based on the interrelationship between routine operational activities, services and our organization's environment. Risks were assessed to determine how acceptable they were before deciding countermeasures and management methods.





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	Disclosure	Approach	Action Plan	2021 Outcomes
Governance	Board supervision	<ul style="list-style-type: none"> <li>Establish clear reporting and climate change governance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>The Environmental Management Committee (including the members of the Environmental Management Working Group under the Sustainability Committee) is convened quarterly to evaluate performance and confirm work to be done. The contents and outcomes of meetings are then reported to the chairman and president.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen link between ESG performance and compensation. Weighting of ESG performance indicators linked to KPI was increased from 5% to 10% for executives.</li> <li>The Board of Directors approved an expansion to the scope of GHG inventory in 2021 and the commitment letter for Science-Based Targets initiative (SBTi) is expected to be signed between 2023 - 2024.</li> </ul>
	Management Involvement	<ul style="list-style-type: none"> <li>Strengthen implementation of ESG and climate change-related matters</li> <li>Focus on climate-related topics (e.g. response strategies and practices for climate emergencies and GHG reduction)</li> </ul>	<ul style="list-style-type: none"> <li>The working teams (Environmental Sustainability Team, Product Responsibility Team) of the Sustainability Committee headed by mid-level supervisors are responsible for implementing some of the response strategies for climate-related topics (e.g. marketing and promotion of sustainable products, GHG inventory and reduction).</li> <li>The Finance &amp; Accounting Division is responsible for the compilation and disclosure of related information</li> </ul>	
Strategy	Short, medium and long-term risks and opportunities	<ul style="list-style-type: none"> <li>Periodically identify the sources and scale of short, medium, and long-term physical and transition risks</li> </ul>	<ul style="list-style-type: none"> <li>Propose corresponding measures for improvements to routine operations or operational processes for short, medium, and long-term risks and opportunities.</li> <li>Short-term risks/opportunities - Extreme weather events (typhoon/torrential rain/drought)</li> <li>Medium-term risks/opportunities - Increased cost of GHG emissions</li> <li>Long-term risks/opportunities: Assess our business structure and look for new market opportunities in response to rising sea levels</li> </ul>	<ul style="list-style-type: none"> <li>For short-term risks/opportunities such as: extreme weather event (typhoon/torrential rain/drought) risks, momo is strengthening our self-owned green fleet. Procurement of electric vehicles is expected to start in 2022. A more efficient transportation model will be adopted to expand the scale of our services and provide green logistics.</li> <li>Strengthen collaboration with suppliers on the joint promotion of carbon reduction plans, use of circular boxes for incoming stock, and reducing waste of energy and resources.</li> <li>In response to medium-term climate risks, momo has introduced reusable bags, and developed more environmentally friendly alternative packaging materials. We are working with consumers to reduce carbon emissions together by using less materials and reducing delivery-linked carbon emissions.</li> <li>Solar power equipment was installed on vacant rooftops of company-owned warehouses to generate renewable energy for internal use. This initiative not only reduced carbon emissions but will also protect against the impacts of carbon taxes in the future.</li> </ul>
	Risks and Opportunities from Material Impacts	<ul style="list-style-type: none"> <li>For risks and opportunities that have a material impact on our operations, business and financial planning, their operational and financial impacts are assessed and response plans drawn up.</li> <li>Including climate change factors in business strategy planning and decision-making</li> </ul>	<ul style="list-style-type: none"> <li>Products/services: Climate anomalies have an impact on product development (sluggish sales of thermal insulation products due to warm winter) so predecessor activity must be evaluated in advance.</li> <li>Supply chain: Strengthen cooperation with suppliers on stock-in to mitigate supply problems caused by climate impact (typhoon/torrential rain/drought). Work with suppliers to jointly absorb and adjust for increase in delivery, warehousing and other operating costs due to rising temperatures</li> <li>Business activity: Evaluate the installation of renewable energy for internal use to reduce carbon taxes in the future.</li> </ul>	
	Scenario Analysis	<ul style="list-style-type: none"> <li>Evaluate introduction timetable</li> </ul>	<ul style="list-style-type: none"> <li>Scenario analysis is expected to be introduced within 3 to 5 years.</li> </ul>	



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Risk Management	Identification and Process	<ul style="list-style-type: none"> <li>Identify climate risks in terms of three aspects: degree of impact, likelihood, and potential vulnerability</li> </ul>	<ul style="list-style-type: none"> <li>Climate risk factors were identified and measured to generate a risk matrix. A total of 12 climate risk factors were identified with five being classified as high-risk, five as moderate risk, and two as low-risk.</li> </ul>	<ul style="list-style-type: none"> <li>"Climate Strategy" was added as a basic topic to this year's Sustainability Report along with the disclosure of related information. The potential impacts and opportunities of climate change on our own operations and value chain were identified so that corresponding policies and risk response measures could be defined.</li> <li>The momo Sustainable Development Best Practice Principles were amended to explicitly state that "the measures that the Company should adopt in response to climate change" should include but are not limited to climate-related topics. The impact and influence of climate-related topics should also be assessed and more robust disclosure of non-financial information provided.</li> </ul>
	Management Process	<ul style="list-style-type: none"> <li>Identify the existing response measures for material risks to control the damage by mitigating and transferring their impact on the Company</li> </ul>	<ul style="list-style-type: none"> <li>Scope of assessment already encompasses physical risk. The parts of the value chain that may be impacted (incoming and outgoing logistics / supply chain / product fragility), severity of impact (damage to assets/ supply chain and delivery interruption/ product damage / damage to employees and contractors) and probability (evaluate likelihood based on short-range weather forecasts) are all taken into consideration. Assessment will be expanded to include transition risks in the future.</li> </ul>	
	Integrated Management	<ul style="list-style-type: none"> <li>Incorporate climate risk management into the overall risk management policy</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate the climate change risk identification process into momo's integrated risk management framework through a holistic risk management policy.</li> </ul>	
Metrics and Targets	Evaluate Climate Risk Opportunities and Indicators	<ul style="list-style-type: none"> <li>Identify the material aspects and develop management approach for responding to climate change</li> <li>Look for new business opportunities in the list of opportunity factors to prepare for the future development of low-carbon operations and business</li> </ul>	<ul style="list-style-type: none"> <li>Conduct carbon emission, water, waste and energy inventories to develop absolute and intensity targets as well as low-carbon targets for regular management and tracking.</li> </ul>	<ul style="list-style-type: none"> <li>ISO 14064-1 was updated in 2018, so Scope 3 (types 3 ~ 6 under the new standard) inventory was added in 2021. Scope of verification will be progressively increased in the future along with periodic reviews of GHG reduction measures and outcomes.</li> <li>For information on our performance in "Green Logistics", "Green Packaging", "Green Operations" and "Green Consumption", please refer to Chapter 4 Environment Matters of this Report.</li> </ul>
	Scope 1, 2 and 3 GHG Emissions	<ul style="list-style-type: none"> <li>Continue to expand scope of inventory</li> </ul>	<ul style="list-style-type: none"> <li>Conduct GHG inventory in accordance with ISO 14064-1, identify and calculate emission sources with the assistance of professional external consultants, and obtain third-party verification.</li> </ul>	
	Targets and Performance	<ul style="list-style-type: none"> <li>Define targets for green operations (environmental management), green logistics, and green packaging for regular management and tracking</li> </ul>	<ul style="list-style-type: none"> <li>Develop and track the four main aspects of "Green Logistics", "Green Packaging", "Green Operations", and "Green Consumption."</li> </ul>	



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## Critical Climate Risks

Climate Risk Factor	Impact on momo	momo's Response and Action Plans
<div>Transition Risk</div> <div>Increased cost of GHG emissions</div>	<p><b>The competent authorities, laws and regulations are increasingly tightening their restrictions on GHG emissions. Potential carbon risks from GHG emission caps, carbon taxes, and carbon trading programs will directly or indirectly affect corporate operating costs.</b></p> <ol style="list-style-type: none"> <li>Increase in operating costs due to carbon taxes being imposed on momo.</li> <li>Increase in electricity costs and related expenditures due to need for momo to purchase/install renewable energy.</li> </ol>	<ol style="list-style-type: none"> <li>Track carbon emissions ▶ Continue to carry out and expand the ISO 14064-1 GHG inventory to provide disclosure on Scope 3 data and intensity targets. (Note 1)</li> <li>Upgrade operating locations with energy-efficient equipment ▶ Reduce electricity usage by converting offices to LED lighting as well as introducing LED lighting or energy-saving equipment at warehouses. (Note 2)</li> <li>Rooftop solar panels will be installed at South Distribution Center to increase the proportion of internally produced renewable energy.</li> <li>Continue to monitor the development of GHG management regulations in Taiwan as well as policies relating to carbon taxes and carbon trading.</li> </ol>
<div>Physical Risk</div> <div>Increase in extreme weather events - torrential rains, typhoon</div>	<p><b>Increase in operating costs from damage to physical assets</b></p> <ol style="list-style-type: none"> <li>Increase in repair and maintenance costs due to flood or fire damage to company assets.</li> <li>Losses from damage of inventory stock or spoiling of food due to flooding or power outages caused by natural disasters.</li> <li>Increase in building improvement costs due to the need to invest more money towards improving building resilience, installing uninterruptible power systems, and the repair/rebuilding of damaged facilities.</li> <li>Increase in associated insurance costs due to the growing frequency and severity of natural disasters.</li> </ol> <p><b>Loss of operating income due to impact on operating model</b></p> <ol style="list-style-type: none"> <li>Delays in product transportation and increased logistic costs during torrential rains and bad weather.</li> <li>Interruption of business operations due to office locations being exposed to risks such as power outages, transportation disruptions and building damage.</li> <li>Supply chain may be disrupted due to shortages in raw materials and products (e.g. honey) caused by extreme weather.</li> <li>Customer service affected by the loss of data due to data centers being impacted by bad weather.</li> </ol>	<ol style="list-style-type: none"> <li>Discuss responses to extreme weather changes with suppliers in advance to develop action plans for transportation and warehousing.</li> <li>Products and services ▶ Strengthen supplier cooperation on stocking if supplier is unable to make deliveries on-time due to natural disasters (typhoon, rain, fire).</li> <li>Inspect the fleet vehicles before dispatching and make a record of the weather if there is an accident (check whether weather has an effect on the probability of traffic accidents and find ways to prevent this).</li> <li>New warehousing should aim to become low energy buildings. Smart solutions for energy conservation, flood prevention, and coping with the urban heat island effect should be introduced into the building design.</li> </ol>
<div>Physical Risk</div> <div>Rising sea level</div>	<p><b>Restrictions on operating locations and related losses due to rising sea levels.</b></p> <ol style="list-style-type: none"> <li>Loss of property due to inundation of momo operating location.</li> <li>Increase in setup costs due to limitations on where operating locations can be built.</li> </ol>	<p><b>Warehouse construction and management</b> ▶ Geographic region and local environmental factors will be taken into account when selecting new warehouse sites in the future; short-chain logistics have been adopted at present to reduce consumer risk by allowing for the timely transfer of deliveries to alternate warehouses close to the consumer's location.</p> <p><b>Operations management</b> ▶ 24-hour operations at warehouses with horizontal coordination between local units in an emergency.</p> <p><b>Logistics transportation management</b> ▶ Integration of data systems to facilitate the transfer of orders and collaborate with multiple delivery services to compensate for the impact of climate risk on transportation capacity.</p>

Note 1 · Please refer to Chapter 4 Environmental Matters of this Report for Scope 1 and Scope 2 GHG data. Please refer to momo "Sustainability Goals" for the targets.

Note 2 · Please refer to Chapter 4 Environmental Matters of this Report for related outcomes.

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## ● Critical Climate Opportunities

Opportunity Type	Opportunity Name	Opportunity Description	Corresponding Development Plan
 Resource Efficiency	Use a more efficient transportation model	Use a transportation model that is more energy-efficient to improve operating efficiency and productivity, reduce operating costs, and boost revenue/profits.	Introduction of vehicle models with better energy efficiency. Electric delivery vehicles were introduced in 2022 to improve energy efficiency and reduce momo's operating costs. Suppliers are also encouraged to introduce more efficient transportation models.
	Adopt a more efficient production and distribution process	Use a more efficient production and distribution process to reduce operating costs as well as increase output and income.	momo worked with suppliers to pioneer new supply chain innovations. These not only reduced the use of plastics and packaging but also helped lower operating costs (e.g. introduction of circular bags).
	Resource recycling and reuse	Incorporating recycling into the design of raw materials and processes can reduce the amount of raw materials that need to be purchased and lower procurement costs.	Use of packaging that can be recovered and reused can reduce the amount of raw materials that need to be purchased and lower momo's procurement costs.
 Energy Structure	Use of energy with low carbon emissions	<ul style="list-style-type: none"> <li>Switching to low-carbon energy to reduce carbon emissions in response to carbon pricing not only lowers operating costs but also makes the business less sensitive to changes in carbon prices.</li> <li>Diversify risk from future increase in fossil fuel prices</li> <li>Low-carbon enterprises are more attractive to investors and enjoy better access to capital.</li> </ul>	Install solar power on vacant rooftops to reduce the use of carbon intensive energy.
 Innovation Products and Services	Develop or expand low-carbon products and services	Develop or expand low-carbon products and services to increase related revenues.	Sale of environmentally friendly and sustainable products through Green Life or TV shopping.
	Diversification of corporate operations	Develop or expand low-carbon products and services to increase related revenues and diversify operations.	Introduced company-owned green fleet with more energy efficient trucks and scooters.
	Shift in consumer preferences	Respond to changes in consumer preferences to secure a competitive advantage and increase revenues.	<ul style="list-style-type: none"> <li>TV shopping focused on the development of cooling clothing lines in response to the effects of the climate, season, and pandemic. We worked with Taiwanese manufacturers (MIT) and brands to expand our product supply chain.</li> <li>e-Commerce focused on eco-concepts and combined them under "Green Life." Regular front page exposure and regular outreach to members of the momo shopping network through marketing and media tools encouraged members to purchase environmentally friendly products. At the same time, members were invited to participate in environmental awareness events such as coastal clean-ups, tree plantings and energy conservation at different times.</li> </ul>
 Resilience (Preparedness)	Alternate resources and diversification	Improve supply chain resilience and adaptivity to ensure that a certain level of business continuity can be maintained under different environmental conditions. Products and services that ensure climate resilience were also used to boost related revenues.	momo worked with related suppliers to promote carbon reduction plans. An example of this was partnering with P&G on reusable logistics boxes.



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## ● Climate-Related Risks in the momo Value Chain



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## 2.4.4 Engaging in Risk Culture

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momo is committed to the practice of business ethics in accordance with "Integrity, our core value and philosophy. To give our internal and external stakeholders a better understanding of our corporate ethical guidelines and in the spirit of ethical business practices, the "Code of Ethics" was drawn up using the "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies". All directors, managerial officers and employees are expected to adhere to the Code. In addition to publishing the Code on the corporate website, momo also expects all employees to maintain a high level of personal integrity and professional ethics at work and when conducting company business. If any illegal behavior or violations of the Code of Ethics are encountered at work or when conducting company business, employees should also file a report or complaint, thereby upholding corporate practice and protecting shareholder interests.

## ● Code of Ethics

The momo Code of Ethics, published on the corporate website and internal employee website, sets out company expectations on corporate ethics, duties and responsibilities for all employees. The Code of Ethics was reviewed by the Audit Committee, implemented with the approval of the Board of Directors, and submitted to the Shareholder Meeting for reference. Compliance matters such as the Code of Ethics and Ethical Corporate Management Best Practice Principles are covered during orientation training for new hires and enhance employee awareness on rules relating to integrity, ethics, and trade secrets. New hires are also required to sign a declaration indicating their commitment to the employee code of conduct. Regular online courses and tests are held for current employees every year. Employee education on related topics is also conducted regularly. Performance evaluations take employee conduct in the workplace into account, with well-defined rewards or disciplinary action depending on their performance. Article 10 of the momo "Code of Ethics" requires employees to report suspected violations to the Code of Ethics to the Audit Committee, their manager, Chief Audit Officer, or other appropriate management personnel. They should provide sufficient information to facilitate follow-up by the Company. Complaints will be handled in strict confidence and the Company will do everything possible to protect the whistleblower.



Code of Ethics

## Compliance Management Mechanism for Ethical Conduct

## Prevention

- Employee self-review and self-reporting
- Employee education and training
- Continuous in-service education
- Stakeholder education and cooperation

## Inspection

- Internal auditing
- Internal/External reporting
- Administrative penalty/Legal action

## Reinforce

- Examine and analyze management mechanism outcomes
- Suggest improvement
- Implement improvement plan

## ● Ethical Corporate Management Best Practice Principles

The "Ethical Corporate Management Best Practice Principles" are published on the corporate website and internal employee website. It is also incorporated into the internal control system. The internal auditing unit is responsible for conducting internal audits to identify ethical violations and for making regular reports to the Board. The momo Ethical Corporate Management Best Practice Principles explicitly bans the offering and taking of bribes, illegal political contributions, improper donations or sponsorships, as well as unreasonable gifts, hospitality, or other improper benefits. It includes relevant preventive measures and procedures. Business transactions with parties that have a past record of unethical behavior should be avoided. Clauses on ethical conduct should also be explicitly stated in the relevant business contracts. Incoming employees, managerial officers and directors receive training upon hiring to ensure their familiarity and compliance with the rules. Online courses and training are held every year to strengthen their ethics and self-discipline. For business activities at higher risk of unethical behavior, effective accounting and internal control systems have been put into place. External and secret accounts are not used either. The system is continuously reviewed to ensure the continued effectiveness of its design and implementation.

Ethical Corporate  
Management Best  
Practice Principles

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## ● Well-Defined Whistleblower Mechanism

It is encouraged to report illegal activities or conduct that violate the Code of Ethics or Ethical Corporate Management Best Practice Principles in order to ensure proper enforcement. The "Regulations Governing the Handling of Complaints on Illegal, Unethical, or Dishonest Behavior" was created for this purpose. To establish effective internal and external whistleblower channels and processing mechanism at momo, the processing unit, complaint channels and procedure are explicitly noted on the corporate website and internal employee website. This ensures the proper enforcement of the Code of Ethics and Ethical Corporate Management Best Practice Principles created by momo while also protecting the legal rights of whistleblowers and corresponding parties.

Whistleblower complaints can be made through three channels: in person, over the phone, or by mail. An independent whistleblower contact (audit@fmt.com.tw) was also set up for the use of internal and external personnel. There were no employee violations of the Ethical Corporate Management Best Practice Principles in 2021.



Regulations Governing  
the Handling of  
Complaints on Illegal,  
Unethical, or Dishonest  
Behavior

## ● Human Rights Policy

momo believes that fostering an environment conducive to human rights is essential to sustainable development. We support and embrace international human rights conventions such as the UN "Universal Declaration of Human Rights", "Business and Human Rights Framework", "Global Compact", "International Labour Organization Conventions." We require suppliers and partners to ensure that there are no violations of human rights in their business activities, and to treat all internal and external personnel equally and with dignity. We are strengthening and improving internal employee and stakeholder human rights awareness through due diligence on human rights. Our human rights policy was implemented with the approval of the Chairman and is reviewed on an ad hoc basis.



Human Rights  
Policy

## ● Education and Training Performance and Outcomes

To ensure every employee knows their rights, as well as company policies and practices, new hire training is complemented by regular online education courses, testing and evaluations for all employees annually. Employees must complete the course and achieve a score of 80 to pass. The education program applies to all employees and was completed by 100% of employees regardless of grade, region, and gender.

## 2021 Implementation Outcomes

Topic-Related Courses	Number of Trainees	Sessions	Duration	Total Duration	Description
<b>New hire training</b> (online and physical courses)	890	54	3	2,670	Training completed by 100% of new hires. (Note)
<b>Employee Ethical Corporate Management Best Practice Principles, Code of Ethics Education, Anti-corruption and Anti-Bribery</b> (Online course)	2,658	1	1	2,658	100% of active employees completed the online course and passed the test while the course was conducted.
<b>Intellectual property rights and trade secrets</b>	2,370	1	1	2,370	
<b>Anti-insider trading</b>	2,625	1	1	2,625	

Note • New hire seminar runs for 3 hours. The course contents are as follow:

1. Human rights course (employees' rights, work rules and related management regulations, education on Gender Equality Act and Sexual Harassment Prevention Act, Grievance and Reporting Regulation, employee suggestion box, and explanation of complaint channels).
2. Employee Ethical Corporate Management Best Practice Principles, Code of Ethics, Trade Secrets Protection Act, intellectual property rights education, anti-insider trading education, anti-corruption and anti-bribery.
3. Privacy Protection Act, prevention of outsider hacker attacks and internal leaks, introduction to computer use, and Occupational Safety and Health Act.

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2.4.5 Compliance

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We continue to practice and actively strengthen our compliance management and we are working to establish a sound compliance culture. In addition to tracking and assessing existing regulations and assigning certain regulations to dedicated units, the Company has also devised various policies and rules for implementing compliance. Education and training are utilized to assist employees and related supplier partners with understanding the laws and standards that must be followed in their work. Finally, annual compliance self-assessments are conducted in conjunction with internal control operations so that each unit can examine their compliance performance during their year. The systematic approach outlined above is used to construct an effective safety net for preventing risk events.

momo adheres strictly to the relevant regulations and administrative directions issued by the competent authorities. Our internal process management mechanism is also revised and updated based on latest regulatory changes and new laws to ensure that all business activities are in compliance. In 2021, there were three incidents of marketing and promotion violations and no violations of

labor-related regulations. All of the fines have been paid in full. The corrective actions mandated by the competent authorities were immediately carried out and subsequent improvements were submitted to prevent further violations.

Violation Type	No. of Violations	Fine	Management and Corrective Measures
Violations of laws and voluntary standards on marketing and promotion (including advertising, promotions, and sponsorships)	3	NT\$400,000	Strengthen legal education and training on product advertising for vendors and business units

To cultivate a proper understanding of the law, the Legal Affairs Office continues to conduct legal education for suppliers and their employees on a regular and ad hoc basis. Important business laws and regulations are verified by the Legal Affairs Office based on the date of publication. The relevant units are then directed to disseminate and implement the information.

Implementation of Education and Training					
Category	Purpose		Target	Content	Sessions
External Suppliers	Legal education is provided by the Legal Affairs Office at the supplier conference every month. The teaching materials are also adjusted in response to regulatory changes.		Supplier	Legal education	Physical course 3 ~ 4 sessions
					Online course (Note)
Internal Employees	Direct Education	Legal Affairs Office provides online teaching materials for legal education to key units and the contents are adjusted in response to regulatory changes. On-site education can be provided by the Legal Affairs Office is a unit requires additional or tailored legal education.	Finance & Accounting Division	Trade secrets and insider trading	1 session
	Indirect Education	Legal Affairs Office assists other units responsible for education with the production of teaching materials for further legal education.	Each unit	Laws required for their business activities	Ad hoc

Note · Legal education for suppliers was switched from physical courses to online educational videos due to the COVID-19 pandemic.

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## 2.5 Supply Chain Overview

In line with the goal of "Partnership Matters", momo is implementing the Sustainable Living Blueprint. This includes collaborating with supplier partners to provide consumers with diverse, high-quality, and cost-effective products and services that are also environmentally friendly and socially responsible. Our priority is to convince society and suppliers that momo is the best supplier for "every matter" and this forms a key component in our push towards sustainability. To this end, we are firmly committed to maintaining a sound corporate structure, comprehensive information security, and a rigorous supplier selection process. In addition to requiring suppliers to provide high-quality products and after-sales service, momo also provides professional mentoring, consulting and open channels of communication on each operational aspect so as to build a complete supply chain. We will continue to maximize the value we create for shareholders, consumers, and supplier partners through exceptional business performance and long-term investment in order to become a sustainable brand.

### 2.5.1 Supplier Overview

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We have three types of suppliers - "Product Sales", "Logistics & Delivery", and "General Administration." The bulk of our suppliers are involved with product sales through TV shopping, online shopping, mail-order catalogs, and mobile shopping. Once the consumer places an order with momo, the goods are picked up, sorted, and packaged at the supplier or momo's warehouse then passed to the logistics vendor for swift and secure delivery into the consumer's hands. Logistic suppliers cover the distribution for each product type, including general goods, frozen and refrigerated goods, appliances, and large furniture, and are focused on improving delivery quality and efficiency. General administration suppliers are mainly responsible for all the civil engineering, civil construction, mechanical-electrical engineering, fire safety, air conditioning, cleaning, insurance and other repair & maintenance services essential to momo operations. They work behind the scenes to support our overall operations.

Our suppliers have continued to grow to keep pace with revenue growth and the expansion of distribution warehouses. As of 2021, we had more than 9,900

product suppliers covering every category from 3C, everyday items, domestic appliances, home goods, trending products, cosmetics, health, leisure, food and imported goods. Trending products is the largest category at 15.6%, followed by leisure books, home goods, food, and everyday items with each accounting for more than 10%. Each category's overall share ranged from 7.6% to 15.6%. The industry as a whole is growing steadily. New suppliers are being added to increase the diversity and comprehensiveness of our product range so that we can better serve our consumers. At the same time, momo is building a more extensive logistics system. The NT\$600 million Tainan-Yongkang Distribution Center was completed in 2020 and is now operational. The distribution center is also considered at the vanguard of our South Storage and Distribution Center. Ground was broken for the "South Storage and Distribution Center" in 2021 and once the center is completed and becomes operational in 2023, it will help stimulate the development of the local logistics industry chain. New suppliers and delivery providers in central and southern Taiwan can be developed and cultivated. To strengthen our short-chain logistics strategy, a total of 42 primary and satellite warehouses had been set up as of 2021. By coordinating deliveries with our subsidiary, Fu Sheng Logistics Co., Ltd., we can effectively reduce the distance that packages travel and carbon emissions. Enhancing the transportation capacity between "Distribution Centers", "Satellite Warehouses" and "Consumers" will provide local consumers with faster services.

momo has been actively accelerating the development of our blueprint for logistics services in recent years. We've also increased the proportion of green logistics by working brand-name vendors on the node removal plan and diversified distribution services. The node-removal program reduces delivery costs associated with routing goods through multiple hubs and greatly speeds up delivery time. Diversified distribution services included store pick-ups at the four convenience store chains, Taiwan Mobile stores, and EZPost lockers. These pickup locations are spread throughout Taiwan and offshore islands providing consumers with self-service pickup 24 hours a day, every day of the year. These not only increase the density of in-store pickup locations but also allow for more flexibility on time and location. By reducing the distance and trips required for end-to-end delivery, carbon emissions can be reduced. At the same time, it expands our Taiwan-wide network for fast and convenient delivery services, promotes environmental sustainability, and boosts the business performance for all partners.





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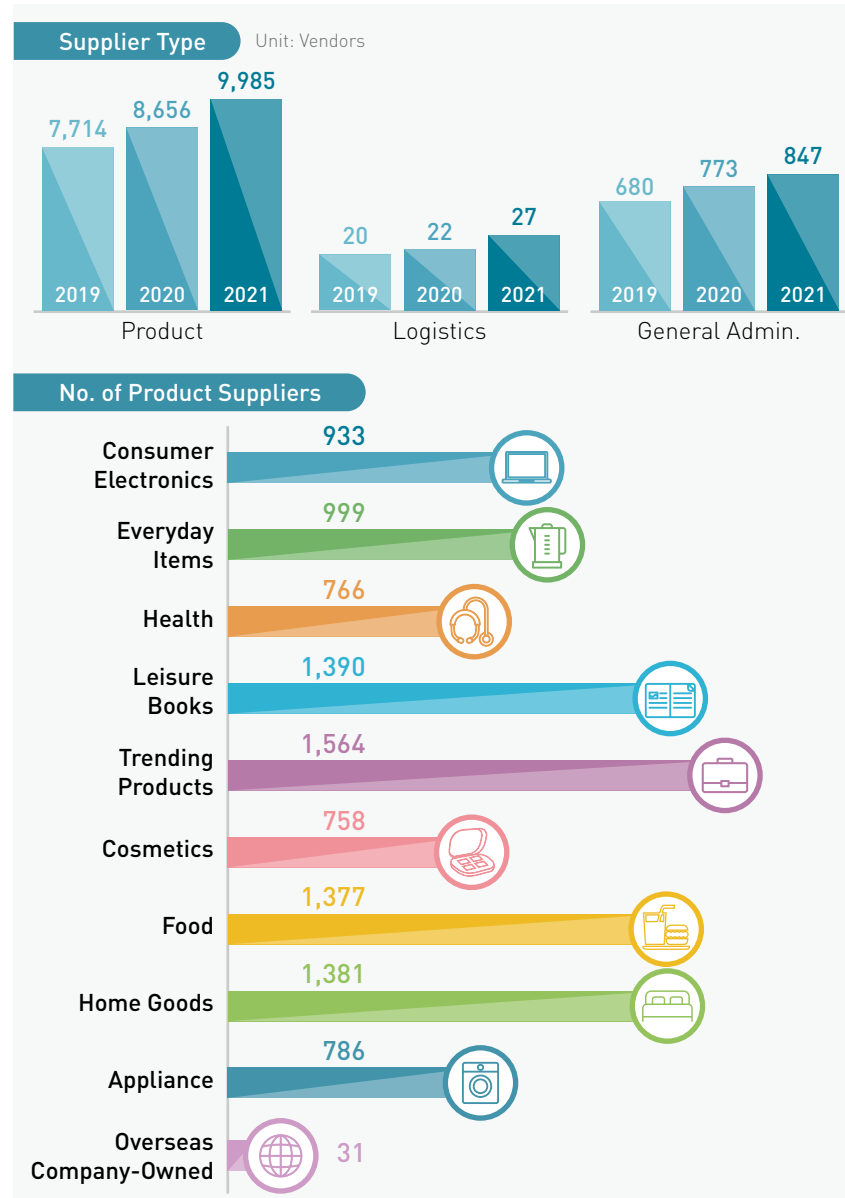
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## 2.5.2 Supplier Selection and Assessment

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## ● Supplier ESG Management

As an e-commerce platform, we are committed to enhancing the sustainability philosophy of suppliers and we hope that all of the suppliers we work with can make a contribution to CSR. The "CSR Best Practice Principles" we issued covered the following four areas: labor and human rights, health and safety, environment, and ethical guidelines. Suppliers must agree to adhere to these principles before their products can be listed for sale and they must sign the "Ethical Business Management Statement." In 2021, there were more than 9,900 suppliers and a 100% signing rate. An online announcement is made every year for effective management and regulation.

## ● New Supplier Selection

More than 2,200 product suppliers, committed to ethical and proper management practices, completed the review process and joined momo in 2021. All suppliers, irrespective of type, are subject to rigorous review and controls in four aspects. New suppliers must not only pass a review on basic corporate governance and financial structure but also sign clauses relating to privacy rights, personal information regulations, ethical business management statement, product intellectual property rights, and information security. Only when they comply with the relevant social standards can they become a momo partner. Supplier completion rate was 100%. All products must have suitable product liability insurance to protect consumer rights. For special products (e.g. medical devices, food, and high-value boutique products), suppliers are required to sign a letter of undertaking and relevant certifications required by law. Once a product in any category is submitted by a supplier, they will be asked to provide the necessary supporting documentation to ensure consumer peace of mind when consuming or using the product.

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## ● Four Aspects of Supplier Selection

01

Supplier Review  
and Management

In order to become a momo supplier, a company must be registered with the competent authority, actively engaged in proper business activities, capable of providing quality products at very competitive prices, give great importance to customer satisfaction and service quality, and have a sound financial structure.

02

Privacy Policy and  
Duty of Confidentiality

Suppliers must have implemented measures essential to the protection of trade secrets and personal information. The personal details of customers should be strongly encrypted in accordance with personal information protection regulations. Supplier partners may not abuse their management privileges to engage in the unauthorized collection, processing and use of personal information, or disclose them to third parties.

03

Ethical Business  
Management Statement

To enforce our ethical management policy, establish a sound business framework, and promote sustainable development of the company, all employees and supplier partners are prohibited from providing or accepting improper gifts or benefits such as bribes, commissions, kickbacks or hospitality whether directly or indirectly.

04

Copyright  
protection

We comply with copyright laws and regulations by requiring suppliers to guarantee that they have legal rights to any data, graphics, or documents they supply.

## ● Regular Assessments of Current Suppliers

momo monitors the operating status of suppliers through our regular business contacts with them. If there are any concerns over product quality or violations of the law, then sales are temporarily suspended. Depending on the scope and severity of the situation, dedicated personnel may be assigned to provide counseling or assistance, or the business relationship may be terminated altogether. A supplier health exam is conducted every month or up to every six months for suppliers with a lower level of activity, based on the scale of their business and account transaction. This is done to determine whether to continue developing future business opportunities.

momo is committed to protecting brand reputation and eliminating counterfeit goods. Before products can be sold, a written review is conducted in Phase One to examine information such as the supplier's profile, sales platform, and market rating. An on-site quality management inspection is conducted in Phase Two to assess sourcing, warehouse management, operating status and other items. For cosmetics and health food products, manufacturer certification must be examined first to decide whether a manufacturer audit is required. The audit process includes checking the environment, production process, as well as the quality controls for raw materials and products. Domestic food and cosmetics factories must hold either a GMP, TQF, cGMP, ISO 22716, HACCP, ISO 22000 or ISO 9001 certification to ensure that their products comply with government regulations and satisfy momo's management requirements during manufacturing. An on-site inspection must be conducted for non-compliant factories to verify the documentation for production processes from stock-in to end product, production and inspection equipment, environmental hygiene and waste management, and protective measures for production personnel. This is to ensure full compliance with regulations governing food and cosmetics factories. Audits must be conducted every three years or when their certification has expired. momo enforces strict safeguards on product quality and safety. Products may only be sold once we confirm that the factory is compliant or satisfies the relevant government regulations. As of 2021, 508 suppliers have completed the certification or factory audit process.

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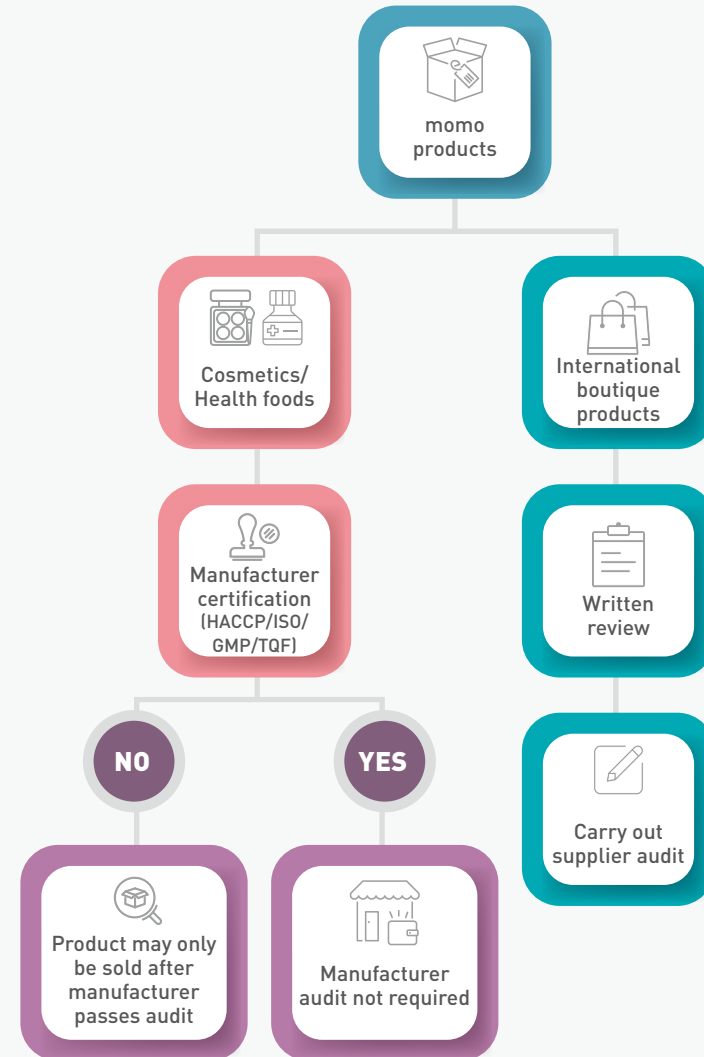
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## Regular Assessments of Suppliers



## ● Protecting Information Security with Supplier Partners

momo complies with the ISO 27001 and BS 10012 information security management system standards. In addition to information security and protection policy education to increase supplier awareness, in 2021 specialists were assigned to conduct on-site inspections of eight suppliers that needed to strengthen their information security. Some of the inspections were conducted as telephone interviews due to COVID-19. A supplier privacy protection self-assessment mechanism was also launched to examine the six following areas covered by "Cyber Security Management Act": "personal information rules", "external business platform", "order processing process", "protection of delivery information", "internal computer security", and "personnel and physical security." The suppliers were provided with advice on protective measures as part of collaborative effort to build a secure and reliable information security environment.

## 2.5.3 Supplier Collaboration

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momo considers suppliers to be key partners in corporate sustainability and shares the experience gained in this field with them. We also assist and mentor suppliers on strengthening their risk management in order to build a more robust supply chain. We leverage our advanced digital technology to provide consumers with a highly-accessible platform and multi-dimensional sales information so that suppliers can become more closely integrated and grow together with us.

momo invites all product suppliers to collaborate on innovative operations. To take advantage of third-party logistics and warehouse resources, once goods arrive at Taiwanese ports they are delivered directly to the nearest momo warehouse in northern, central or southern Taiwan. This reduces transport distance and streamlines stock-in at supplier or momo warehouses for different sales methods. Every node removed means one less trip needs to be made resulting in less impact from carbon emissions. In addition to lowering logistics costs and increasing effective warehouse storage, this also enhanced our collaboration with third-party teams. In 2021, we expanded the number of participating suppliers and products to greatly reduce supplier delivery costs. Delivery volumes grew by 112% and cut carbon emissions by 47.48 MT. We introduced reusable logistic boxes for stock-in at suppliers as well. We believe that the use of eco-friendly carriers for stock-in will help reduce carbon emissions from packaging materials and their subsequent processing. In the future, momo will continue to expand the number of participating suppliers and carbon-reducing initiatives so as to fulfill our green logistics and low-carbon transportation promise, and work together to build an environmentally sustainable business.

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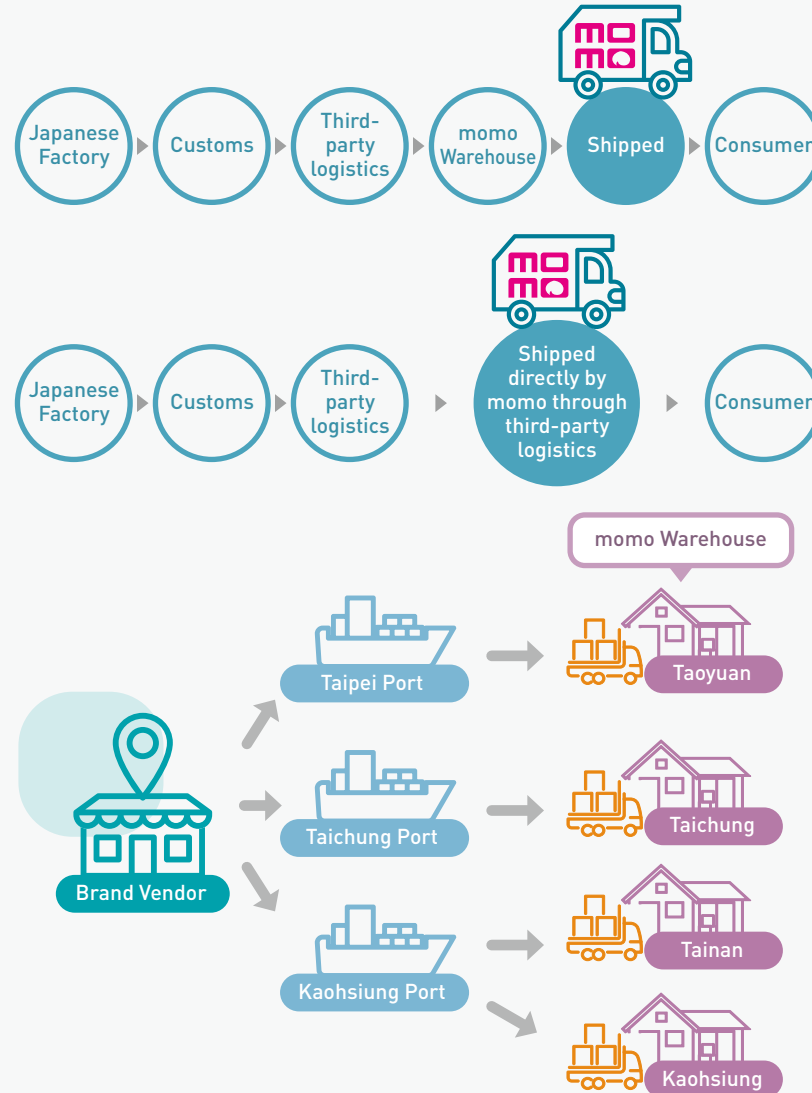
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## Supplier Collaboration - momo Node Removal Plan



## ● Supplier Education and Training

Supplier education and training is conducted online or offline. Online education and training consist of video tutorials on systems operation, lecture notes on operational processes, and FAQs. Offline education and training include assigning vendor service representatives to each supplier for providing one-to-one consulting and troubleshooting. We also regularly conduct group classes and computer demonstrations with professional instructors in northern, central and southern Taiwan and host workshops on SCM operation, after-sales service, marketing promotions, accounts and legal affairs.

We hosted 38 online and offline supplier information sessions and courses during 2021. A dual-pronged approach, that combined support and counseling through personal consultations, videos, lecture notes and FAQs, helped suppliers to seamlessly maintain continuity of operations despite employee turnover, system upgrades/modifications, and changes in operating processes. We continued to run the "SCM Classroom" and the videos received more than 50,000 views during 2021. Online learning resources were consolidated to design phased learning programs on various topics tailored to the supply chains of different industries and covered every stage of operations - product presentation, regulation, advertising and marketing, sales analysis, stocking and consignment, transportation and delivery, and customer service. To meet online learning needs, new content is regularly added in response to common problems reported in supplier feedback. This aided suppliers in learning quickly and efficiently while also improving their operational management and technical ability. Since every employee plays a role in supporting our suppliers, we also hosted 14 internal training sessions on contracting and consignment for business units. Eight system training sessions were also held for front-line vendor service personnel to deliver professional supplier service management.

## ● Supply Chain Information Security Management

momo partnered with Taiwan Mobile Group to pioneer the momo secure communications platform, a first for Taiwan's e-commerce industry. The personal telephone number on home delivery forms is now presented as a code instead. Logistics personnel can use the code to call the recipient and complete the delivery successfully without personal information being shown on the delivery

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form. There were more than 5,100 participating vendors at the end of 2021. momo's mentoring of product suppliers and logistics providers on the use of the momo secure communications platform greatly reduced the risk of personal information being leaked during delivery. 100% of suppliers are expected to adopt the secure communications platform and reduce privacy risks during delivery in 2022.

At the same time, we are strengthening our inspection and management of information security on the supplier side by implementing real-time risk management. If information security at a vendor is suspected to have been compromised, an investigation is launched into all connected vendors and the SCM suspension mechanism activated. On-site inspections or telephone interviews on information security are also organized. Suppliers with information security are rigorously vetted with well-defined conditions on severity of leaks and restoration of privileges. In terms of preventive risk management for information security, the privacy protection self-assessment mechanism has now been introduced by all suppliers. Suppliers must complete the online self-assessment before they conduct business with momo. More than 2,000 suppliers completed the online information security self-assessment at the end of 2021. Password and data protection for the SCM system was upgraded to improve information security and reduce the risk of leaks.

### ● Supplier Management System and Service Area

The Supply Chain Management (SCM) digital platform serves as the medium for online communication between momo and suppliers. It pushes out material on information security, government directives, regulatory changes, and CSR best practice principles to suppliers on a regular basis. "Online Consent Forms" outlining changes to collaboration guidelines are issued on an ad hoc basis to suppliers to sign online. The SCM platform provides content such as online and offline supplier conference courses, SCM video tutorials, and handbooks. At the end of 2021, 38 sessions of online and offline supplier conference courses were held, and multimedia teaching materials for SCM Classroom were viewed more than 50,000 times. A total of 13 learning handbooks, 30 learning videos and 131 FAQs were uploaded as well. Consolidation of the SCM Classroom increased the use of multimedia teaching by 34% year-on-year. We are consolidating our

online one-stop service to support our partnership model with business clients, distributors and suppliers. We plan to integrate the supplier service area with B2B recruitment in the future. An online contract review mechanism will be launched through the service area to create an online real-time digital supply chain service platform.

### ● Supplier Networking

We aim to build a stable and long-term partnership for mutual growth with suppliers, working together to establish a sustainable supply chain. Exploration of partnership opportunities and sharing of experiences will be used to establish a constructive engagement model. Due to COVID-19, our regular supplier networking events and award presentations for outstanding suppliers were reduced to one-on-one or small-scale events. We continued to improve and refine our systems, processes and other services through quality management and goodwill visits to managers to promote the balanced and sustainable development of the economy, society, and environment.





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## Customer 3 Matters

This chapter corresponds  
to 5 main stakeholdersGovernment  
organizationsShareholders/  
Investors

Customers

Suppliers

Employees

Communities  
and NPO/NGO

Media

Performance  
HighlightsMore than  
**3.47 million** product  
items available for saleNon-conformity rate from  
annual testing kept below  
**1%**Customer complaints  
over serious quality  
anomalies kept below  
**0.003%**

(based on testing in three main areas)

momo North  
Distribution Center  
obtained **SGS ISO 9001**  
quality management  
system certificationOverall score from 2021  
customer satisfaction  
survey was **85**

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Management  
Policy

## Dedicated Management Unit

- ESG Committee - Merchandise Responsibility Team and Customer Commitment Team

## momo's Promise

- Value customer rights by supplying compliant products through a comprehensive quality inspection procedure.
- Provide consumers with a more convenient and enjoyable shopping experience by optimizing their shopping experience.
- Safeguard consumer information by continuing to strengthen privacy protections and information security management practices.
- Promote win-win outcomes for environmental protection and consumers by supplying products (foods) and services that have a positive effect on consumer safety and the environment.
- Continue to promote environmentally friendly procurement practices to build a green economy industry together, retire products and services with environmental concerns, and welcome a new lifestyle of sustainable consumption.

## Investment of Resources

- momo laboratory is continuing to develop new tests. A test for product quality assurance salmonella was successfully developed in 2021.
- Dedicated personnel assigned to operating, maintaining and promoting the "Green Life" online store.
- Continued to refine the customer complaints channel to ensure a swift response to customer needs.
- Set up the "Information Security and Personal Information Protection Management Review Committee." The Committee is made up of vice presidents and section chiefs from each unit appointed by the chairman and oversees the safety of customer information.

## Management Approach and Assessment Mechanism

- Quality management system introduced by warehouses to standardize operating procedures and optimize work flows.
- Testing and inspection categories established to focus on corrective, preventive, and regular testing. Corresponding penalties were also defined to track and monitor product quality.
- Suppliers with a higher rate of stock anomalies undergo tracking and management to reduce the anomaly rate.
- Weekly project progress reviews, fortnightly mechanism progress reviews, as well as monthly performance reviews and planning of promotional activities conducted by Green Life to attract more consumer members.
- Strengthened the quality of warehouse inventory with additional analysis and testing of non-conforming products. Temperature and humidity controls were also introduced to reduce the chance of spoilage to products.



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## 3.1 Quality Merchandising Overview

Due to changes in consumer habits, e-commerce has become a highly competitive sector where many companies are battling to become the market leader. momo sells quality products and engages in responsible product disclosure with the goal of extending our core business and working with consumers to develop a sustainable consumption framework. Products sold by momo encompass everything including food, clothing, accommodation, travel, education and recreation. In 2021, the number of products listed for sale exceeded 3.47 million. We also sold more than 88 million pieces of products during the same year.

momo is committed to stable, high-quality products and services. Our safety web of three main quality inspections keeps non-conforming products from reaching consumer hands. We also implemented controls to keep the non-conformity rate during annual inspections under 1%. Thanks to the vigilance of our employees, the non-conformity rate was below the target value in 2021. If any consumer complaints regarding product quality are received, the product is recovered for inspection and the stock are also examined as well. We responded actively to consumer complaints and enforced strict product quality standards that kept our annual customer complaints over quality anomalies below 0.003% for the year.

### 3.1.1 Product Inspection, Discrepancy and Prevention Management

416-1

momo places great importance on product safety as a principle of sustainable consumption. We conduct safety inspections for all product types and take responsibility for ensuring consumer peace of mind. Suppliers go through a careful screening process and are contractually required to supply compliant and properly labeled products. momo has also put into place other measures, such as mystery shopper and audits. For product quality assurance, momo sets up the "Quality Management Department" and continues to invest in quality, ingredient, source, and Chinese labeling testing to ensure compliance. On the logistics side, momo turned quality management into a part of the distribution center's DNA.

When the ISO 9001 quality management system was introduced at the North Distribution Center at the end of 2019, a task force headed by top executives was formed to realize the integration of all logistics operations and meet the highest quality standards.

The combined efforts of all employees made momo's North Distribution Center become the first e-commerce distribution center in Taiwan to receive "ISO 9001 quality management system" certification from SGS in July 2020. "ISO 9001 quality management system" surveillance status was also obtained from SGS in 2021. ISO education and training was also strengthened for everyone from managers to employees to promote consistency across the momo logistics and warehouse system and to lay down solid foundations for the sustainability of the organization.

Note · The ISO 9001 quality management system certificate please see Appendix p.141. Certification is valid for three years and reviewed annually.



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Strengthening of Perishables and Freshness Testing

momo believes that in addition to food safety, consumers are becoming more discerning about ingredients. A voluntary test for salmonella was developed by the momo laboratory in 2021 and used to test the freshness of raw food products subjected to processing and heating. Testing compliance rate in 2021 was 100% and we will continue to carry out quality checks for consumers in the future.



Product Inspection



Ingredients	Compliance and whether it poses a health hazard
Source	Legality of the source
Labeling	Information transparency
Quality	Functionality and safety testing



General products	Commodity Labeling Act
Packaged foods and staple foods	Food Safety and Sanitation Management Act, Nutritional Claims of Marketed Packaged Foods Regulation, Food Administration Act
Cosmetics	Cosmetic Hygiene and Safety Act
Medical devices	Regulations for Governing the Management of Medical Devices, Pharmaceutical Affairs Act etc.

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### • Three Main Types of Product Inspections

Our quality commitment to consumers is one of momo's most important business topics. Product compliance and labeling is reviewed and verified through a safety net based on three types of inspections - corrective, preventive, and periodic - to foster a positive experience for consumers.

Inspection Type	Corrective Inspection	Preventive Inspection	Periodic Inspection
Product Type	Products with quality anomalies, high return rate or risk <small>(note)</small>	Safety inspection - momo Laboratory, standard quality inspection, high-value product quality inspection	Perishable products, boutique products, brand-name cosmetics, best-selling foods
Inspection Item and Method	<p><b>Inspection of suspect products ▼</b></p> <p>Products with quality anomalies, high return rate or risk are recalled or undergo proactive sampling, quality assessment (food), or checked in response to consumer complaints. The status of products still in inventory is also checked in a timely manner. Findings are reported to the product development (sales) unit and supplier to prevent a repeat of the same customer complaint.</p> <p><small>Note · high risk products: refrigerated foods, perishables, and those prone to damage.</small></p>	<p><b>Safety inspection - momo laboratory ▼</b></p> <p>momo takes safety even more seriously than consumers. The momo laboratory was set up in 2015 due to our insistence on "It's not a question of doing, but what more can be done." All personnel have basic testing qualifications and are continuing to hone their skills. In 2021, a total of 175 tests were conducted with a non-compliance rate of 1.14%. We also developed a test for salmonella. Non-compliant products are immediately delisted and removed from sale by momo to protect consumer safety.</p> <p><b>Standard quality inspection ▼</b></p> <p>For stocked products, random sampling is conducted for each lot upon arrival in accordance with the internal sampling plan. Non-stocked products are ordered for sample testing. Multiple checks are conducted in accordance with the "Product Inspection Standards" to ensure the correctness of the products.</p> <p><b>High-Value Product Quality Inspection ▼</b></p> <p>For international boutique products and jewelry with high unit value, suppliers are required to place their products in the inventory. Video surveillance is conducted by quality control throughout the process to ensure the quality matches the sales specification. Sealed boxes are shipped as is to ensure product quality. Non-stocked products are ordered for sample testing.</p>	<p><b>Perishable products ▼</b></p> <p>For products that spoil easily, the inventory is inspected on a regular basis. Temperature and humidity controls have also been introduced to reduce the chance of spoilage.</p> <p><b>Brand-name Products Audits and Sampling ▼</b></p> <p>For international boutique products, brand-name cosmetics, and best-selling foods sold through all momo channels, suppliers must voluntarily declare the source of their products or provide proof of purchase. Random audits are conducted by Quality Control during sales to check for authenticity. All products are immediately delisted if any anomalies are found.</p> <p><small>Note · Sample testing of supplier products was conducted by momo in 2021. One of the suppliers claimed that its products were natural gemstones but anomalies were picked up during testing. A third-party laboratory was commissioned to examine their claims and identified 20 cases of false marketing.</small></p>
2021 Inspection Volume (cases)	1,539	62,233	269,407



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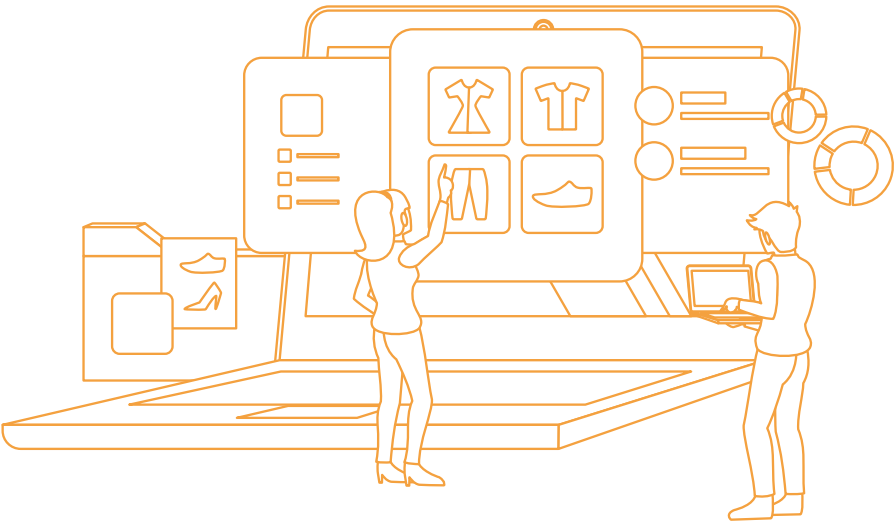
### ● Anomaly Management and Prevention Mechanism

If a non-compliant product is already listed, then momo immediately activates the quality control mechanism. These controls range from additional inspections on incoming products through supplier management to the inspection and delisting of all products. This ensures that abnormal products are not shipped to consumers and prevents a repeat of the same customer complaint.

#### Management Mechanism 1 Anomaly in incoming Products - Supplier Management

##### Explanation of product quality control mechanism

For anomalies in incoming products, a management mechanism was added at the end of 2019 allowing Quality Management Division to calculate the quantity of abnormal products received from the supplier each month. The supplier is immediately added to the "Abnormal Supplier List" if a product reaches 10 pieces or more. If a supplier is listed for two consecutive months, then it is treated as a non-compliant supplier and an anomaly processing fee is imposed. Additional product inspections will also be conducted for the next lot of incoming products. At the end of 2021, only 0.4% of suppliers were charged an anomaly processing fee.



#### Management Mechanism 2 Anomaly in Listed Products - Compulsory Delisting

##### Explanation of product quality control mechanism

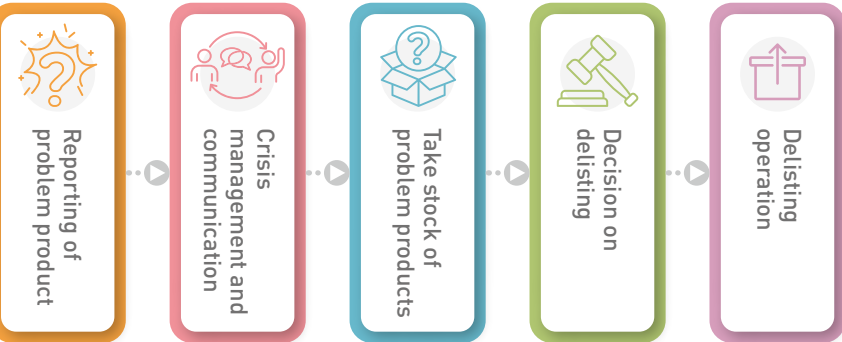
In addition to sample testing requested or conducted at momo by the competent authorities, we also voluntarily monitor media and government information releases on a regular basis. If there is concrete information then we take stock of all channels, notify the relevant personnel, and delist the product reported in the news. For controversial products that comply with the law, we will ask the supplier to cooperate with preventive delisting, depending on the circumstances, in order to uphold our business philosophy of "professionalism" and "integrity."

Example: The Department of Health of New Taipei City discovered that Chanyue International Co., Ltd. was using nitrogen gas cylinders marked as "Not for food use" during the packaging of rice crackers. When momo was notified of this situation, we immediately took stock of all online products and delisted them as a preventive measure to protect consumer rights and health.



News link

For products delisted over quality issues, suppliers must carry out corrective action and undergo verification by momo's Quality Management and Product Development (Sales) units before they can be relisted. For serious incidents involving business reputation (e.g., counterfeit goods) then a decision is made on whether to remove all of the supplier's products to ensure that consumers can purchase safe products.



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### 3.1.2 Product Labeling Management 417-1 · 417-2

momo believes that the integrity of product labeling depends on proper management at the source. Suppliers are therefore contractually required to ensure that all product labeling complies with the law. In 2021, momo audited and delisted 1,086 products. By providing suppliers with assistance on full and transparent disclosure of product information, 414 products have since been relisted for sale.

#### ● Food Traceability and Tracking

Food safety is of great importance so food traceability management was strengthened by momo for consumer peace of mind. The Ministry of Health and Welfare bulletins on food safety and hygiene quality require a tracing and tracking system to be set up for products, raw materials, and final products produced by food companies above a certain size based on the industry model. Information on packaged milk powder, milk formula and seafood are electronically uploaded every month (supplier, expiry date, shipping date, etc.). If there is a food safety incident, the system allows for the effective tracing of the product source and destination.

Data Upload			
	2019	2020	2021
No. of Products	1,497	1,880	1,895
Total Records	100,544	172,368	253,675

### ● Product Copy and Expiry Date Management

- **Copy :**  
The product copy, product packaging and package inserts are subject to review to avoid claims of therapeutic effects or other false and misleading claims. We aim to provide consumers with factual and reliable product information to reduce consumer disputes and set an example for sound business practices.
- **Expiry Date Management :**  
To prevent consumer harm from expired products, as well as protect momo’s inventory assets and business reputation, all momo products must comply with the “Expiry Date Management Rules” to ensure that no expired products are purchased by consumers. We also sell expiring or promotional products at a suitable discount. We hope this will reduce unnecessary waste by ensuring that every product can be purchased and put to good use by our customers.

#### WEEKLY REVIEW

Prepare weekly review list

Product expiry date < momo acceptance date

#### AGREEMENT

Promotional pricing agreement

Supplier agrees ► modify product exposure  
Supplier disagrees ► withdrawal

#### EXPIRATION

Minimum expiry period - Withdrawal

Food < 20 days  
Other < 3 months

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### 3.1.3 Environmentally Friendly Product Development and Sales

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momo actively promotes environmentally friendly and quality local foods across all channels. We advocate products that save power, save water, contain natural ingredients, or use organic raw materials to gradually phase in responsible sales. momo sells quality products that are friendly to the environment through TV shopping and online shopping, our two biggest channels. We also actively advocate the ideals of sustainability to create more intangible value for products.

#### ● TV Shopping - Promoting Green Consumption

momo TV Shopping observed, through our long-term production and broadcasting of TV programs, a growing interest in healthy food ingredients and health supplements among senior citizens and women, both key target demographics. The increased popularity of low-carbon vegan diets meant greater willingness to purchase products with professional quality certifications. The push towards "Customer Matters" from 2020 was maintained by TV shopping. An action plan to strengthen green marketing and promote green consumer action plan targets was devised in 2021. The development of "local products and green foods" was set as a key business priority, focusing on "local agricultural specialty products and MIT merchandise" and "green foods" (products with Health Food permit + organic foods). We continue to carry out our core values and sustainability by actively reaching out to consumers to communicate our philosophy on sustainability and focusing our efforts on increasing the number of product items offered.

#### ● Local agricultural specialty products and MIT merchandise

In 2021, the TV channel continued to cooperate with farmer and fishermen associations throughout Taiwan on product development projects. This included the sale of export-grade regional specialty products and the launch of one-off products every quarter. When fresh produce became all the rage among consumers once COVID-19 broke out, e-commerce platforms became one of the few industries to buck the trend of an economic-wide downturn. momo TV engaged in advance planning to take advantage of contactless business opportunities during COVID-19 and encouraged the at-home audience to acquaint themselves with purchasing agricultural specialty products through TV shopping channels. Seasonal delicacies as well as products that are ready to eat, easy to

cook, and contain immunity-boosting nutrients all proved highly popular with consumers.

momo TV shopping also produced videos on the stories of local producers to give consumers a closer look at the work of farmers and fishermen. In addition to continuing to raise the quality standards for product development, momo TV shopping also supported the entry of local farmers and fishermen into e-commerce. A one-stop service approach was adopted to cultivate regional leaders among farmers and fishermen for a win-win outcome.



For the development of MIT merchandise, momo TV shopping continued to promote and cultivate well-known local Taiwanese brands throughout 2021. In previous years, the new year banquets we developed were either OEM or niche brands. For 2021 however we focused on product lines from local household names and hotels. During the COVID-19 pandemic, we partnered with local vendors to create epidemic prevention products for outside use that were made in Taiwan, such as face masks, sprays, and disinfectants. Consumers were offered a one-stop shop for epidemic prevention and household supplies that allowed them to shop in safety. This also made local suppliers more willing to deliver products of the best possible quality.



momo TV shopping continued to introduce local Taiwanese merchandise in TV shopping catalogs during 2021 and ended up with more than 4,387 related product items. Future product development will continue to focus mainly on providing consumers with products that are certified as environmentally friendly and socially responsible.

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## ● Green Foods

In recent years Taiwanese consumers have begun looking beyond price in their lifestyle and product selections. Now there is a greater willingness to purchase food products with a professional certification of quality. For this reason, momo TV shopping maintained the same product development focus from 2020. We not only sold more products that were accredited by trusted local certification bodies (mainly products with Health Food permits/Taiwanese organic agricultural product CAS certification/Tse-xin Organic certification/Eco Garden certification), but also set annual targets for the development of green foods (Health Permit + organic food products) (A total of 119 product items with Health Permit + organic food certification were put on sale in 2021).



momo TV shopping continued to support local Taiwanese vendors through actual sales. More diverse sales techniques were employed to introduce local Taiwanese green foods to meet the needs of consumers and safeguard the health of our fellow citizens by promoting quality products that really make a difference.

## ● Internet Channel

momo embraces our service philosophy of "every matter, matters to momo" and we use our channels to bring truly great products to consumers. By helping consumers find and buy the products they want more quickly and easily, our channel is valuable and satisfies consumer requirements. At the same time, we regularly review all of the products available for sale online to ensure that the momo shopping network maintains a certain standard of service. At the end of 2021, there were 3.47 million products listed on the momo shopping network. This represented an increase of 490,000 items compared to 2020.

momo strives to select sustainable and eco-friendly green products from the millions of products we sell. To ensure that being environmentally friendly is not simply co-opted in the search for profits, momo uses professional judgment to select eco-friendly products that better reflect the ideals of sustainability for consumers. momo Green Life is a longstanding initiative that has undergone several adjustments to its mission over its history. A strict selection criteria is applied to ensure that only products with the proper certification and permits can be listed in Green Life.

As of 2021, the bulk of the products in Green Life obtained international certification or equivalent certification marks. The 11 international certifications included COSMEBIO certification standard, Australian Certified Organic (AOC), ECOCERT mark, BDIH (Germany) and USDA. We also added 674 carefully vetted products during the same year, including household cleaning, foods and other products. The COVID-19 pandemic led to people spending more time at home in 2021. Environmental and clothing disinfection products were in demand with a shift towards cleaning products billed as natural, anti-bacterial and free of chemical additives. Green Life's cautious approach to product selection provided consumers with the options they were looking for right away.



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## 3.2 Consumer Experience Optimization Overview

"Every matter, matters to momo" is our core brand value. We provide products and services that consumers need in their life through a variety of channels, including TV, Internet, catalogs, mobile shopping (App), MOD, and Heran Internet TV. We are always putting ourselves in the consumer's shoes to come up with more innovative and accessible services. The consumer's shopping experience is important to us. Since the launch of our consumer platform, we've worked to build a simple, convenient and welcoming shopping environment, with fast delivery once an order is placed and other considerate services. momo's commitment to consumers can be found at every stage and in every link.

### 3.2.1 Sustainable Consumption Advocate

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Nearly ten million online members are serviced by momo. We combine TV and Internet shopping trends to use our platform resources for product cross-selling. Online and interactive services are provided through social media, such as Facebook and LINE, to satisfy the shopping needs of consumers. momo supports the ideals of sustainability, eco-friendliness, and protecting the planet. We recognized that consumers today now think more about their health and that of their families, as well as environmental responsibility in their purchasing decisions. momo decided to try and build a platform for supporting a healthy lifestyle and thus "Green Life" was born. By creating a dedicated area with its own team, momo hopes that more consumers will see and purchase green and sustainability-related products. A dedicated team develops monthly promotions and marketing resources were boosted to craft a matchmaking platform for green products that draws consumers and suppliers together. For consumers, this means peace of mind in their purchases, while suppliers are more willing to provide a greater variety of green products.

Changes in shopping habits saw momo shopping network's annual traffic hit 1.3 billion visits in 2021 for an annual growth rate of more than 24%. Internet shopping is therefore the main sales channel for momo now. Live streaming has now become a part of everyday life too. momo is actively reaching out to top influencers and live-streaming platforms to provide consumers with quality streaming content and to boost live streaming sales for the momo shopping network.

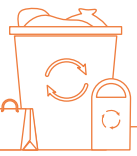
### ● Green Life

"Green Life" not only provides regular exposure on the homepage for eco-friendly products but also hosts activities that promote environmental awareness at various times such as coastal clean-ups, tree plantings and energy conservation. momo members are invited to physically take part too. We leveraged our platform resources to promote environment-related knowledge and events. We hope that members take eco-friendliness into account in their buying decisions so that we can protect the planet together. During 2021, more than 40,000 people joined us in looking after the planet through Green Life resulting in the number of products sold growing by almost 60% while turnover grew by 68%. 1,594 members joined O'right in supporting "Earth Hour" by switching off unnecessary power supplies together. Nearly 300 momo members and employees joined "Formosa County Beauty" for coastal clean-ups at Wamushan in Keelung and Feicuiwan in Wanli, New Taipei County.

momo will continue promoting the ideals of eco-friendliness in the future. We will not only try to expand the product line-up at Green Life but also aim for 25% annual sales growth. In 2022, we invited momo employees to participate in the "Earth Hour" international environmental protection movement. momo employees and members were asked in April to join in turning off the lights for one hour to draw public awareness to climate change and the problems facing Earth. momo there joined the world in supporting Earth Hour in Taiwan. We also partnered with Green Peace to launch the "Earth's New Voice" event and hosted environmental seminars and courses on DIY cup sleeves and straws. We took the lead on environmental protection, promoting environmental awareness to our members so as to ensure we protect the Earth's environment together.







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## 3.2.2 Convenient Customer Access

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We are now in an age where customer needs and shopping behaviors are changing at a rapid pace. In recent years, e-commerce has become a fast-growing sector. To meet expectations when it comes to ease of shopping, we put ourselves in the customer's shoes and continue to refine and innovate our platform with multimedia streaming technology, home delivery services, and third-party payment. Responding to the challenge posed by changes in digital, we are focusing on customer satisfaction and are providing customers with a wide range of convenient services while continuing to refine our website's product search technology. Our technological prowess is being harnessed to upgrade our shopping experience as we embraced on six innovative service projects in 2021.

## Highlighted Projects 1

- Merged seven types of shopping carts so that customers only need to go through check-out once.

## Strategy/Purpose

Seven types of shopping carts (standard home delivery, fast delivery, refrigerated home delivery, electronic tickets, downloads, single store checkout, were merged into one shopping cart to speed up the checkout process for consumers. Related functions were optimized as well.

## Innovation Highlight

Other than one-stop checkout, consumers can also tick the shopping bags or products that they wish to checkout and avoid repeatedly adding/removing products.



## Highlighted Projects 2

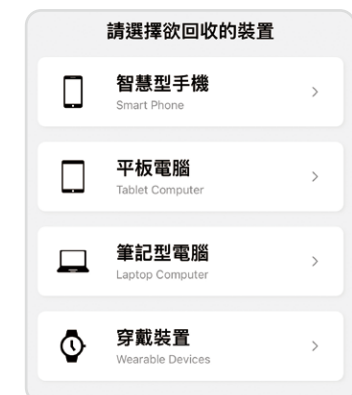
- Bonus Rewards for Recycling Used Mobile Phones

## Strategy/Purpose

To promote the circular economy philosophy and solve the problem of fast obsolescence with a low recycling rate for mobile phones, momo partnered with Idea Mobile Tech. This partnership allows users to apply to recycle used mobile phones through the momo shopping app. This helped users find a suitable recycler and also increased their willingness to recycle by offering bonus rebates when phone is recycled.

## Innovation Highlight

In 2021, we added applications to recycle 2 tablet models, 49 types of mobile phones, wrist watches and notebook computers. The products were inspected and bonus rewards paid to customers based on their recycling value.





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## Highlighted Projects

3

## • Winning Invoice Printing Area

## Strategy/Purpose



To reduce the number of times that consumers did not receive registered mail containing their winning invoice, consumers can now use the self-service kiosk at their local convenience store to print out their invoices and redeem their prize right away.

## Innovation Highlight



The winning invoices from user purchases at momo were tallied and a tutorial on how to collect the prize at convenience stores was provided. Users can now redeem their prize more quickly and conveniently.



## Highlighted Projects

4

## • Bill payment allows momo members to pay for a variety of utility bills through the App

## Strategy/Purpose



The membership center App provides a portal for bill payments including: Taipei Water, telecommunications (including Taiwan Mobile, Chunghwa Telecom, T-Star, and Far Eastone), street parking (New Taipei City, Taichung City, Changhua County, Chiayi City, Kaohsiung City), and tuition fees. Other bill payment services, such as hotel and travel bookings, are planned for the future so that momo can become every member's lifestyle assistant.

## Innovation Highlight



Tuition fees were added in 2021 and payments could be made via credit card and debit card.





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## Highlighted Projects

5

Satisfaction survey for scheduled  
delivery

## Strategy/Purpose



To improve scheduled delivery services for special products (appliances, furniture), a satisfaction survey is conducted after delivery, allowing users to make initial complaints or assessments of service process and quality. momo collates the feedback and works together with distributors on refining the scheduled delivery service.

## Innovation Highlight



The satisfaction survey is sent by SMS or e-mail to the user after product delivery. Feedback is automatically collated by the system and supplied to momo sales and distributors for further optimization of the service process.

**momo 購物網**

親愛的用戶您好，  
感謝您在momo購物網購物，訂單編號：  
30200918065743。  
誠摯邀請您對於本次購物的滿意程度給予評分與意見  
回饋。

1. 廠商主動致電確認訂單  
☒ 是 ☐ 否 ☐ 沒意見

2. 廠商清楚告知加收費用、偏遠地區/樓層搬運/組裝/  
區域運費  
☒ 是 ☐ 否 ☐ 沒意見

3. 送貨日前有提醒通知  
☒ 是 ☐ 否 ☐ 沒意見

## Highlighted Projects

6

## Popular Tag Recommendations

## Strategy/Purpose



Consumers browsing product categories on the momo website not only see similar products recommended directly by the system, but also other recommendations based on a combination of product specifications and attributes for that category. The additional recommendations during consumer browsing enhance the product search experience for users.

## Innovation Highlight



The information in the Popular Tags section on the product page is sourced from a combination of product-related specifications. When a consumer clicks on the tag, the system recommends products with matching attributes.



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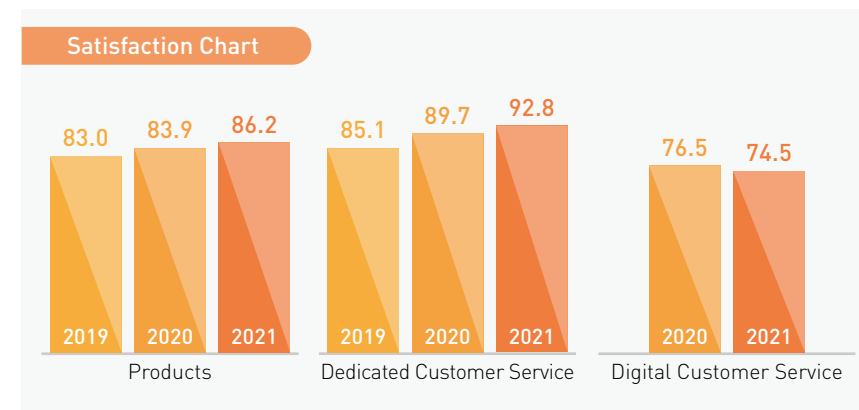


## 3.2.3 Customer Satisfaction Survey

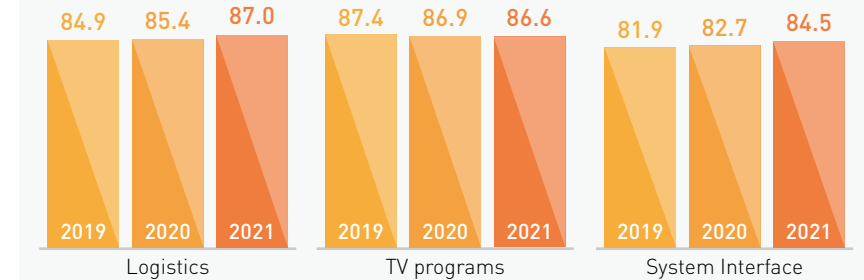
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The establishment of momoco digital customer service and refinement of web services meant that consumers began turning to the website for service. Feedback is now being communicated through the website instead of the traditional 0800 telephone channel. Since 2019, the number of online customer service requests has been growing at an average rate of 3% per year. To learn how consumers rate the products and services provided by momo, at least one customer satisfaction survey is conducted from all channels each year. The survey serves as a key indicator for improving product and service quality. Our customer satisfaction survey produced an overall score of 85 in 2021. The scores for product, dedicated customer service, logistics service, and system interface aspects have been improving since 2019. Customers have, therefore, recognized the improvements made in these areas.

In keeping with the current trend towards online services, we began including consumers that used digital customer services in the satisfaction survey in 2020. In 2021, however, there was a small drop in satisfaction with digital customer services. Feedback also indicated that consumers wanted the AI to provide solutions rather than just give answers. Our focus in 2022 will, therefore, be on adding more functionality and optimizing the content of responses to improve the overall user experience. The drop in satisfaction for TV programs indicated that consumers expected more complete product information during the programs. In light of this, momo has set a goal for continued improvement in this area.



Satisfaction Chart



## 3.2.4 Enhancing Customer Experience

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## ● Strengthening Digital Services

As the demand for self-service grows yearly, momo aims to provide customers with a faster and better service experience. As of 2021 applications to return fresh, cooked, refrigerated and frozen products could be processed directly through the interactive voice response system without any intervention from customer service personnel. momo shopping network's digital customer service also optimized its user interface and responsiveness to provide a more user-friendly experience. System integration technology was enhanced to automatically check the order status, provide the required service, and reduce the frequency of referrals to live customer service. For example, if a customer inquiries with digital customer service about a malfunctioning product, then a series of simple questions are posed to help the customer troubleshoot the problem. If a customer reports that a product return still has not been picked up by logistics personnel a significant amount of time after the request was made, digital customer service can immediately confirm through the system that the pickup deadline has been exceeded. The customer problem is then automatically logged and a response is provided online. In addition to the online services mentioned above, further improvements are being planned by digital customer service. More manpower will be invested to improve user experience and faster processing times. We hope that fully-developed digital services will reduce the reliance on live customer service representatives and provide customers with a satisfying and enjoyable self-service experience.

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● Convenient Feedback Channels

momo has set-up a variety of convenient service channels, including 24-hour 0800 toll-free service hotline, website, e-mail, AI customer service, and customer service chat. We value every consumer's opinion and respond to 100% of consumer service requests. When a consumer is connected to our customer service center, their suggestions are logged in the system and then forwarded to the units responsible for implementing improvements. They may also be discussed at cross-departmental meetings, if necessary. In terms of tracking and managing service requests made by customers, momo has set target indicators - 7-day closure rate for business matters, 24-hour closure rate for website cases, and 4-day closure rate for major cases. The indicators are periodically examined to ensure that all consumer requests are satisfied.

# 3.3 Cybersecurity Protection and Privacy Overview

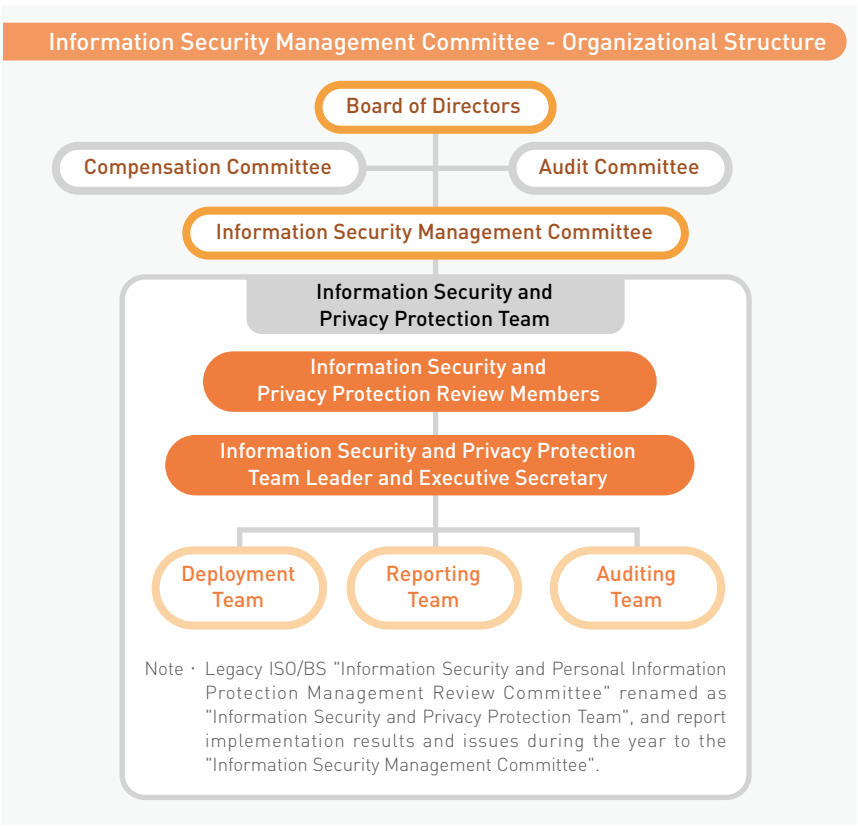
momo has long worked to implement information security and privacy protection. In November 2009, we obtained ISO 27001 information security certification from SGS Taiwan and have continued to renew our certification every three years. In 2018 and 2021, we expanded the scope of our re-certification process to include our logistics business. This will ensure that consumer details are highly protected with multiple layers of information security, and it will maintain the validity of our certification.

## 3.3.1 Cybersecurity Governance Framework

103-1 • 103-2 • 103-3 • 102-44 • 418-1

The Information Security Committee was set up by momo in 2009 to develop information security operations. In 2018, the Information Security Committee was renamed as the "Information Security and Personal Information Protection Management Review Committee" to strengthen our protection of personal information. We review our information security policy and implementation progress on a regular basis. To control and supervise information security

risks and to strengthen the competence of the Board, an "Information Security Management Committee" was established under the Board of Directors in 2020. The "Information Security and Personal Information Protection Management Review Committee", set up as a requirement of ISO 27001 and BS 10012, was renamed the "Information Security and Privacy Protection Team". The team reports the results during the year to the "Information Security Management Committee", in accordance with the articles of the ISO and BS management systems. To integrate our information security management and personal information management system standards, when the certifications came up for renewal in 2021, we moved from BS 10012 to the ISO 27701 information security management system standard to maintain the validity of our certification.





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Committee and Group Operations

Information Security Management Committee

- Committee Composition** : The Board resolved that the Committee should comprise of at least three directors with more than half being independent directors.
- Meeting Frequency** : The Committee convenes once a year or, for material topics, with the consent of the convener.
- Role and Responsibility of Committee Members** :
  - Review of information security management policy, devising of information security management structure and organizational functions, as well as periodically reviewing the development, deployment and results of the Company's overall information security management mechanism
  - Review the information security management mechanism of new businesses
  - Review the damage report and response measures for major information security incidents
  - Review matters covered by standards or requirements set out by the competent authority, Board of Directors, or various information security policies that need to be reported to the Board.

Information Security and Privacy Protection Team

- Reviewer Composition** : The top decision-makers from each division and office are appointed by the president to review the information security and privacy policy, annual risks, and implementation status.
- Meeting Frequency** : Committee convenes once a year or, for material topics, with the consent of the president.
- The Team has three subordinate teams with the information security and privacy group leaders and executive secretary managing and overseeing the activities of each team:
  - Audit Team** : Made up of personnel from the Auditing Office and conducts an internal audit every six months.
  - Deployment Team** : Generates and maintains documentation in accordance with rules and regulations.
  - Reporting Team** : When an information security incident occurs, the relevant personnel convene to plan the response, study improvement and preventive measures, and manage personal information files.

3.3.2 Cybersecurity and Management

103-1 · 103-2 · 103-3 · 102-44 · 418-1

Cybersecurity Risk Identification, Assessment and Exercises

The Information Security and Privacy Protection Team conducts a risk assessment of information security and system assets every year. Aspects assessed include confidentiality, integrity, probability and compliance. Suitable control and response mechanisms are established for high risks, and business continuity exercise plans are developed for core IT systems and new equipment. Annual exercises are held to manage business risks. The computer storage system hardware and data communications links within momo data centers are managed directly by momo. High-traffic activities are assessed every year to deliver faster processing speeds, shorten page loading times, and strengthen the overall infrastructure.

Security Topic	Protective Measure	Benefits
Theft or improper use of customer's personal information	1. Purchase of "Data protection liability insurance."	1. Reduce compensation risk for the Company
	2. Carry out penetration tests and fix weak points	2. Improve website and level of protection
	3. Information security education	3. Enhance employee information security awareness
	4. DLP e-mail personal information protection system	4. Protect e-mail against personal information leaks
	5. Supplier shipping encryption mechanism	5. Reduce shipping information leaks
Enforce information security	1. Continue to strengthen information security and privacy management system	1. Continue to obtain ISO 27001 and BS 10012 certifications to demonstrate due diligence in management
	2. Implement basic information security standards for mobile App	2. Obtain App 3.0 certification and upgrade app security
	3. Partitioning of intranet and Internet	3. Prevent malicious attacks
	4. Management of account with special permissions	4. Avoid operating risks
	5. Information security control center - Push cast notification for large/small network login, strengthen password rules for members, detection mechanism for malicious registrations.	5. Strengthen protective mechanism
Continuous monitoring and improvement	Defining of various metrics	Gradually raise the standard of information security indicators

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### Cybersecurity Education and Training

momo employees and managers undergo at least four hours of online cybersecurity courses and testing each year. IT personnel are required to undergo at least 6 hours of training, and information security personnel must undergo at least 16 hours of training every year. Information training courses are held at various times.

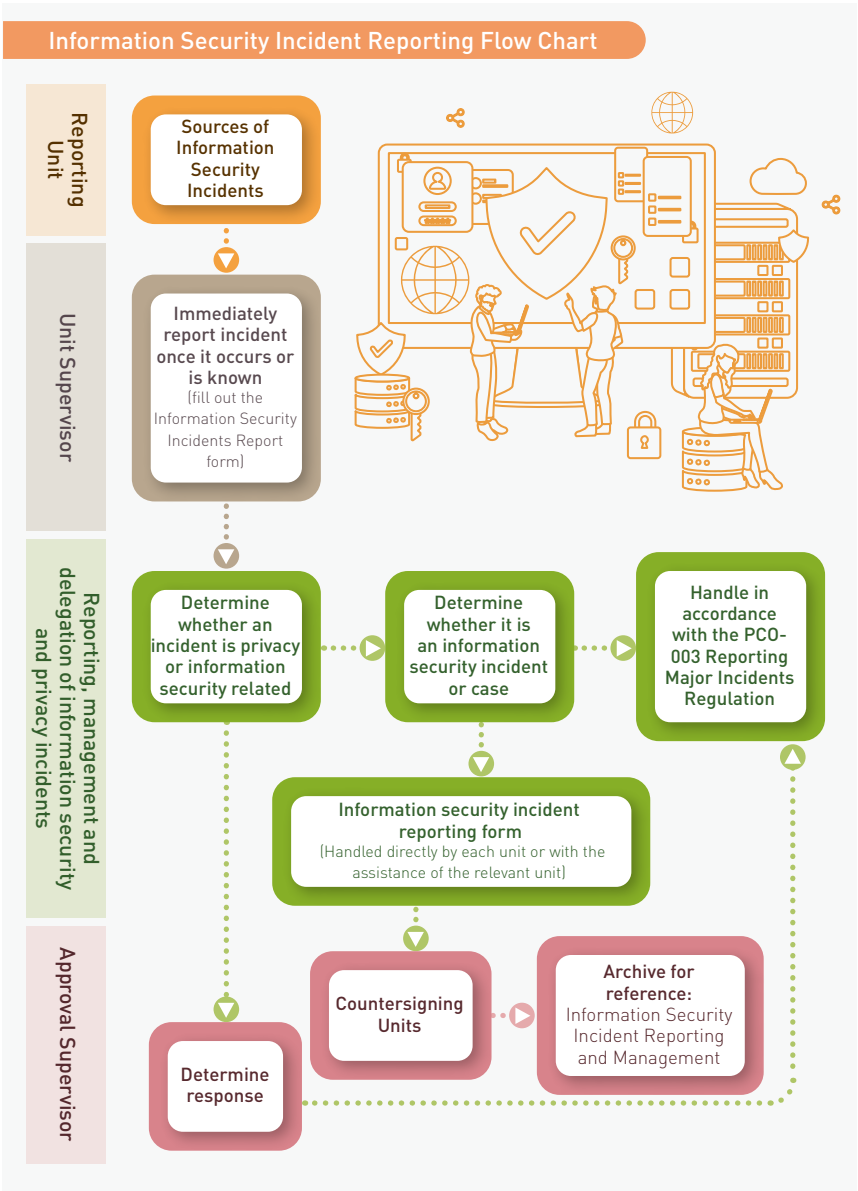


2021 Course Name	Duration	Attendance
Application of Personal Information Protection Act	1	2,468
Defend Against External Hackers	1	2,538
Protect Against Internal Leaks	1	2,576
Application of Protection Against Social Engineering Attacks	1	2,745
New Hire Training	1	890

Note 1 · Application of Protection Against Social Engineering Attacks: A new course launched in December 2021.  
 Note 2 · New Hire Training: The course covers basic information security and introduction to computers on the first day for new employees.

### Information Security Incident Reporting

momo defined the "Information Security Incident Reporting Guidelines" for reporting and handling information security incidents. The guidelines cover ownership, incident classification, reporting procedure, assessment and decision-making. The IT unit must troubleshoot and resolve information security events within the target processing time. Root cause analysis and corrective actions must be adopted once the incident has been resolved to prevent any further recurrence. There were no information security incidents in 2021.



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## 3.3.3 Protection of Customer Information

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momo strives to enforce proper information security and protection of personal information, safeguarding both the Company's information security and consumer's peace of mind when shopping online. Between 2019 and 2020, we underwent the verification process for personal information management system (PIMS) (BS 10012) to maintain the validity of our certification. In 2021, we moved from BS 10012 to ISO 27701 personal information management system to integrate our information security and personal information management standards. Certification and assurance of personal information security was subsequently obtained. momo will conduct annual verifications and triennial re-certifications to ensure the continued validity of our certifications. All of our mobile apps (the three iOS and Android apps for momo shopping network, momo shopping channel, momo mall) have obtained the App 3.0 basic information security mark so consumers can feel safer during use.

momo has developed a comprehensive system to protect customer's personal information, and confidential and sensitive data. To prevent internal leaks, the Information Security and Privacy Protection Team conducts at least two internal audits every year to confirm that operating guidelines are being followed by our personnel. We continue to refine the security design and continually monitor the system structure. Protective measures, such as network partitioning, access control, internal/external weak point management, and intrusion detection, enhance system reliability.

## ● momo Privacy Policy

To protect consumer privacy, a "Privacy Policy" section on the momo website details how we collect, process, use and manage consumer data. When consumers are contacted about our marketing activities, the event page details the channel and contact method for indicating that they no longer wish to receive momo marketing services. In addition to complying with the "Personal Information Protection Act" of R.O.C. and related regulations, momo also drew up the "Information Security Incident Reporting Guidelines" and "Personal and Sensitive Information Security Protection Guidelines." Every person must have proper authorization in order to process and use essential data.



As of December 31, 2021, momo has not introduced rules requiring an opt-out option for the collection of personal information that requires or does not require consent. We did not share, sell, rent or distribute in some other manner data or information to a third-party. All personal information is currently encrypted. Information is retained for five years in accordance with government regulations and operating guidelines. There is no use of customer information for retargeting either.



Privacy Policy

## ● Customer Personal Information Management

In 2021, there were six reports of potential privacy incidents. These were investigated and no impact on consumer rights was found. Analyses of related events in the media determined that criminal groups were using credential-stuffing (common passwords) attacks to fraudulently log into member accounts and obtain transaction information. Major improvements in password guessing speed and technology meant that conventional passwords were now less secure. In response, momo shopping network, mall and TV app all strengthened their reCAPTCHA mechanism during 2021. In the future, AI verification will be introduced and combined with sending a SMS verification codes (OTP) when necessary. At the same time, anti-fraud messages were added to the website to educate consumers on the latest fraud tactics and to keep consumer information secure.

## ● Introduction of PCI DSS to Protect Transaction Safety during Electronic Payment by Consumers

As the leader of Taiwan's e-commerce industry, momo channels process millions of credit card transactions every year. To strengthen the protection of consumer credit card payment information and transaction security, PCI DSS verification was completed in 2019 Q1 to protect the security certificates of consumers during electronic transactions. Growing sales meant that credit card transactions continue to rise as well. In March 2021, Level 1 compliance certification was obtained. Further verification will be conducted every year to maintain our certification and effectively reduce the risk of the card-holder details being leaked.

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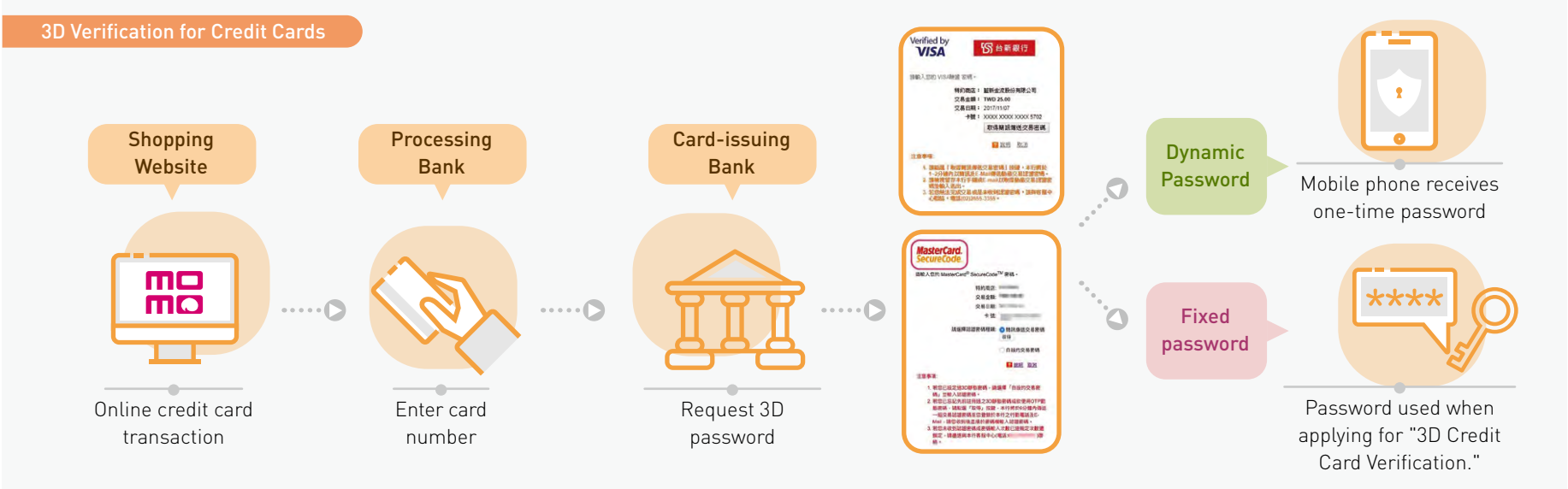
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● 3D Verification for Credit Cards to Reduce Risk of Fraudulent Transactions

momo has begun introducing 3D verification for credit cards to reduce the risk of fraudulent transactions for consumers. The service is an information security verification mechanism launched by international card-issuing organizations such as Visa and MasterCard. The service ensures that consumers use their own credit card to make payments when shopping online. This provides enhanced security, double the protection, and effectively reduces the risk of fraud.

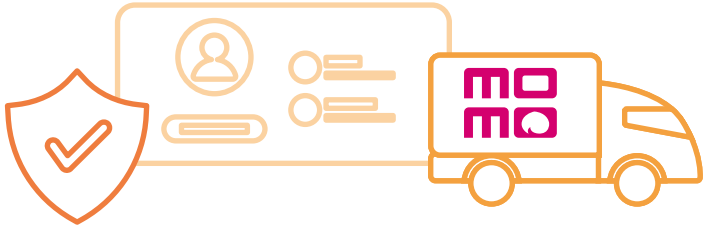
When a consumer uses a credit card issued by a bank offering 3D verification services on the momo shopping network to conduct special product transactions, the online payment process is forwarded to the card-issuing bank and a verification code is requested. The code will vary depending on the card-issuing bank and may consist of a One-Time Password (OTP) or fixed password. Once the processing bank confirms with the international credit card certification system and card-issuing bank that the data and password are correct, the credit card transactions is complete.

Note · "Special products" refers to products that match the risk management conditions issued by the momo Finance Department.



● Call Forwarding (IVR) and Number-Hiding on Home Delivery Bills

momo introduced the logistics call forwarding service (IVR) in 2021. Consumers' telephone numbers are encoded and personal details, such as consumer name, telephone number and address details on the home delivery bill, are hidden. momo's goal is to eliminate personal information leaks during delivery, making consumers feel safer while shopping on the momo platform.





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**SDG 17**

Highlight

**Cybersecurity matters,  
matters to momo****Personal Information Protection Action Plan**

Protect consumer's personal information by developing logistics call forwarding service (Interactive Voice Response, IVR).

**Implementation**

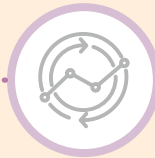
momo partnered with Taiwan Mobile to introduce the IVR service. Logistics can use the code to contact the recipient to prevent theft or personal information leaks.

**Action Target**

- Completed the development and software and hardware deployment of the IVR system in the first half of 2021.
- Introduced IVR in the second half of 2021 for all suppliers that use third-party logistics for shipping. All consumer telephone numbers have now been switched over to codes.

**Outcomes**

- Planning started at the end of December 2020.
- Development commenced after initial decision was made in early 2021.
- The call-back and call assistant functions were progressively rolled out in April 2021. This service was the first of its kind in the industry.
- Roll-out of the service began in July 2021. As of October 2021, 5,100 suppliers have introduced this service.
- Since the service went live, momo has not appeared on the high-risk outlet rankings of the National Police Administration of the Ministry of the Interior's 165 anti-fraud hotline.

**Future Plan**

momo will continue to expand this service from supplier distribution and purchase orders to include shipping orders for contract warehouses, reverse logistics (product return) orders, and, eventually, fast delivery orders. momo will also continue to optimize the system through further refinements.



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## Environment Matters

4

This chapter corresponds  
to 2 main stakeholdersGovernment  
organizationsShareholders/  
Investors

Customers · Suppliers · Employees

Communities  
and NPO/NGO · MediaPerformance  
HighlightsNeihu head office and North  
Distribution Center obtained **ISO  
14001** Environmental Management  
System certificationCompleted **ISO 14064-1** GHG  
inventory and verification for head  
office, North Distribution Center  
and four other primary warehouses  
(Luzhu, Linkou, Lusi, Nangong)North Distribution Center  
generated **1,337,034 kWh**  
of solar power in 2021Promotion of paperless  
operations reduced paper  
usage by **50.54 million**  
sheets in 2021, the equivalent  
of **384.143 tonnes** CO<sub>2</sub>eCartons made from **100%**  
recycled pulp with less  
than **30%** printed surface  
areaPackaging bags used **30%**  
recycled bags and **100%**  
bio-degradable bags with  
less than **20%** printed  
surface areaIntroduced reusable bags  
containing **20%** recycled  
materials for shipping and  
average recycle rate in  
2021 was **14%**



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Management  
Policy

## Dedicated Management Unit

- ESG Committee - Environmental Sustainability Team



## momo's Promise

- Establish a comprehensive environmental management system and operating mechanism
- Increase amount of green procurement by 2% each year
- Reduce consumption of energy to lower GHG emissions and environmental pollution
- Promote related action plans to reduce environmental impact from operations
- Organize education and training to boost internal environmental sustainability awareness



## Investment of Resources

- NT\$2,647,300 were spent on waste management in 2021
- Planning to introduce Science-Based Targets (SBT) for carbon reduction and calculated the carbon reduction path for the 1.5°C increase in temperature scenario for setting targets and developing carbon reduction action plans.



## Management Approach and Assessment Mechanism

- The introduction of the ISO 14001 environmental management system will enable concrete targets to be set-up for promoting various waste and carbon reduction projects.
- Follow up on progress of environmental projects during the Environmental Management Committee quarterly meetings and adjustments made as necessary.

## Response to Three Material Topics

- Environment and energy resource management, green packaging and logistics, climate strategy

- The Central Distribution Center construction project was launched in 2021 with equipment investment and BOO project, and will formally launch in 2024.

Note · BOO stands for Build-Operate-Owner. National policy is encouraging private-sector investment in construction with ownership and operating rights.

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## 4.1 Green Operations Overview

momo seeks to become a sustainable green e-commerce enterprise in Taiwan and is actively dealing with environmental problems created by e-commerce operations in accordance with the spirit of "environment matters, matters to momo." With a focus on the three aspects of "green operations matters", "green logistics matters" and "green packaging matters", we are optimizing the use of energy resources, making improvements on the carbon emissions of transportation and deliveries and promoting green packaging to reduce the environmental impact of our operations and fulfill our corporate green responsibility.

### 4.1.1 Environmental Management Strategy and Outcomes

momo has been conducting the ISO 14064-1 GHG inventory with third-party verification every year since 2016. At the end of 2018, the ISO 14001 environmental management system was introduced and the "Environmental Management Committee" set up. We have defined an environmental, safety and health management policy that combines ISO 14001 with ISO 14064-1 GHG inventory. We are committed to realizing our "Environment Matters" vision by fulfilling our responsibility to the ESG ideals of sustainability. We obtained ISO 14001 environmental management system certification (Note) from the Taiwan branch of British Standards Institution (BSI) in 2019. Surveillance audits have been completed every year since then to keep the environmental management system running.

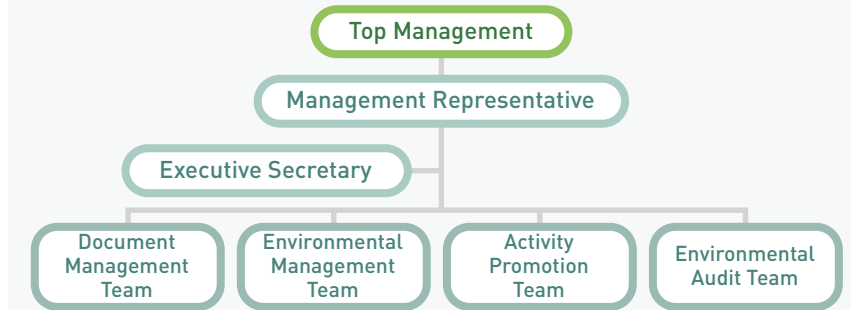
Note · The ISO 14001 quality management system certificate is included in the Annex p.141. Certification is valid for three years with annual surveillance audits.



Environment, Safety and  
Health Management Policy



#### Environmental Management Committee - Organizational Structure



- **Environmental Management Committee:** 15 committee members including representatives from each department.
- **Meeting frequency:** Quarterly.
- **Agenda:** Key activities include reporting on environmental management system matters, assessing performance on environmental targets, and periodical follow-up of improvement progress.

### ● Environmental Management Performance

Action plans for climate activities and green operations were drawn up in 2020 under "momo Environment Year Zero." "Environment Matters" was also chosen as the theme for our sustainability strategy and vision plan. Examination of short, medium and long-term targets for 2021 found that rolling adjustments were made to some of the action plans in support of the domestic epidemic prevent policy. We achieved a total of 13 accomplishments, including two in green partnerships, two in environmentally friendly circular packaging, three in green energy and transportation, three in climate action, and three in green operations. At the same time, four ISO 14001 environmental targets were reached. In the future, the Environmental Management Committee will continue to engage in trans-departmental cooperation and track the outcomes of each project. The environment, safety and health (ESH) project will also be enforced to strengthen and consolidate environmental management and to build a green living circle by ensuring that medium and long-term targets can be successfully met. More details on management performance in GHG and energy emissions, water resource management, waste management, green logistics, and packaging can be found in later sections.

Note · The relevant short, medium and long-term projects are detailed in p.10 of this Report under "momo Sustainable Living Blueprint."

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## ● Green Procurement

momo introduced our green procurement policy in 2021 and preference was given to the procurement of products with water-efficiency, energy-efficiency and green mark. The total value of green procurement was NT\$13,760,948 in 2021 and the amount will be progressively increased each year. In addition to the effective control and reduction of operating costs, this will also encourage suppliers to adopt materials and production processes that conform to the green procurement principles. We will fulfill our corporate social responsibility by using our corporate influence to promote the philosophies of environmental sustainability and green consumption.

## 4.1.2 Greenhouse Gas and Energy Management

103-2 · 103-3 · 302-1 · 302-3 · 302-4 · 302-5 · 305-1 · 305-2 · 305-4 · 305-5

## ● Greenhouse Gas Management

momo introduced ISO 14064-1 GHG inventory in 2016 and completes third-party verification every year. In 2022, we obtained ISO 14064-1 GHG inventory certification from BSI Taiwan. In 2021, we completed the conversion and expansion necessary to meet the parameters of verification for the ISO 14064-1:2018 edition. The baseline year for GHG emissions was therefore changed to 2021. In 2021, our total GHG emissions amounted to 9,974.64 tonnes CO<sub>2</sub>e and average emission intensity per person decreased by 5% compared to 2020. The main emission source was Scope 2 (externally purchased electricity) and accounted for 74.04%; Scope 3 disclosure covered three items (employee commute, business travel, organizational purchases of products) and accounted for 22.1% of all emissions. To strengthen our management of carbon emissions, we not only set annual carbon reduction targets but also introduced Science-Based Targets (SBT) in 2022 to scientifically calculate future carbon reduction targets and pathways. We also formally submitted our target commitments to SBTi to ensure action is being taken on carbon reduction.



## GHG emissions

		2019	2020	2021
Unit: Tonnes CO <sub>2</sub> e		▼	▼	▼
Direct emissions	Scope 1	357.31	337.92	384.99
Indirect emissions	Scope 2	5,939.59	5,353.62	7,384.91
	Scope 3	-	3,663.90	2,204.74
Total emissions		6,296.90	9,355.43	9,974.64
Emission intensity (Tonnes CO <sub>2</sub> e/person)		3.35	3.80	3.60

Note 1 · Scope of disclosure in 2019 and 2020 encompassed the head office building and North Distribution Center. Scope of disclosure in 2021 encompassed the head office building, North Distribution Center, and 4 primary warehouses (Luzhu, Linkou, Lusi, Nangong).

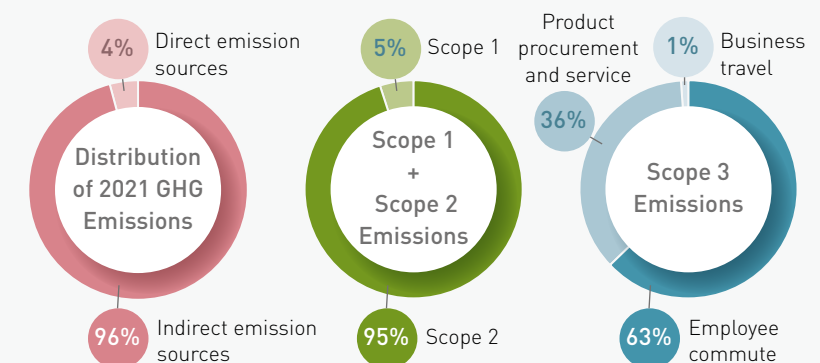
Note 2 · The GHG emissions data was verified by BSI.

Note 3 · Emission intensity was calculated as total GHG emissions of the year (Tonnes CO<sub>2</sub>e) / Total number of people employed by head office at the end of the year and actual number of permanent staff (including personnel stationed by staffing agencies) at the four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

Note 4 · The baseline year for GHG inventory was 2021. Global Warming Potential (GWP) was sourced from the IPCC Fifth Assessment Report.

Note 5 · The 2021 SO 14064-1 Greenhouse Gas Inventory Certificate is provided in Appendix p.141

Note 6 · GHG tracked included Carbon Dioxide, Methane, Nitrous Oxide, Hydrofluorocarbons, Perfluorocarbons, Sulphur Hexafluoride, and Nitrogen Trifluoride.





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SDG 13

Highlight

Carbon Reduction Matters,  
Matters to momo

## ► Carbon Reduction Action Plan

momo introducing SBT

## ► Implementation

momo is planning to introduce Science Based Targets (SBT) to support the international target of "Net Zero Carbon Emissions" by 2050. Carbon reduction pathways and targets for the 1.5°C scenario was calculated using scientific methodology. Carbon reduction action plans were also developed so that targets and commitments can be submitted to the SBTi.

- Absolute reduction targets were set for direct and indirect GHG emission sources for the 1.5°C scenario. A net zero carbon emissions roadmap was drawn up for the Company and the indicators of internal governance mechanisms adjusted accordingly.
- A task force was set up to conduct a comprehensive inventory of emissions sources in every scope and set carbon reduction targets in accordance with SBT. The feasibility and anticipated benefits of each pathway were assessed, along with an examination of current progress and development of alternative energy options.

## ► Action Target

Submission of commitment letter and SBTi approval of set targets planned for 2022.

## ► Outcomes

momo will publicly set our carbon reduction targets for the next 5 to 15 years for a 1.5°C scenario in accordance with the SBTi schedule.

## ► Future Plan

In addition to the introduction and setting of SBT carbon reduction targets, momo will gradually expand the scope of our GHG inventory and verification each year. Upstream/downstream suppliers will also be encouraged to participate in carbon reduction actions to forge a low-carbon supply chain and make momo the climate action leader in the e-commerce retail industry.



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## ● Energy Management

As an e-commerce retail channel operator, 100% of momo's operational energy consumption comes from externally purchased electricity. In 2021, the Neihu head office building, North Distribution Center and four primary warehouses (Luzhu, Linkou, Lusi, Nangong) used 14,624,277.42 kWh of electricity in total. A solar power system covering 14,850m<sup>2</sup> was installed on the rooftop of North Distribution Center. In 2021, the system generated 1,337,034 kWh of solar power. The installation of solar power panels planned for South Distribution Center and other company-owned and built warehouses is being assessed as well. The construction of our own renewable energy systems will increase the proportion of renewable energy usage and reduce our organizational carbon emissions as a whole. In the future, we plan to reduce our operational energy consumption by establishing an effective energy management system. We will also continue to upgrade to new, energy-efficient equipment and promote energy conservation on a regular basis. We will work with all employees to build a low-carbon, friendly workplace powered by green energy and to support the development of green operations at our company.

## 4.1.3 Water Resource Management

103-2 · 103-3 · 303-1 · 303-3

momo is an e-commerce platform focused mainly on providing online shopping services and therefore has no factories or production. Operational water usage is entirely for internal use. Wastewater, which complies with the discharge limits set by the government, is discharged into the wastewater treatment plant for processing. The head office building sources its water from Feitsui Reservoir. North Distribution Center and the four primary warehouses (Luzhu, Linkou, Lusi, Nangong) source their water from Shihmen Reservoir. 100% of the water is supplied by Taiwan Water Corporation. In 2021, momo cooperated with the government's water restrictions and staggered shifts for epidemic prevention, adopting sensor taps, making regular announcements on employee water-saving initiatives, and maintaining indoor temperatures and air-conditioning efficiency. As a result, average tap water consumption in 2021 was lower than 2020. We will continue to introduce water-saving devices and employee education in the future to promote the management of water resources.



## Energy Usage

			2019	2020	2021
			▼	▼	▼
Energy Type	Unit				
Non-renewable fuels	Diesel	L	3,958.84	2,473.66	2,593.75
	Petrol	L	51,133.97	2,877.87	13,694.81
Purchased electricity	Electricity	kWh	11,143,690.06	10,517,910.93	14,624,277.42
Sale of self-generated green electricity		kWh	1,227,957.00	1,263,932.00	1,337,034.00
Organizational energy usage		GJ	35,552.37	33,478.90	48,376.65
Energy intensity per employee	Total internal energy usage/number of people		22.35	14.79	17.46

Note 1 · Scope of disclosure in 2019 and 2020 encompassed the head office building and North Distribution Center. Scope of disclosure in 2021 encompassed the head office building, North Distribution Center, and four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

Note 2 · The yearly electricity emissions factor is based on the data from the ISO 14064-1 verification report for that year.

Note 3 · Organizational energy usage = Non-renewable fuels + Purchased electricity - Sale of self-generated green electricity

Note 4 · 1 L of petrol = 7,800 kcal, 1 L of diesel = 8,400 kcal, 1 kWh = 860 kcal, 1 kcal = 4,184J. Source: Bureau of Energy, Ministry of Economic Affairs

Note 5 · GJ (Gigajoule) = 10<sup>9</sup> J (Joule)

## Tap Water Usage

		2019	2020	2021
		▼	▼	▼
1,000L		39,335.00	39,404.00	48,816.70
Water intensity per employee	water usage (1,000L)/number of people	20.95	18.69	17.62
Total Water Withdrawal	ML	39.34	39.40	48.81
Total Water Consumption	ML	0	0	0

Note 1 · Scope of disclosure in 2019 and 2020 encompassed the head office building and North Distribution Center. Scope of disclosure in 2021 encompassed the head office building, North Distribution Center, and four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

Note 2 · Employee water intensity: Annual water consumption (L) / total number of people employed by head office at the end of the year and actual number of permanent staff (including personnel stationed by staffing agencies) at the four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

Note 3 · Total water withdrawal is in L. Total withdrawal = Total discharge.

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## 4.1.4 Waste Management

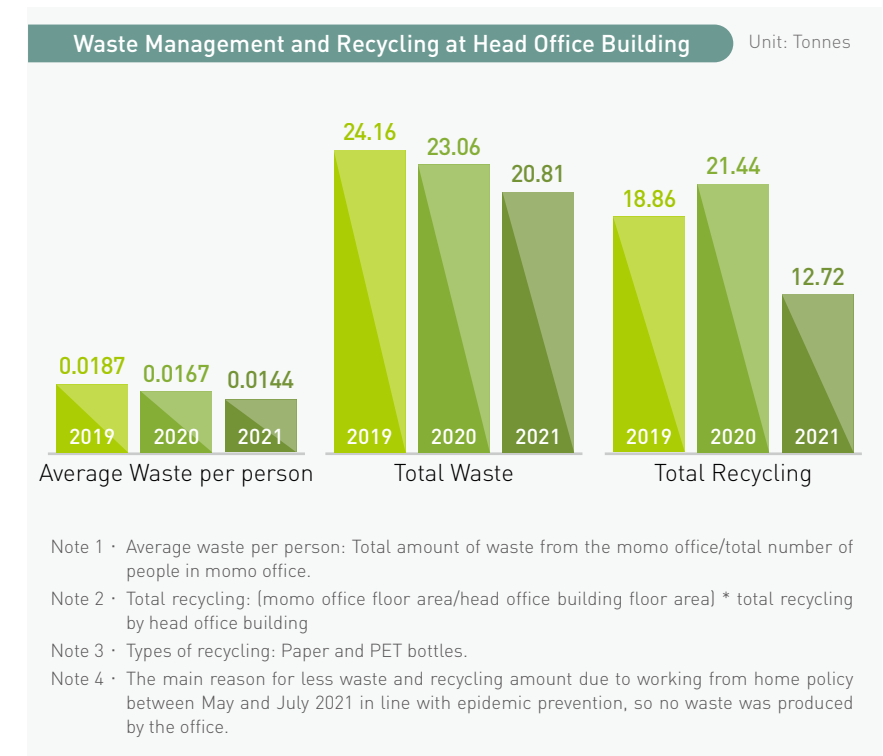
306-1 · 306-2 · 306-3

Waste is sorted and disposed off by momo in accordance with the law and our environment, safety and health management policy. Waste generated during operations has been classified as general commercial waste and no hazardous industrial waste was generated. Licensed waste disposal was commissioned to handle the clean-up and transportation to government-owned incinerators for processing. An annual waste management plan is devised through the ISO 14001 environmental management system to strengthen the waste reduction and recycling initiatives at the head office building. A separate explanation on waste management is available at the head office building and warehouse sites. In the future, momo will continue to push for more departments to engage in reduction, recovery and reuse during waste disposal in order to reduce our corporate impact on the environment and do our part for planet Earth.



## • Waste Management at Head Office Building

Office waste reduction action was launched in 2020. In addition to installing displays that help employees sort waste for recycling, we also encouraged employees to reuse paper, bring eco-friendly cutlery, organize video conferences and other measures. The amount of waste produced has gradually declined over the past year. In 2021, COVID-19 led to the implementation of staggered shifts and working from home for epidemic prevention. The head office building produced 20.81 tonnes of waste and average waste per person was 0.014 tonnes, which decreased by 14% compared to 2020. About 12.72 tonnes of waste were recycled in 2021. In the future, we will continue to promote office waste sorting at the source and reduction education in order to build a green and friendly working environment.



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## Warehouses Waste Management

Rapid business growth has led to a corresponding increase in use of packaging materials each year. The warehouse packaging reduction program was launched to maximize resource benefits and improve recycling efficiency. In 2020, we began recycling bubble wrap in addition to cartons and plastics. Approximately 2,481.46 tonnes of resources were recycled by our warehouses in 2021. In the future, momo will continue to fine tune the amount of packaging needed using big data analytics and will reduce the overall amount of packaging consumed with the goal of transitioning to circular reusable packaging.

Unit: Tonnes

	2019	2020	2021
Carton recycling	1,275.41	1,497.9	2,431.93
Plastics recycling	18.06	19.92	48.82
Bubble wrap recycling	-	0.116	0.713
Total Recycling	1,293.47	1,517.93	2,481.46
Total Waste	252	252	445.2

Note 1 · Scope of disclosure in 2019 and 2020 encompassed the North Distribution Center. Scope of disclosure in 2021 encompassed the North Distribution Center and the four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

Note 2 · Recycling of bubble wrapped commenced in 2020 Q4.

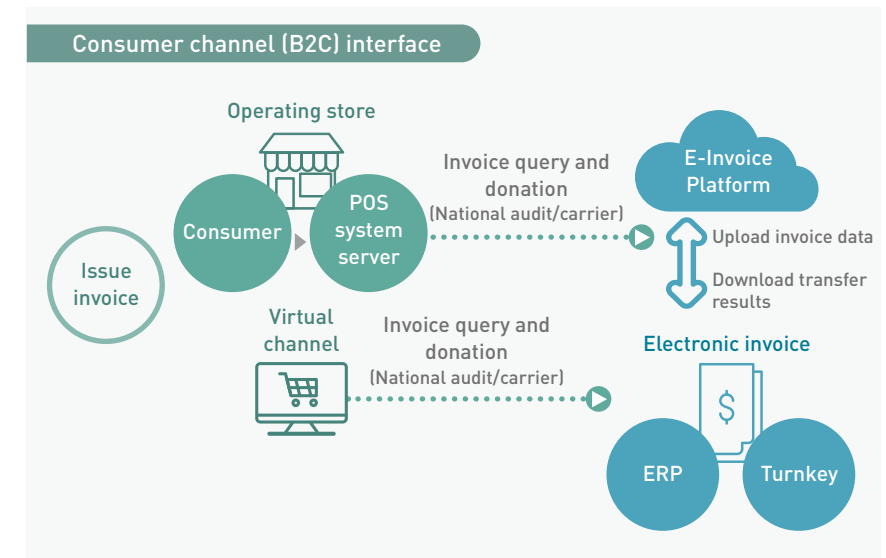
Note 3 · In 2021, approximately 37.1 tonnes of waste were processed per month at the North Distribution Center and the four primary warehouses (Luzhu, Linkou, Lusi, Nangong).

## Paperless Applications

momo promoted paperless applications for consumer channels, suppliers, and internal approval processes to reduce paper consumption and improve internal operational efficiency. By reducing physical invoices, printing of return/allowance certificates, and mailing of supplier invoices reduced paper consumption by 50.54 million sheets in 2021, equivalent to 384.143 tonnes of carbon emissions. In the future, momo will continue to promote the use of e-invoices, the B2B value-added center, and the optimization of internal e-flow system. This will provide consumers and suppliers with better low-carbon services, build a sustainable living circle, and fulfill our corporate commitment to green operations.

### Paperless Consumer Channels

momo introduced electronic invoices in 2015. Online and voice confirmation were also offered as an alternative to consumer certificate of return. Proof of payment for travel packages was also switched from paper to e-mail notification. The feedback from consumer channels has generally been positive. In 2021, we reduced our paper consumption by approximately 49.87 million sheets, equivalent to 379.07 tonnes of carbon emissions.





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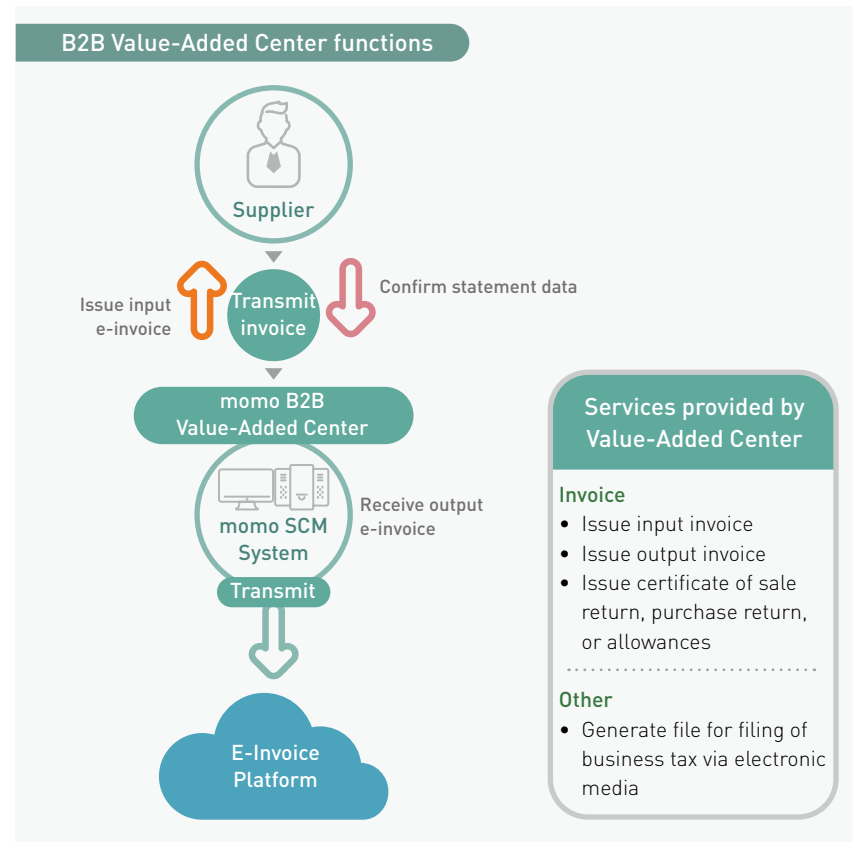
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## • Paperless Supplier Process

momo made an active effort to streamline the supplier account reconciliation process. Online processing of statements, payment and donation receipts, and return/allowance certificates by the B2B value-added center reduced the need for printed invoices, printed account statements as well as mail and postage. Up to 80% of suppliers now use the paperless process for reconciliation. In 2021, this reduced the number of reconciliation statements by 319,928 sheets, payment and donation receipts by 127,972 sheets, and return/allowance certificates by 63,985 sheets. These amounted to 511,885 sheets in total and was equivalent to reducing carbon emissions by 3.890 tonnes.



## • eflow - Internal Paperless Approval System

At the start of 2021, momo had introduced 15 online forms to reduce paper consumption in the office and improve the transparency of the approval process. By the end of the year, 64 forms had been put online. The introduction of electronic forms reduced paper usage by 156,061 sheets, equivalent to 1.186 tonnes of carbon emissions. We will continue to develop electronic forms in the future to increase the number of paperless internal processes.





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• Paperless Application Statistics

Type	Item	2019 ▼	2020 ▼	2021 ▼
Consumer Channels	Paper saved by electronic invoices (sheets)	26,928,664	34,069,513	45,531,452
	Paper saved on customers' certificate of sales return (sheets)	2,908,140	3,448,590	4,345,786
Supplier	Account statement (sheets)	247,664	278,871	319,928
	Payment and donation receipt (sheets)	99,066	111,550	127,972
	Certificate of sale return, purchase return, or allowances (sheets)	49,533	55,776	63,985
Internal approval	eFlow (no. of electronic forms)	10,667	50,974	156,061

Paperless Application Benefits



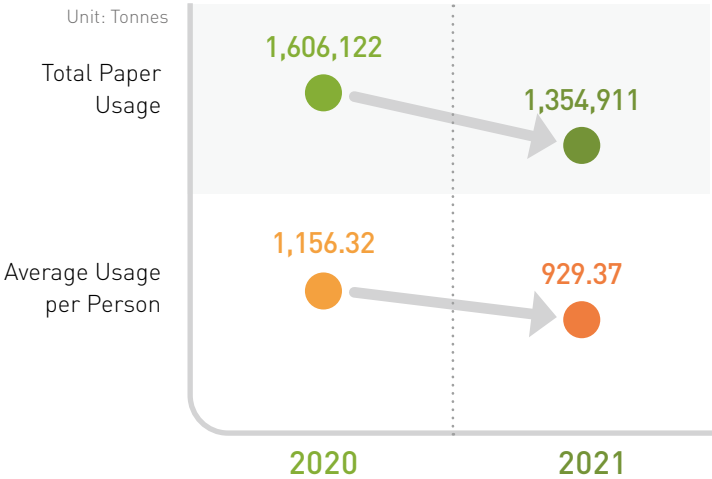
- Note 1 · In 2019, each pack of A4 paper (500 sheets, 80g, 210 mm x 297 mm) represented 4 kg CO<sub>2</sub>e. Source: Construction and Planning Agency, Ministry of the Interior.
- Note 2 · In 2020, each pack of A4 paper (500 sheets, 80g, 210 mm x 297 mm) represented 3.6 kg CO<sub>2</sub>e. Source: Carbon Footprint Information Platform.
- Note 3 · In 2021, each pack of A4 paper (500 sheets, 80g, 210 mm x 297 mm) represented 3.8 kg CO<sub>2</sub>e. Source: Carbon Footprint Information Platform.



Carbon Footprint  
Information Platform

• Paper Reduction at Head Office Building

In 2021, a paper reduction initiative was launched at the head office building by establishing a photocopier management system and promoting paper reduction. The implementation of staggered shifts and working from home for epidemic prevention during 2021 meant most documents were processed online, resulting in a 20% decline in paper usage compared to 2020. A professional document destruction company was also contracted to pulp documents slated for destruction each quarter. Compacting waste paper into bricks then processing it into reclaimed paper products is already producing circular economy benefits.



- Note 1 · Paper dimensions: A4, 210mm x 297mm
- Note 2 · Data for January ~ March 2020 not available due to the introduction of the photocopier control system.
- Note 3 · Data for May ~ July 2021 not available due to the implementation of staggered shifts and working from home for epidemic prevention.



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## 4.2 Green Logistics Overview

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momo offers quality merchandise at affordable prices to consumers through the TV, Internet, catalogs, and mobile shopping. Once an order is placed by the consumer, the information system integrates the warehouse picking, sorting, and packaging process before the goods are delivered safely and swiftly into the consumer's hands with the help of the logistics operator. Statistics revealed that more than 35 million items were shipped by momo warehouses in 2021. momo is now constantly thinking about how we can provide consumers with a more convenient lifestyle while also reducing the impact of carbon emissions from our transport and operational activities. We aim to continue reducing our environmental impact by upgrading our logistics for deliveries and returns, and enhancing the environmental benefits of transportation. A variety of green logistics action plans have been launched by momo to this end.

## ● Building momo Green Fleet

We purchased 40 trucks and 40 motor scooters with energy efficiency certification in 2021 to improve our transportation efficiency and reduce carbon emissions from transportation kilometers. The new vehicles reduced energy consumption by 3.9 GJ and carbon emissions by 0.361 tonnes compared to previous models. In 2020, momo's self-owned fleet accounted for 9.8% of all warehouse shipments. In 2021 it accounted for over 15%. We continue to purchase energy-efficient motor scooters and trucks every year to expand our delivery capacity and improve our carbon performance. An electric vehicle/motor scooter procurement program is also underway. Negotiations and test drives were held with a number of electric vehicle/motor scooter vendors in 2021. We are now assessing potential electric truck partners.

Note 1 · 1 L of petrol = 7,800 kcal, 1 kcal = 4,184J. Source: Bureau of Energy, Ministry of Economic Affairs

Note 2 · GJ (Gigajoule) = 10<sup>9</sup> J (Joule)

Note 3 · Automotive petrol (for mobile emission sources) produce 3.02 kg CO<sub>2</sub>e of carbon emissions every liter. Source: Carbon Footprint Information Platform



100% of all vehicles purchased were environmentally friendly vehicles. 109 trucks purchased so far comply with Level-1 energy efficiency requirements and the 105 motor scooters purchased comply with Level-2 energy efficiency requirements. We are cooperating with mandatory emissions testing as well.



A maintenance program has been defined for the company-owned fleet. Vehicle mileage is used to determine what maintenance is required. This not only avoids wasting resources from early maintenance but also ensures that vehicle maintenance occurs at appropriate times. By ensuring optimal vehicle maintenance, we avoid wasting resources from having to purchase new vehicles due to malfunction or damage.



A complementary internal transfer model was set up as well. Goods no longer have to be consolidated at a specific warehouse prior to delivery. The reduction in transport-kilometers reduced carbon emissions from deliveries.

## ● momo Green Fleet

momo strives to provide greener and more diversified logistics services. Big data is being applied to continuously optimize fleet deliveries through effective planning of loads and optimal planning of delivery routes. We will continue to purchase electric scooters and trucks that meet energy-efficiency standards in 2022. We plan to purchase electric scooters in the future to realize our goal of low-carbon delivery services.



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## ● Continuing to Provide Pick-up Services at Diverse Sales Channel

Consumers can choose home delivery or pick-up from a convenience store once they make a purchase on the platform. In addition to providing consumers with more options, momo aims for packages, destined to different consumers, to be consolidated and delivered to a single store through the existing convenience store logistics system. Reducing the mileage for home delivery will help reduce carbon emissions. As of 2021, the number of partner stores (four convenience store chains and Taiwan Mobile stores) and collection points (EzPost) reached 13,000. Products were also expanded from room temperature goods to low-temperature and fragile items. The number of convenience store pick-ups has continued to grow, with the number exceeding 3 million pieces in 2021 and growing by 27% compared to 2020 over the same period. The average distance for last-mile delivery of packages was 0.8 km. The convenience store channel as a whole achieved savings of up to 2.754 million kilometers, reduced energy consumption by around 1,783.28GJ and cut carbon emissions by around 165.02 tonnes, producing 1+1>2 synergies. Consumers can choose to pick-up their order from the store at a convenient time while also avoiding the inconvenience of having to be on hand for low-temperature deliveries. Logistics consolidated their operations and reduced the delivery mileage for packages.

Note 1 · 1 L of petrol = 7,800 kcal, 1 kcal = 4,184J. Source: Bureau of Energy, Ministry of Economic Affairs

Note 2 · GJ (Gigajoule) =  $10^9$  J (Joule)

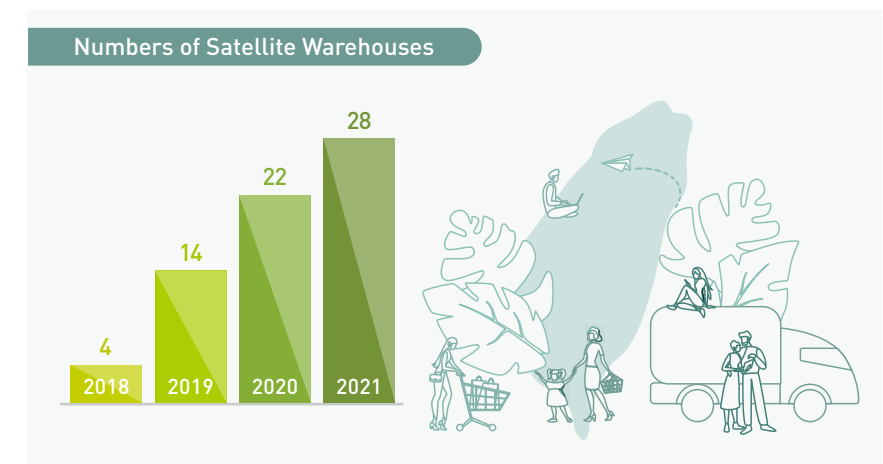
Note 3 · Last-mile carbon emissions: Carbon emissions per liter of petrol \* fuel consumption of motor scooters in momo fleet



## ● Implement Short-chain Logistics Strategy and Build Regional Satellite Warehouses

momo sought to provide consumers in central and southern Taiwan with the same services as the metropolitan areas in northern Taiwan. To maintain the balanced development of e-commerce logistics in the north and south, the South Distribution Center is expected to enter service in 2023. The Central Distribution Center development project was launched in 2021. Planning has commenced on equipment investment as a BOO project with formal operations to begin in 2024. In addition, momo had built 28 satellite warehouses throughout Taiwan as of 2021 and we now have 42 warehouses country-wide. In 2022, we expect to set up 25 more so that momo will have up to 67 warehouses by the end of 2022 to support our short-chain logistics strategy. Once the consumer makes an online purchase, their goods can quickly be shipped from a nearby warehouse. Our aim is creating the best zero-distance and zero-lag shopping experience for consumers. To achieve this, we are using our own fleet for deliveries. In addition to using AI planning for the optimal or shortest delivery route, we have adopted a dual-pronged approach by also working with each node in the logistics network to narrow the distance between consumer and product.

Note · BOO stands for Build-Operate-Owner. National policy is encouraging private-sector investment in construction with ownership and operating rights.



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## ● Node Removal (Factory Delivery/Cross-Docking) Accomplishments

momo has constantly been studying ways to reduce the carbon emissions generated during the transportation of products. As such, a push to remove nodes from transportation operations was launched in 2018. Even as we continue to develop suppliers and brands, we join forces with suppliers and distributors to build a sustainable business model. As of 2021, 12 suppliers and 24 brands have joined momo in promoting the node removal program. The product range has also continued to expand from just nappies and toilet paper in the beginning to beverages and cleaning liquids in 2021. Between 2021 and 2020, the number of items grew by 112% and has reduced carbon emissions by 47.48 tonnes CO<sub>2</sub>e.

Note 1 · Factory delivery: The distributor makes the pick-up from the designated location (supplier warehouse). Home delivery bills are printed based on the distributor's administrative region and the corresponding delivery station then attached to the product's outer box. Once this is done, it can be transshipped to delivery stations in the north, center and south.

Note 2 · Cross-docking: The supplier delivers the product to the station/transfer hub designated by the supplier. Home delivery bills are based on the cross-docking provider's administrative region and corresponding delivery station. The distributor sorts and attaches home delivery bills at the designated station/transfer hub. Once this is done, the delivery is immediately transshipped to delivery stations in the north, center and south.

Annual Node Removal Performances			
	2019	2020	2021
No. of Supplier Partners	4	5	12
No. of Brands	6	8	24
Product Types	2	3	5
Transfer Trips Saved (Note 1)	125	642	1,363
Reduction in Transfer Tonne-Kilometers (Note 2)	18,411	95,177	202,024
Reduction in carbon emissions (Tonnes CO <sub>2</sub> e)	4.32	22.37	47.48
Reduction in Energy Consumption (GJ)	185.06	956.69	2,030.67

Note 1 · All transfer vehicles are 17-tonne trucks and one 17-tonne truck can carry around 450 packages so each trip represented a saving of 148km.

Note 2 · Reduction in Transfer Tonne-Kilometers: tonnes of shipping multiples driving kilometers.

Note 3 · Large commercial trucks generate approximately 0.235kg CO<sub>2</sub>e. per kilometer (Source: Carbon Footprint Information Platform)

Note 4 · Fuel consumption of the 17-tonne truck was 0.286L per kilometer based on the vehicle specifications

Note 5 · 1 L of petrol = 8,400kcal, 1 kcal = 4,184J. (Source: Bureau of Energy, Ministry of Economic Affairs)

Note 6 · Vehicular GHG emissions included Carbon Dioxide, Methane, and Nitrous Oxide

Note 7 · GJ (Gigajoule) = 10<sup>9</sup> J (Joule)

## ● Order Consolidation Measures

momo is keenly aware of the fact that buyer behavior evolves with market developments. Different products purchased by the same consumer for home delivery can be consolidated and packaged together after picking. This measure not only increased the utilization of cartons and reduced the usage of consumables. It also required fewer delivery trips and mileage, helping to reduce carbon emissions. In 2021, order consolidation helped momo save 3.78 million trips, 42,187 kilometers and about 26.40 tonnes CO<sub>2</sub>e each month. The reduction in product transportation mileage of 8,191 km compared to 2020 helped reduce carbon emissions by 5.13 tonnes CO<sub>2</sub>e.

### Annual Order Consolidation Performance

	2019	2020	2021
Mileage Savings(km/month)	31,806	33,996	42,187
Reduction in carbon emissions (Tonnes CO <sub>2</sub> e)	19.91	21.28	26.40
Reduction in Energy Consumption (GJ)	77.43	82.77	102.71

Note 1 · Mileage was based on the order count of the northern, central and southern regions as well as the region with the most orders in December 2021. A hypothetical distance value for each region was then multiplied by the number of orders in each region. The results were then summed to give the total.

Note 2 · Small petrol-powered commercial trucks generate approximately 0.626 kg CO<sub>2</sub>e per kilometer. (Source: Carbon Footprint Information Platform)

Note 3 · Calculated using the vehicle specifications of the 1.5 truck. Fuel consumption was 0.0746L per kilometer based on the vehicle specifications.

Note 4 · 1 L of petrol = 7,800 kcal, 1 kcal = 4,184J. (Source: Bureau of Energy, Ministry of Economic Affairs)

Note 5 · Vehicular GHG emissions included Carbon Dioxide, Methane, and Nitrous Oxide.

Note 6 · GJ (Gigajoule) = 10<sup>9</sup> J (Joule)



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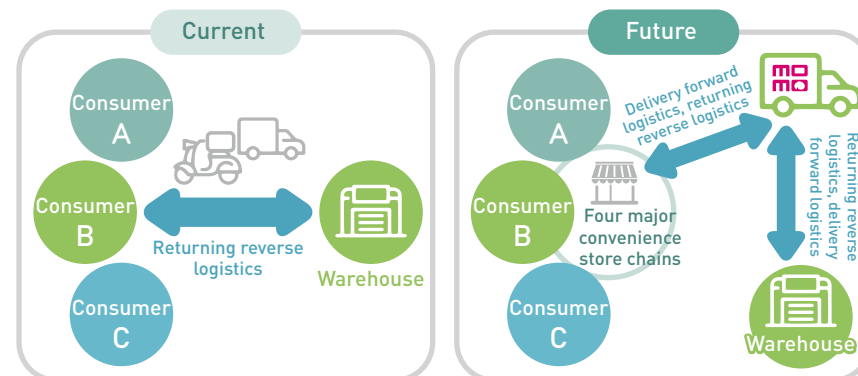
Average Trips Saved per Month by Order Consolidation Each Year

Unit: Thousands



## ● Diversified Channels for Forward and Reverse Logistics

momo partnered with the four top convenience store chains to reduce carbon emissions generated during the transportation and receiving of goods. momo capitalized on the high concentration of the top four convenience store chains to provide consumers with an additional option for receiving their order. Product returns through convenience stores are planned for the future and consumers will be able go to their nearest convenience store to make product returns. When the convenience store's distributor makes a delivery, it can also pick up returned products. Less trips then need to be made to collect returned products. Delivery to "EzPost" lockers at the post office was introduced first in support of the relevant government policies. This reverse logistics model will be evaluated in the future based on consumers' purchasing behavior.



## 4.3 Green Packaging Matters

103-2 · 103-3

Packaging materials represent the main environmental impact of e-commerce retail industry. Growing sales at momo every year meant more packaging must be used as well. To reduce the use of packaging materials, momo team applied big data analytics to the study of inventory placement and shipping packaging to reduce shipments in separate boxes from multiple warehouses and the use of packaging cartons. Load factors of distribution vehicles were maximized as well.

In 2019, momo was one of the online retailers that took part in the "Online Shopping Packaging Reduction Program" organized by the EPA. Packaging reduction and environmentally friendly action plans were devised based on the three program goals of packaging reduction, eco-friendly materials, and circular packaging. Our efforts were recognized with the EPA "Online Shopping Packaging Reduction Mark" and announced on momo website.



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## ● Green Packaging Management Policy

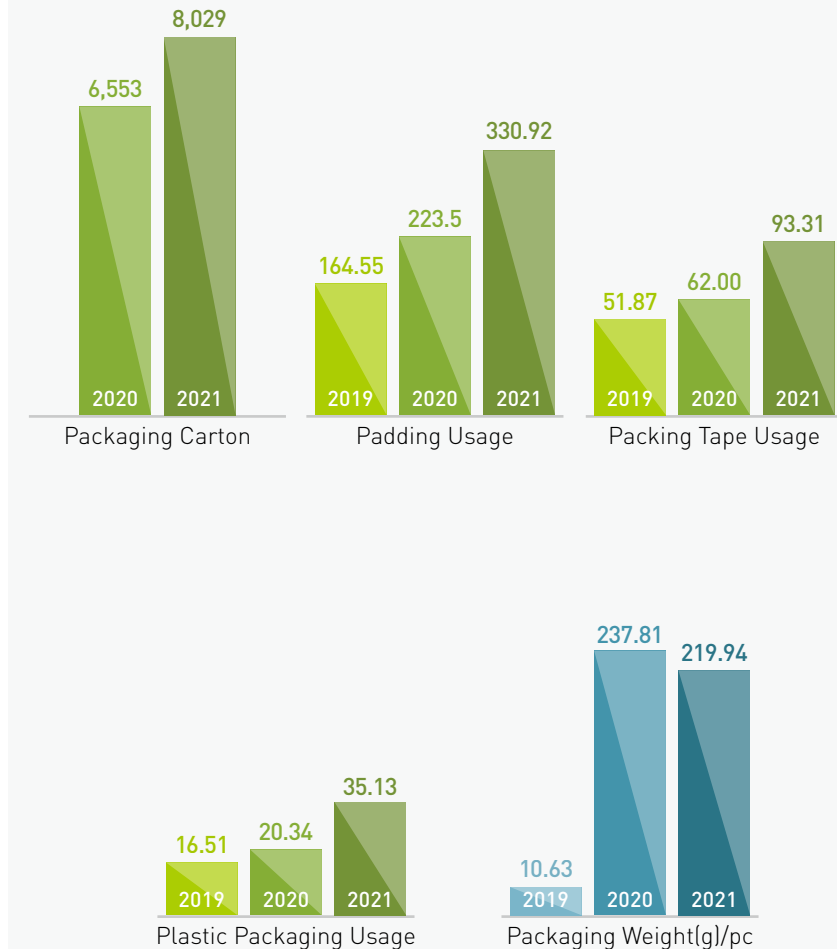
1. Carton types were increased from 22 to 30 specifications. Having more carton types reduced the need for non-essential padding and should increase load-factor even further.
2. momo also adopted cartons made from 100% recycled pulp to improve the recycling rate for waste paper.
3. The external printed surface area had already fallen below 50% in 2020. In 2021, the printed surface area was adjusted again to less than 30% to reduce the use of oils and inks.
4. Eco-friendly recycled bags (disposable bags) are manufactured by Taiwanese vendors. Manufacturing partners were asked to cooperate with plastic reduction at the source. 30% of the materials we used during production were from recycled materials. The printed surface area of packaging was also reduced to less than 20%. If 4.2 million bags were used in 2021, then 30% recycled materials reduced the use of raw materials by 1.26 million bags.
5. We are continuing to increase the proportion of eco-friendly circular bags (disposable bags) used for shipping. The new bio-degradable bags (disposable bags) were also introduced. We expect to switch completely over to bio-degradable bags from 2022 Q3 onwards.
6. momo is continuing to talk to importers on imported own-brand merchandise to realize our goal of source reduction. If OEM packaging is identical to the product bundle planned by momo this will avoid waste from re-packaging. In 2021, 41% of imported merchandise was shipped in their green original packaging. We will continue working to increase the ratio of goods shipped in their original packaging in the future.
7. Continue to take inventory of usage of packaging materials, packing tape, and plastics.

momo is taking inventory of the usage of each packaging material to achieve this goal. In 2020, 237.81g/pc of packaging were used for each carton. In 2021, average packaging per carton was reduced to 219.94g/pc, a decrease of 17.87g per carton. The effective reduction in consumption of energy and resources meant that the goal of packaging reduction was achieved. Despite increasing 34% in average monthly shipments during 2021, packaging weight overall was still 7.5% less than the previous year.



Packaging Material Usage Statistics

Unit: Tonnes



Note · Packaging carton data from 2020 ~ 2021 added to disclosure.





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SDG 12

Highlight

Green packaging matters,  
matters to momo

## ► Green Packaging Action Plan

Green Warehouse Project - Circular Logistics Box

## ► Implementation

Suppliers can reuse circular logistics boxes instead of standard cartons for restocking to save on the cost of carton purchases, reduce the cost of waste disposal for momo, lower carbon emissions, and work together to build an environmentally sustainable business by fulfilling our commitment to low-carbon transportation and green logistics.

## ► Action Target

- Priority was given to engaging with vendors that we have frequent business dealings with and are involved in CSR promotion.
- Options for circular logistics boxes included using their own or leasing.

## ► Outcomes

Internal inter-departmental coordination and external communication with suppliers was conducted. After extensive fine tuning of warehouse processes and establishing custom processes, a brand-name vendor agreed to use their own stackable logistics boxes for restocking.

- 3 to 5 product items were restocked through circular boxes at the start of the year to reduce the use of cartons.
- Partnered with a vendor to set up a demonstration for the first time to facilitate its duplication and introduction by other vendors

## ► Future Plans

- Expanded partnership options: A momo logistics box rental service is under development. Assets will be expanded to include both logistics boxes and pallets to better meet the delivery requirements of products and appeal to more vendor types. Use of circular carriers to reduce the disposal of consumables and waste, as well as speed up unloading by vendors. This will lower carbon emissions and improve port turnover.
- Expansion of supplier partners: Encourage brand-name vendors and suppliers with their own manufacturing partners (cooperation at the source) to support the use of circular carriers for restocking.

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## 5 Employee Matters

Performance  
Highlights

Across-the-board increases of basic wages with the minimum salary being **25% higher** than the statutory minimum wage

Continued to organize new employee orientation and in-service training to promote gender equality with a **100%** completion rate

Conducted 42,000 hours of online e-learning, up **99%** from 2020

Implemented pre-natal health education and post-natal telephone outreach for **100%** of pregnant employees

Lujhu Warehouse obtained 2021 **Badge of Accredited Healthy Workplace** from the Ministry of Health and Welfare

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Management  
Policy

## Dedicated Management Unit

- ESG Committee - Employee Care Team

## Response to 1 Material Topic

- Talent Recruitment and Retention

## momo's Promise

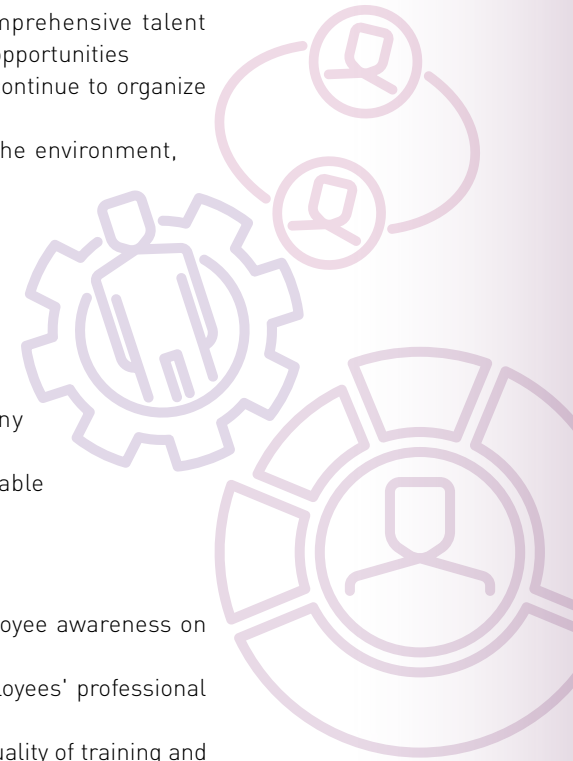
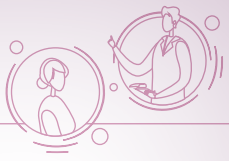
- Continue to comply with labor laws and regulations along with education and implementation of human rights and gender equality topics
- Develop a comprehensive training system for everyone from new hires to supervisors that caters to employees' diverse career training and development requirements; set up a comprehensive talent development plan to provide employees with diverse career training and development opportunities
- Provide clear pathways for advancement and an annual salary adjustment scheme; continue to organize and strengthen employee benefits to attract and retain talent
- Strengthen the occupational safety and health management system, and enforce the environment, safety and health policy to ensure a safe working environment
- Provide employees with physical and mental well-being services and health promoting activities

## Investment of Resources

- NT\$2,489,151,000 spent on payroll and benefits (Source: 2021 Annual Report, p. 232)
- NT\$759,080 in education and training expenses
- Employee stock ownership trust had accumulated NT\$20,453,000 in company contributions as of 2021
- NT\$5,852,069 spent on providing employees with paid vaccination leave and notifiable disease insurance

## Management Approach and Assessment Mechanism

- Conducted proactive compliance audits and adopted a variety of measures to enhance employee awareness on human rights and gender equality
- Enforced the "Education and Training Regulations" to cultivate personnel and maximize employees' professional contributions with the organization at every level
- Require advanced planning before the course; track course quality after completion to ensure quality of training and learning
- Enforced the "Performance Evaluation Regulations" for evaluating employee work performance with the evaluation outcomes serving as the reference for employee promotions, salary adjustments, bonuses, education and training, and career planning
- Continued to provide performing employees with appropriate benefits and incentives such as organizing of employee stock ownership trust
- Convening of employee occupational safety and health committee every quarter to enforce occupational safety and health as well as health management matters



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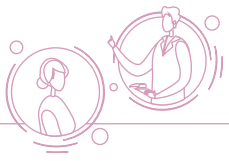
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## 5.1 Employee Retention Overview

Every momo unit continues to fill job openings created by employee turnover to meet the needs of our diversified channels and developments. Recruitment is conducted in a fair, open, impartial and efficient manner to select the right talent with the necessary professional qualifications and experience. momo has always complied with the relevant labor laws and regulations on guaranteeing the legal rights of employees. There is no discrimination in our employment policy and equal opportunity employment is offered to all people with the required skills and abilities for the role regardless of age, race, skin color, gender, religion, political affiliation and other factors in accordance with the Act of Gender Equality in employment. Discrimination in any form is prohibited in the workplace to ensure equitable treatment of all employees in terms of recruiting, employment, compensation, performance management and career development. Employees interested in internal job openings may also apply with the agreement of their current supervisor. By providing employees with diverse job opportunities and career track options, we can retain more high-quality employees that are willing to explore new fields.

### 5.1.1 Recruitment and Turnover

102-8 · 202-2 · 401-1 ·  
404-2 · 405-1

As part of momo's transition into a technology company for a new age, job openings are publicly advertised by momo to reach out to talent in e-commerce, high technology and smart warehouse logistics. We aim to attract talented youth of the new generation so that we can build a successful business together and realize the vision of becoming the No.1 online shopping platform in Asia.

#### ● Diversified Employment and Outcomes

- ✓ Absolutely no personnel under the age of fifteen is hired in accordance with the "Labor Standards Act."
- ✓ momo has continued to provide more job opportunities for the disabled. At the end of 2021, we employed six individuals with disabilities and exceeded the mandatory quota by 21%. This was also three more employees than the previous year. We have therefore demonstrated our determination to give equal treatment to disabled job seekers, and provide them with job opportunities based on their ability rather than their disability.

- ✓ In 2021, momo continued to promote diversity in our hiring policy by offering more job opportunities for indigenous, middle-aged, and elderly people.
  1. 4 indigenous employees were hired during the year with a 100% retention rate.
  2. 23 middle-aged/elderly employees over 50 were hired during the year with a retention of more than 74%.
  3. Established gender equality in the workplace. In addition to female employees slightly outnumbering male employees, the number of female employees in management positions has been slightly higher than males in the last three years as well, reflecting the progress that momo has made in promoting gender equality in the workplace.

#### ● Termination Management and Counseling

- momo takes a proactive and constructive attitude to turnover rate. If the reason for termination is something that momo should do more on then it is treated as a direction for improvement; if the reason for termination is due to an employee's personal career plan then we provide information to help with their change of employment along with our blessings.
- A termination interview is conducted with employees that resign to understand their reason. If the employee is still interested in staying at momo then we assist them with interviewing for internal transfers and improve their job prospects. In 2021, 4 employees chose to stay on with the company by transferring to a new unit instead.
- A performance improvement plan is carried out for underperforming employees. Those that fail to meet the standard by the agreed deadline are interviewed to understand the reason; notice and severance pay is then given in accordance with the law. The employee is also reminded of the right to apply for government unemployment benefits.
- In 2021, total employee turnover was 574, including 554 resignations, 13 involuntary terminations, and 7 voluntary transfers to subsidiaries. The resignation rate was therefore 19.99% and involuntary separation rate was 0.47% if transfers were excluded. Total turnover was 0.12% lower than 2020.
- If an employee is retiring or being retrenched, their pension/severance pay is paid by momo in accordance with the law. Employees may also seek assistance with their career transition through the Employee Assistance Program (EAP). The number of retirements at momo is in the single-digits at the moment, however, so no such applications have been made to date.

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## Distribution of New Hires and Terminations in 2021

New hire			Resignation		
	Number	Proportion		Number	Proportion
	890	32.12%		574	20.71%
Male	289	10.43%	Male	201	7.25%
Female	601	21.69%	Female	373	13.46%
Aged under 29	491	17.72%	Aged under 29	243	8.77%
Aged 30-49	376	13.57%	Aged 30-49	319	11.51%
Aged over 50	23	0.83%	Aged over 50	12	0.43%

Note · Proportion of new hires and terminations were based on total number of employees at the end of the year. The denominator was 2,771.

## 5.1.2 Employee Structure

102-8 · 202-2 · 405-1

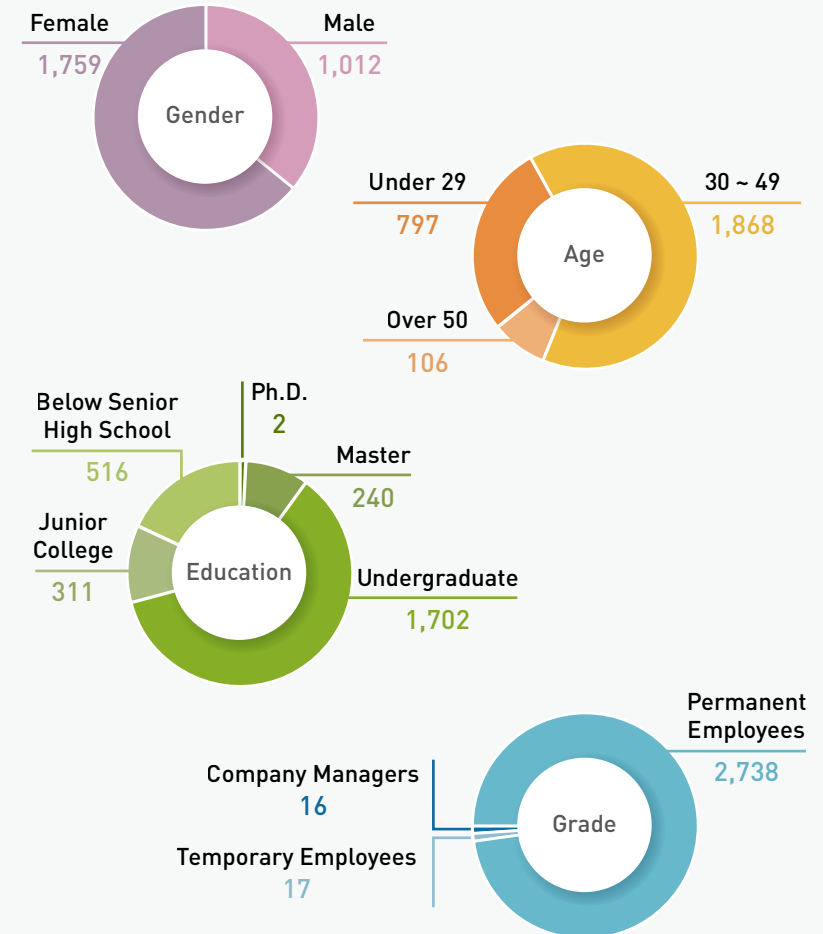
Most momo employees were hired locally and all are Taiwanese nationals. At the end of 2021, momo had 2,771 employees (including 2,738 permanent employees, 17 temporary employees, and 16 company managers). The majority (63.5%) were female. The average age of employees was 35.2 years and the average length of service was 4.8 years. In terms of education, most (61.4%) had completed an undergraduate degree. To improve our shipping efficiency, some operations are supported by non-employee workers (e.g., sorting of goods in logistics).

Note 1 · Temporary employees refer to those on fixed-term contracts. Other than not being eligible for annual and holiday bonuses, their employee benefits are otherwise identical to permanent employees.

Note 2 · Non-employee workers refer to temporary personnel employed by personnel agencies.

## 2021 Employee Structure

Unit: number of people



Note · There were 2,771 employees as of December 31, 2021



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## 5.2 Compensation and Benefits Overview

Quality talent forms the cornerstone of momo. We have a diverse workforce due to our operational requirements that include customer service representatives at the call center, and pickers in logistics management. We regularly track market salary rates and provide entry-level employees with a higher starting rate than the statutory minimum wage with no differences based on race, class, language, thought, religion, political affiliation, home province, birthplace, gender, sexual preference, age, marital status, appearance, facial features, physical/mental disability, star sign, blood type, and past union membership. Employees are instead provided with fair and reasonable compensation based on education, experience, performance, expertise and skills to establish a merit-based working environment.

### 5.2.1 Performance and Reward Scheme

202-1 · 401-2 · 404-3 · 405-2

#### ● Compensation System and Key Data

The momo compensation structure and system are based on employee roles and take into account prevailing market salary rates, the company's business situation, and personal performance. Compensation is composed of monthly salary, other bonuses, annual bonuses, and employee remuneration. Under the momo "Employee Promotion and Salary Adjustment Management Regulations", salary adjustments are made each year based on regular assessments of external market rates as well as a combination of company and employee performance. This is to provide employees with competitive compensation and incentives. The compensation of company managers is put to the "Remuneration Committee" for discussion each year. The reasonableness of linkages between personal performance, company business performance and future risks are examined to determine the standard of salary adjustments and annual bonuses. Recommendations are made by the Remuneration Committee to the Board of Directors for review, adjustment, and eventual disbursal.

#### 2021 Employee Distribution

Employee Type	Male		Female	
	Number	Proportion	Number	Proportion
Management (Note 1)	117	4.22%	148	5.34%
Technical Personnel (Note 2)	196	7.07%	69	2.49%
General Employees	699	25.23%	1,542	55.65%
Permanent Employees (Note 3)	1,004	36.23%	1,750	63.15%
Temporary Employees (Note 4)	8	0.29%	9	0.32%
Full-time Employees (Note 5)	1,011	36.49%	1,759	63.48%
Part-time Employees (Note 6)	1	0.04%	0	0.00%
Non-guaranteed Hours Employees (Note 7)	-	-	-	-

Note 1 · Management is defined in this table as management personnel above the section level.

Note 2 · Technical personnel refers to company personnel with "Engineer" in their job title

Note 3 · Permanent employees are those that have signed an indefinite contract with the company. They may continue working at the company if there is continuity in the nature of the work unless they are retrenched or voluntarily separate from the company. They are eligible for severance pay and the employer must make pension contributions.

Note 4 · Temporary employees - Fixed-term contracts are only signed with employees under special circumstances such as temporary, short-term, seasonal or work of a special nature. They must leave when the contract expires and cannot continue working with the company unless the employer is willing to renew the contract. They are not eligible for severance pay and the employer must make pension contributions.

Note 5 · Full-time employees - Under Article 30, Paragraph 1 of Taiwan's Labor Standards Act, workers normally work 40 hours a week and 8 hours a day.

Note 6 · Part-time employees are those whose hours worked did not meet the criteria for full-time workers (40 hours a week, 8 hours a day). Part-time employees have the same statutory rights as full-time but their basic salary or leave can be reduced proportional to their worked hours.

Note 7 · Non-guaranteed hours employees are not yet defined in Taiwan's Labor Standards Act. They are in non-standard employment as they accept jobs on a "case basis" and minimum hours are not guaranteed by the employer. The "Gig Economy" was originally defined as independent, part-time workers that carry out short-term work and receive one-off compensation. An example of this is delivery drivers for sharing economy platforms.

Note 8 · Employee distribution was based on total number of employees at the end of the year. The denominator was 2,771.

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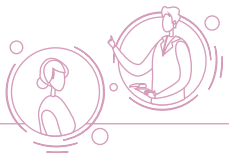
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In 2021, the starting salary for newly hired telephone marketing sales personnel was set at 14% higher than the statutory minimum wage and 25% higher than the statutory minimum wage for other permanent employees. This was done to improve the competitiveness of internal compensation, attract and retain quality talent, and provide employees with a stable of quality of life and entry-level compensation. momo is also actively cooperating with regulatory amendments made by the Taiwan Stock Exchange by disclosing the average compensation of full-time employees in non-management roles to demonstrate the importance of employees to momo through concrete action.

In 2021, there were 2,287 full-time employees in non-management roles, with an average annual compensation was NT\$867,000 and the median annual compensation was NT\$743,000. The number of full-time employees grew by 4.33%, the average annual compensation grew by 7.47% and median annual compensation grew by 7.71% compared to 2020. At the same time, in 2021 the ratio of highest individual annual income for permanent employees (excluding temporary employees) in management roles above the grade of assistant, to median annual employee income was 11.49:1; the ratio of highest individual annual income growth to growth in median annual employee income was 2.86: 1. For other non-employee workers at momo, their minimum compensation was set higher than the minimum wage as part of their employment conditions.

2021 Ratio of Female and Male Employee Compensation

Grade	Basic Salary		Compensation (including total bonuses)	
	Female	Male	Female	Male
Management	1	1	1	1.15
Non-management	1	1	1	1.09
Total average for all categories	1	1	1	1.15

Note 1 · Management is defined in this table as management personnel above the grade of section chief

Note 2 · Ratio where female was set as 1

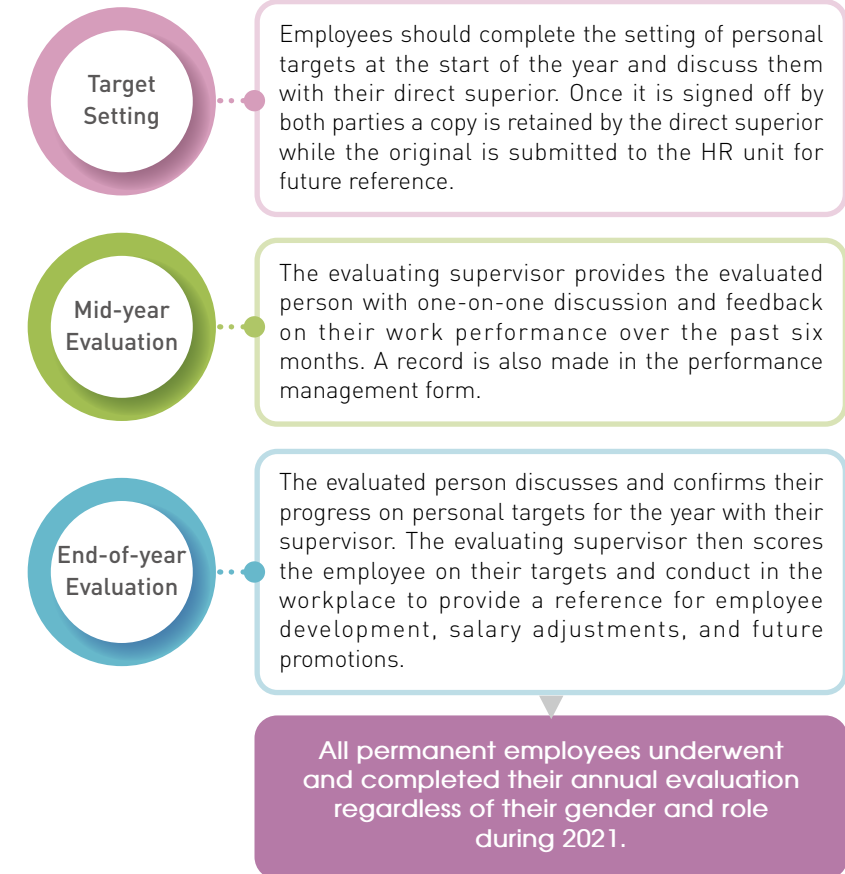
Note 3 · Bonuses include sales bonus and annual bonus

Note 4 · Excludes casual workers

Note 5 · For management above the grade of assistant manager, length of service of males was greater than that of females so compensation of male managers was relatively slightly higher than that of female managers

## ● Performance Evaluation System

We conduct regular company-wide performance evaluations to enforce a performance-based compensation policy. It is conducted as a three-stage process that includes the setting of targets at the start of year, a mid-year evaluation, and an end-of-year evaluation. A code of ethical conduct has also been defined that clearly sets out the corporate ethics, duties and obligations expected of employees. Employee conduct in the workplace is also part of the performance evaluation criteria. Explicit rewards or punishments are issued based on their behavior.



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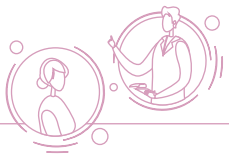
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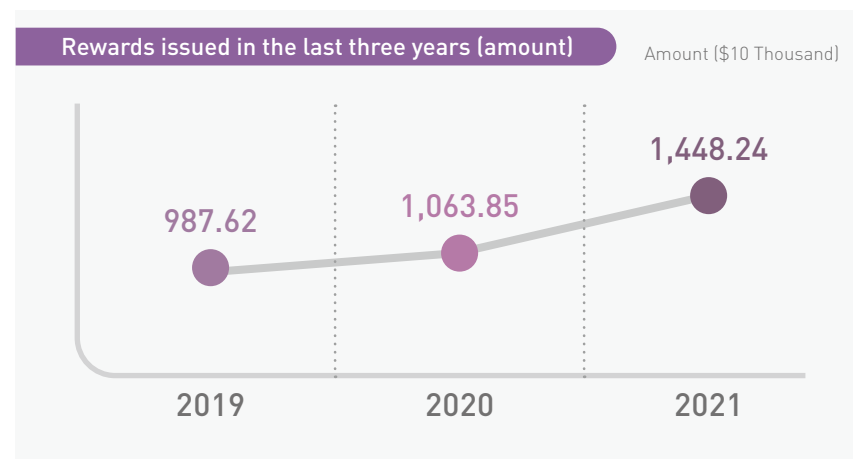
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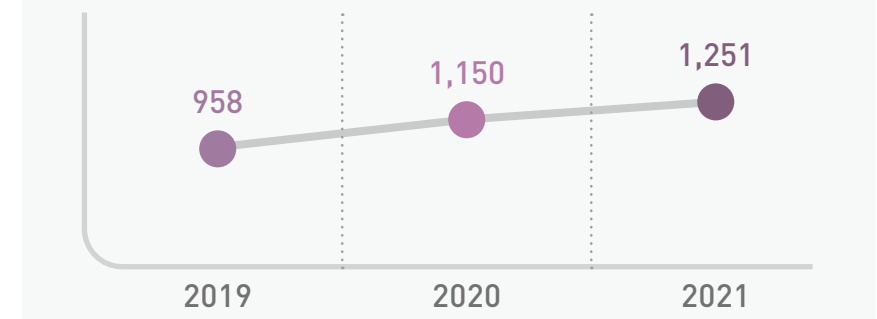


## ● Reward System

- The Senior Employee Reward Regulations were devised by momo to reward senior employees for their long service and contribution. Employees are publicly recognized and presented with a souvenir during employee conferences for every ten years they spend with the company. 67 employees were recognized during 2021.
- The Employee Reward Regulations were devised by momo to encourage employee participation in improvement initiatives, inspire employee creativity and boost their morale. Anyone that contributes to the company can be nominated by their supervisor and given additional bonuses at the end of the year as a substantive reward. In 2021, 136 rewards were issued with a total value of NT\$596,711.
- Rewards are set for achieving certain targets. Healthy competition and mutual cooperation are encouraged for exceeding sales targets and reaching new heights. In 2021, 528 rewards were issued with a total value of NT\$12,993,798.
- Various internal events and competitions are held at separate times including innovative product suggestion challenge, event website page design challenge, and holiday product promotion sales challenge. In 2021, 587 rewards were issued with a total value of NT\$897,896.



Rewards issued in the last three years (person)



## 5.2.2 Diversified Welfare Scheme

202-1 · 401-2 · 401-3 · 404-3

momo looks after employees in diverse ways in keeping with the spirit of "every matter, matters to momo." In addition to establishing a number of job benefits that exceed statutory requirements, an Employee Welfare Committee was created. Monthly employee payroll deductions (0.5%) and 0.1% of operating income are allocated each month to the benefits fund. The Committee has overall responsibility for the management of employee benefits. It plans and implements annual benefits plans and measures with the goal of maximizing employee benefits, promoting the physical and mental well-being of employees, as well as balance in life.

## ● Standard Welfare

momo provides permanent employees with a range of standard welfare. These include the seven major welfare listed below:

1	Reward payment	<ul style="list-style-type: none"> <li>• Annual bonus, senior employee reward</li> </ul>
2	Benefits and Subsidies	<ul style="list-style-type: none"> <li>• Occupational injury and emergency assistance fund, Dragon Boat/Mid-Autumn Festival gift money, birthday/wedding/childbirth gift money, children's education subsidy, 0 ~ 6-year child-rearing subsidy.</li> </ul>

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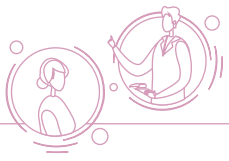
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3	Entertainment Subsidy	<ul style="list-style-type: none"> <li>Travel subsidy, club activity subsidy, monthly afternoon tea, birthday parties, monthly vendor tastings (suspended due to COVID-19 in 2021).</li> </ul>
4	Insurance and Health	<ul style="list-style-type: none"> <li>The company pays for over 70% of group insurance; dependents can be enrolled as well; regular health exams</li> <li>Additional insurance for notifiable infectious diseases paid for in full by the Company.</li> </ul>
5	Flex-time and Leave	<ul style="list-style-type: none"> <li>30-minute flex-time for start/end of work. Disaster leave (typhoon) exceeds the Labor Standards Act. NO payment reductions plus attendance subsidy.</li> <li>Employees that suffer a miscarriage at less than three months receive paid maternity leave that exceeds the Labor Standards Act.</li> <li>Paid vaccination leaves on the day of first, second and booster COVID-19 vaccine shot</li> <li>7 days of maternity exam (better than statutory requirement) given before amendments to the law</li> </ul>
6	Discounts	<ul style="list-style-type: none"> <li>Employee shopping discounts, employee discounts as affiliates, partner merchant discounts, employee loan discounts, insurance discounts at affiliates, telecommunications discounts at affiliates</li> </ul>
7	Benefits facilities	<ul style="list-style-type: none"> <li>Visually impaired masseuses employed to provide employees with stress-relieving massages, employee gym, health clinic and professional medical staff</li> </ul>

## ● Employee Stock Ownership Trust

In addition to the benefits described above, the Employee Stock Ownership Trust (ESOT) was officially established in January 2020 to boost employee loyalty and improve retention of outstanding employees. Under the system, senior specialists and employees above the grade of junior manager make a regular voluntary contribution from their monthly payroll along. A company contribution of the same amount is allocated as well with employees encouraged to make regular and fixed-amount investments in momo each month. They can then become a momo shareholder and share in the company's business results. There were 880 eligible employees as of December 31, 2021. 760 people agreed to join the trust, making the participation rate 86.4%. This was 4.6% higher than the number of participants in December 2020, a reflection of employee confidence in the company's future development. In 2021, momo had accumulated NT\$20,453,000 in cumulative spending on company contributions.

## ● Retirement System

The "Employee Retirement Regulations" were devised by momo based on the "Labor Standards Act" and "Labor Pension Act". Retirements are handled in accordance with the Act. An employee may apply for voluntary retirement in any one of the following situations below.



Old Pension System	Amount Allocated in 2022
The "Employee Retirement Regulations" devised by momo are considered a welfare program. A monthly contribution equal to 2% of the payroll is allocated to the employee Retirement Fund and paid into the designated Bank of Taiwan account. The members of the "Labor Pension Preparatory Supervision Committee" are convened each year to review the senior employees eligible for retirement. Actuaries are also employed to calculate the pension preparation funds each year to the protect the retirement pensions of employees.	NT\$944,346 (Note)

New Pension System	Amount Allocated in 2022
The "Employee Retirement Management Regulations" are classified as a contribution plan under the "Labor Pension Act." Employees contribute 6% of their monthly payroll to their personal retirement account.	NT\$95,492,934

Note · Contributions to the old pension fund have all been made so contributions have been suspended in accordance with the law. The suspension will run from August 2021 through to July 2022.

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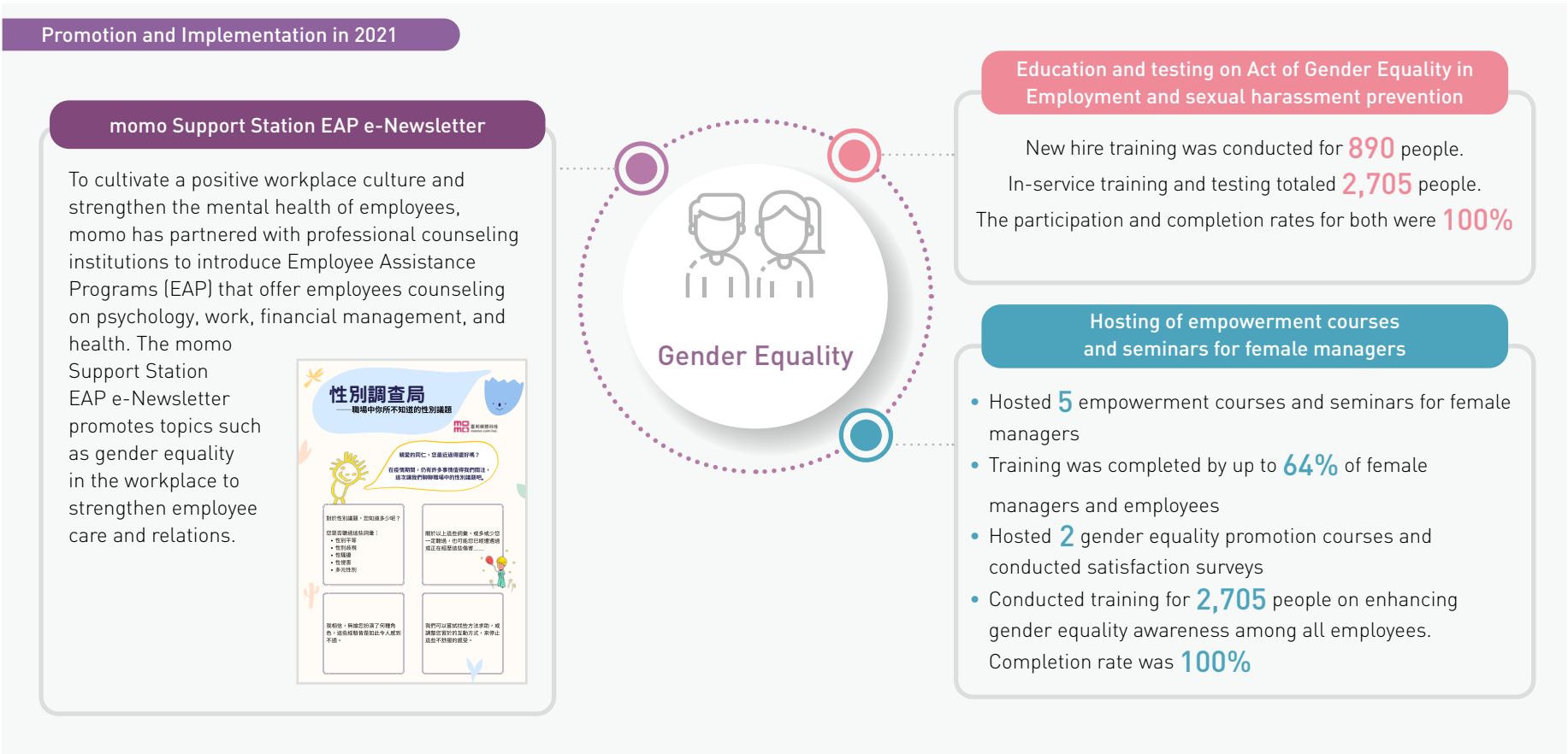
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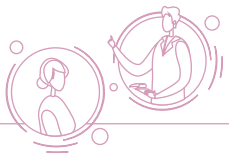
# Diversity System to Promote Gender Equality

momo established the "Gender Equality Promotion Committee" with the support of high-level executives on August 1, 2021. The executives make up the ex officio members of the Committee. Various measures were introduced within 5 months of the Committee's establishment. Employees appreciated this recognition of employee importance and interest in their well-being. Diverse employees

were brought together by different departments (TV shopping, Online shopping, logistics, customer service, engineering) so a very tolerant environment was already created for employees of different sexual orientations and gender identities. There has never been any discrimination against employees on the basis of sexual orientation so employees could be themselves at momo. They can work to contribute to the company in an environment where they can express their own personality.







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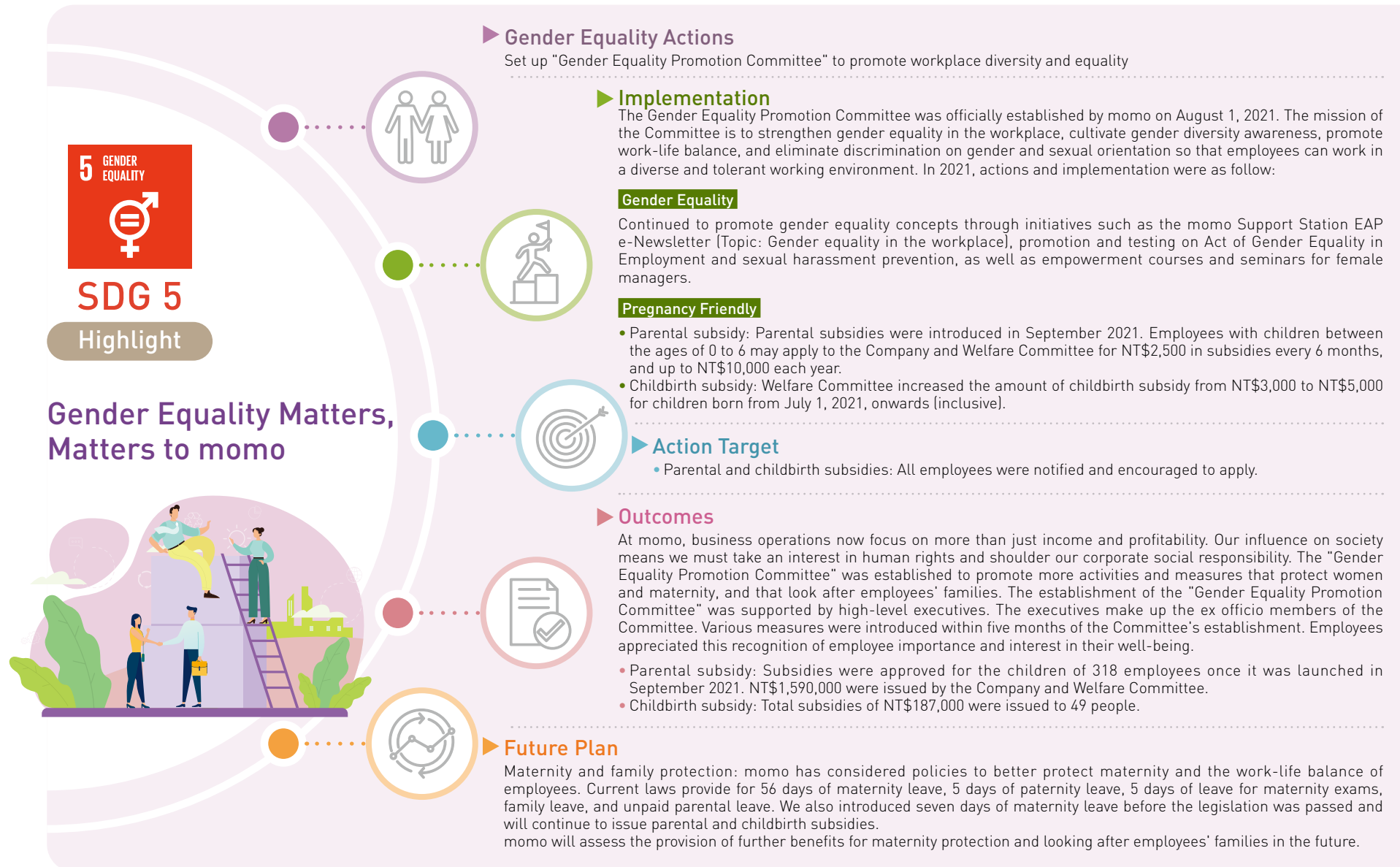
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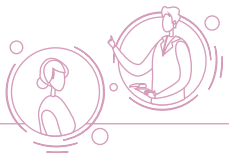
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## ● Comprehensive Mother-Baby Care

The nature of the industry means that more than 60% of momo employees are female. The average age of female employees is 34.2, meaning they are of child-bearing age as well. momo has planned and adopted the necessary safety and hygiene measures to establish a system for mother-baby care that realizes the goal of protecting the health of female employees and to creates pregnancy friendly workplace. The mother-baby care measures are outlined below:

**CARE MEASURES 1. Online seminar on maternity care**

To promote the topic of maternity care, the Labor Safety and Health Management Office invited the popular physician Mao C. J. to help female employees better understand the emotional development of babies and toddlers and educate them on non-staple foods.

**CARE MEASURES 2. Maternity care - Pregnancy and post-natal health education, on-site physician consultations**

The "Maternity Health Protection Rules" were defined by momo to provide health education before, during and after pregnancy, as well as post-natal breastfeeding information, care and services to pregnant employees, female employees within one year of giving birth, and female employees still breastfeeding more than one year after giving birth.

**CARE MEASURES 3. Clean and nice pumping room**

Pumping rooms at each location provided female employees with a clean, safe and comfortable environment after giving birth

**CARE MEASURES 4.**

Up to NT\$10,000 in parental subsidies are issued each year for children between 0 ~ 6

Subsidies were approved for the children of 318 employees once it was launched in September 2021. NT\$1,590,000 were issued by the Company and Welfare Committee.

**CARE MEASURES 5.**

Adjustment of childbirth subsidy from NT\$3,000/birth to NT\$5,000/birth

Amount of subsidy increased as of July 2021. Total subsidies of NT\$187,000 were issued to 49 people.

## ● Unpaid Parental Leave System

momo supports the government's push on unpaid parental leave and offers employees guaranteed reinstatement at the end of leave period. If an employee requests a transfer due to family commitments, then we actively assist with their transfer to a suitable vacancy after reinstatement. Reinstatement rates in 2020 were 50% for males, and 77% for females; the retention rate in 2020 was 0% for males, and 75% for females. There was an improvement in both overall reinstatement and retention rates in 2021 compared to last year.

Item	Male	Female
Number of people eligible for parental leave during the year (A)	49	89
Number of actual applicants for parental leave during the year (B)	7	45
<b>Application rate (B/A)</b>	<b>14%</b>	<b>51%</b>
Number of people expected to return from parental leave during the year (C)	9	41
Number of people that actually applied for reinstatement during the year (D)	8	31
<b>Reinstatement rate (D/C)</b>	<b>89%</b>	<b>76%</b>
Number of reinstatements in the preceding year (E)	1	34
Number of people still employed one year after reinstatement (F)	0	28
<b>Retention rate (F/E)</b>	<b>0%</b>	<b>82%</b>

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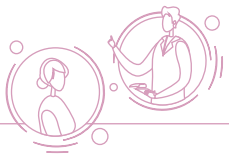
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## 5.3 Employee Career Overview

Employees are the cornerstone of business competitiveness and the foundation of sustainability. In addition to the gradual construction of a comprehensive education and training system, momo has also developed training courses for each type of role, encouraging employees to take up learning. A variety of different channels have also been introduced to boost learning frequency and resources for all employees. We believe that employees can apply this newly acquired and cultivated knowledge to their own professional output and produce the talent needed for the positive growth of the Company. momo believes that the sustainable development of business talent is conducive to the rapid development of the organization. Employees are therefore encouraged to engage in self-learning. Suitable learning courses are also offered to employees outside of work to craft a happy working environment.

### 5.3.1 Talent Cultivation and Development 404-1 · 404-2

momo has a longstanding interest in the cultivation of talent and caring about every matter large or small in employee careers. In 2020, diverse e-learning resources were used to digitally transform physical courses for teaching and research through e-learning platforms and video conferencing. This helped employees put what they learned directly into practice. This zero lag and highly efficient manner was used to promote the sharing of professional skills and knowledge. We also believe that employees will continue to move resolutely forward with momo towards the next milestone despite changes in the environment and very challenging circumstances.



### ● Talent Cultivation Highlights

	Gender	Average hours of training in each level		Overall average
		Management Role	General Employees	
2019 ▶	Male	35.93 hours	14.44 hours	18.79 hours
	Female	35.49 hours	18.68 hours	
2020 ▶	Male	24.40 hours	13.70 hours	16.55 hours
	Female	22.62 hours	17.37 hours	
2021 ▶	Male	20.64 hours	31.45 hours	30.26 hours
	Female	20.02 hours	31.17 hours	

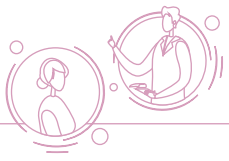
Note 1 · Management role refers to employees above the section level (inclusive). General employees are those below the section level.

Note 2 · Specialized training courses conducted for management roles in 2019 led to a significant increase in hours of training; routine training was conducted in 2020 and 2021.

Note 3 · Specialized training courses conducted for general employees in 2021 led to a significant increase in hours of training; routine training was conducted in 2019 and 2020.

- ✓ Participated in industry-university/college collaborations and the Ministry of Labor's Youth Employment Program. There were 114 people trained in 2021, growing **124%** compared to 2020.
- ✓ Accumulated more than 40,000 hours of online e-learning, up **99%** from 2020
- ✓ Conducted more than 97,000 hours of online e-learning for all employees, up **87%** from 2020
- ✓ Each employee completed an average 30 hours of training, up **83%** compared to 2020
- ✓ Training was conducted on up to 39,000 people, up **32%** from 2020

Total Expenditure	Total Training People	Total Training Hours
759,080	39,242	97,392



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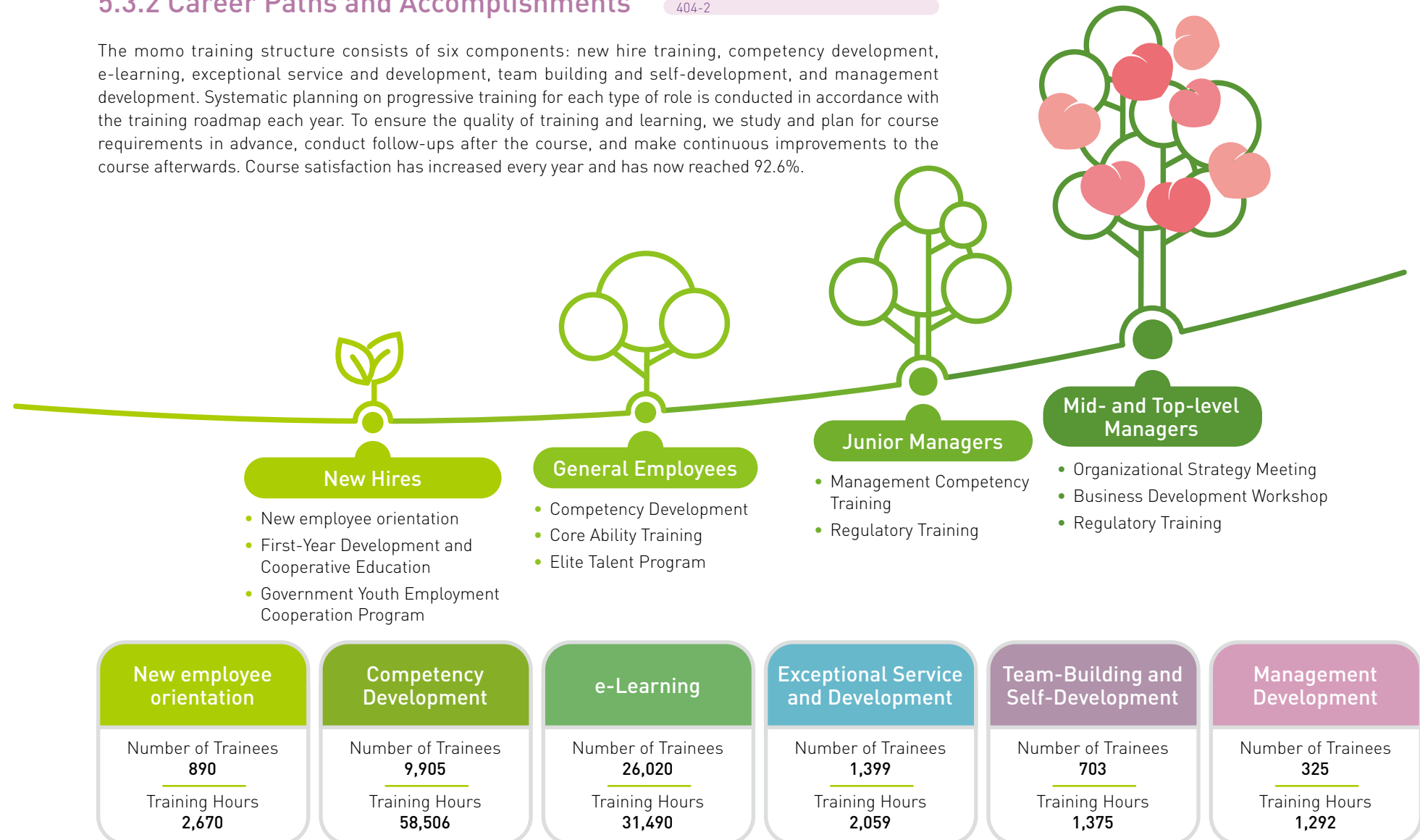
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## 5.3.2 Career Paths and Accomplishments

404-2

The momo training structure consists of six components: new hire training, competency development, e-learning, exceptional service and development, team building and self-development, and management development. Systematic planning on progressive training for each type of role is conducted in accordance with the training roadmap each year. To ensure the quality of training and learning, we study and plan for course requirements in advance, conduct follow-ups after the course, and make continuous improvements to the course afterwards. Course satisfaction has increased every year and has now reached 92.6%.



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## 5.3.3 Training and Development

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## ● New employees

## · Before-the-job training

Provide new employees with a quick introduction to the working environment and their rights. Particular emphasis is given to workplace equality, as well as rules and regulations on complaints to help new hires fit into their new role by familiarizing them with the company's environment and the nature of the industry.

· Freshman Development, Cooperative Education,  
and Government Youth Employment Cooperation Program

momo cooperates with the relevant units on employment diversity and development programs to create more opportunities for industry-university collaboration and to put theory into practice by providing job opportunities in different fields. Mentors help youths cultivate their work ethic, build hands-on experience, and apply their expertise. This not only helps youths to better understand the future direction of their career but also boosts their competitive attitude. More than 200 job opportunities have been provided by the program since it was first launched.



## ● General Employees

## · Variety of Learning Channels

Provides employees with plenty of opportunities to enhance professional knowledge and skills they need in their role. Training tailored to individual employees and focused on strengthening their core competencies are provided to improve the quality of human resources.

## · e-Learning

Employee rights are important to momo. To foster a healthier and safer working environment, online compliance training is conducted every year to raise employee awareness. Trainees must score at least 80% at the end of the course to pass. The training was completed 26,000 times during 2021.

## · Exceptional Service and Development

The communication of positive thinking and common values by top managers helps pass on the momo philosophy. The continued cultivation of employee awareness helps to raise the standard of total service. Up to 10,000 hours of training have been conducted as of 2021.

## · Team-Building and Self-Development

Team-building events are organized to boost cohesion. Targets are set during the events, with healthy competition and mutual cooperation encouraged in order to exceed sales targets and reach new heights. To foster a healthy and equitable working environment, workplace equality seminars are hosted online to instruct employees on dealing with gender issues in the workplace, encouraging greater empathy and rapport, and building a gender-friendly workplace and life.



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## ● Professional Empowerment

To enhance the professionalism and competency of current employees, skills training from supervisors and senior colleagues are complemented by professional skills and expertise courses organized by each department. These promote the sharing and exchanging of professional competencies within the department while also encouraging employees to continue their professional development.

## Elite Talent ●

Talented employees that show ambition, professionalism and strong potential are picked by the top management for preferential treatment and accelerated promotion. An extensive and in-depth 18-month development program, professional coaching, and phased evaluations are used to help elite talent build up their resume by identifying areas of improvement and implementing new practices in their work. All five talented employees chosen for the program passed their evaluation with a 100% promotion rate. We believe the program can bring together talented people from different professional backgrounds so that they can put their skills to good use at momo.

## Smart Logistics ●

All automated logistics technologies and equipment at each momo site are directly operated and monitored by warehouse personnel. All personnel must have completed the full training course on warehouse logistics including warehouse operating procedures, and logistics management regulations. Internal and external development courses on firefighting, first aid, and labor safety and health are conducted at various times as well to maintain proper professional standards and provide consumers with fast, high-quality service.

Training was conducted for **12,000** people during 2021, up **60%** from 2020.

## e-Commerce ●

e-commerce personnel at momo need to have an understanding of how the history of e-commerce organizations develops, future prospects, the state of the industry, and must keep up with the latest industry trends at all times. The training uses sales personnel experiences, e-commerce trend forums, merchandising information, writing of marketing copy, digital multimedia production, as well as the planning and operation of online platform business system functions to cultivate employee sensitivity to e-commerce and practical applications. Effective training equips employees with the ability to provide services better suited to consumer needs and to generate positive value.

Training was conducted for **11,000** people during 2021, up **55%** from 2020.

## ● Junior, Mid and Top-level Managers Training

Courses and seminars on compliance and managerial skills are organized for each tier of management based on their experience, expected management competencies, and actual requirements determined through questionnaire surveys. This allows momo to cultivate future company managers at all levels. By strengthening the managerial competency of managers at each level as well as enhancing their leadership and thinking skills, the overall managerial performance of the company is improved.

## Management Competency Training ●

This is divided into three key areas namely recruitment, selection, and interview. The first step is establishing a proper understanding of human character, defining of standards, and using structured interview techniques to select the most suitable talent. The next step is cultivating and mentoring junior roles, mastering the techniques for providing employees with guidance, serving as a bridge between senior and junior levels, developing different guidance strategies and judgment criteria for different subordinates, exploring and evaluating the optimal approach and then providing feedback. Furthermore, there is target setting and performance management, assisting junior roles with setting functional and strategic targets, and improving job performance. Current company systems and circumstances are integrated through the course content. Experienced instructors provide systematic recommendations that clarify the deeper needs of managers, establish a clear and sound logical framework, guide the handling of real-world issues, and facilitate effective learning of practical skills that can be implemented in their work.

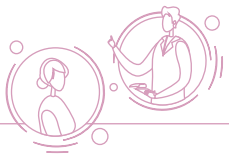
## Organizational Strategy Meeting and Business Development Workshop ●

Top-level managers provide guidance on future organizational strategy and business development goals. Organizational strategy workshops and business management meetings are regularly hosted to review department performance annually. These combine real-world applications through discussion and analysis of industry topics, cultivate a total management approach and enhance the business acumen of managers, strengthening and enhancing the effectiveness of the business management model as well as team consensus.

## Regulatory Training ●

Managers at every level need an understanding of regulations relating to labor and human rights to help with compliance in all management activities and reduce labor disputes. Up to 1,600 hours of training have been completed for 540 junior, mid- and top-level managers so far.

Note · The head of a section is an entry-level management position. Mid-level managers are supervisors below the grade of manager. Top-level managers are supervisors above the grade of assistant vice president.





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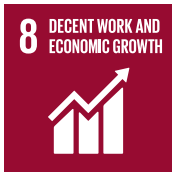
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SDG 8

Highlight

# Youth Empowerment and Development Matters, Matters to momo



## Youth Empowerment Initiatives

Youth empowerment provides youths with diverse employment and development opportunities

### Implementation

momo leveraged industry resources to participate in Ministry of Labor policies aimed at boosting business willingness to employ young people. We provided youths with job opportunities to apply what they learned and on-the-job training programs to help them fit quickly into their working environment. In addition to working with government programs to bring together industry, educational, and training resources, momo has made contributions to youth training, employment and retention. We also provide youths with opportunities for diversified development and to unleash their talents.

### Action Target

- Continue to support and participate in government youth programs by providing more than 100 job opportunities and resources.
- Conducted more than 30,000 hours of training to cultivate essential professional skills for youths.
- Fortnightly training feedback mechanism for tracking learning performance in real-time with 100% effectiveness.
- Used training of youths to implement every aspect of warehouse logistics including operations management, inventory management, process planning, and business performance indicators in order to provide consumers with greater diversity in logistics services and create more business opportunities.
- Used calling services to increase opportunities for customer contact and to provide customers with solutions more effectively in order to increase customer satisfaction and create more business opportunities.

### Outcomes

- Training courses were developed for youth development that covered the professional skills, knowledge, attitudes and mindset needed for jobs, and helping youths with their career direction.
- One-to-one mentoring and sharing of experiences by workplace instructors helped youths with understanding the corporate vision, culture, work rules, working environment and their own rights during the training process. They were also given extensive opportunities to learn about the basic professional knowledge and skills required to perform their duties.
- The training encompassed professional skills, job management, positive attitude, independent thinking, problem analysis and solving, communication and coordination, and teamwork. These helped youths familiarize themselves with the company's operations and the scope of their role more quickly, and enhanced their professional skills to ensure they successfully settled into their role.
- During the process, youths built up real-world experience and learned how to solve problems they encountered at work. It also served to cultivate their interpersonal relations in the workplace. The workplace mentor provided the youths with counseling on career development based on their performance as well.
- Most of the youths adapted well to the workplace after their training period. Interest in staying on was high and their job performance improved as well. In addition to building a positive mindset through professional knowledge and skills, the problem analysis and logical thinking capabilities required for their role helped youths learn more effectively and hone their skills. This provided them with the best preparation for their future career development. Youths that completed the training exhibited a more proactive approach to learning. Businesses were therefore more willing to provide them with more opportunities for proving themselves and for furthering their careers. This in turn improved retention for outstanding youths that were willing to engage in multi-disciplinary learning. Through continuous improvements, youths were provided with a trusted working environment and training program. The philosophy of putting the right people in the right place was embraced to offer youths a platform for putting their skills to good use.

### Future Plan

momo will continue to encourage youths to be proactive in seeking stable employment, as well as provide job openings and training so they can apply what they learned. In addition to in-service training, mentors provide timely advice and assistance based on the job performance of youths in order to cultivate their interest in continued development and self-enrichment. The company vision is also used to improve youth quality, cultivate talent, and encourage youths to make continuous learning their target. Professional and management training courses will be developed to provide additional training in weak areas, cultivate their self-awareness on performance, job skills, and adaptation to the working environment. These in turn will help youths settle into their role and demonstrate their competencies.

### 2021 Outcomes

Item	Data
Target Number of People (A)	100 People
Number of People Employed (B)	81 People
Employment Rate (B)/(A)	81%
Number of People Retained (C)	67 People
Retention rate (C/B)	83%
Training Satisfaction Rating	Up to 94

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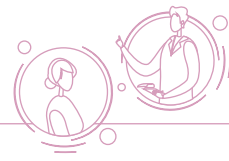
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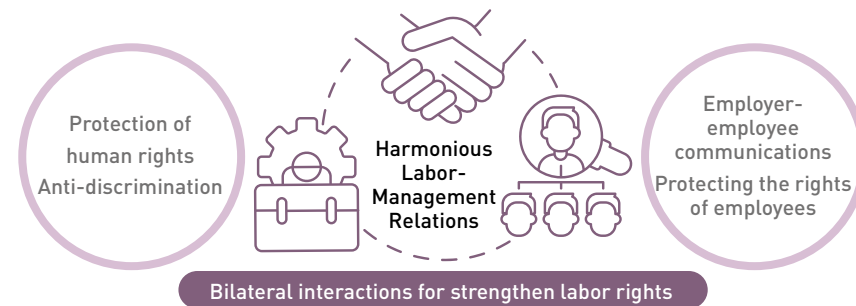
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## 5.4 Labor Equality Overview

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Labor-management meetings are regularly convened by momo to promote harmonious labor relations and provide a complete channel for communication. At the same time, momo strives to maintain harmonious and inclusive labor relations through the protection of human rights, anti-discrimination, employer-employee communications, and employee rights protection.



### 5.4.1 Human Rights and Anti-discrimination

406-1 · 409-1 · 412-2

Worker's human rights are important to momo and we comply strictly with the requirements of the Labor Standards Act, Act of Gender Equality in Employment, and Occupational Safety and Health Act. The working conditions of every employee comply with the law, and they also enjoy statutory benefits and protections. There were no complaints involving gender or racial discrimination in 2021. There were no incidents of human rights violation or discrimination during the hiring of employees nor were the business operations of the company affected by human rights or forced labor. Efforts to raise awareness and prevent illegal abuse in the workplace (workplace bullying) were also stepped up in recent years.

momo believes that fostering an environment conducive to human rights is essential to sustainable development. We support and embrace international

human rights conventions such as the UN "Universal Declaration of Human Rights", "Business and Human Rights Framework", "Global Compact", "International Labour Organization Conventions." We require suppliers and partners to ensure that there are no violations of human rights in their business activities, and to treat all internal and external personnel equally and with dignity. Due diligence through human rights assessments and other methods were applied to strengthen and raise awareness among momo employees and stakeholders.

The momo human rights policy declares our support for human rights conventions. We respect human rights in the workplace and enforce information security to prevent privacy risks. momo is also continuing to implement the following measures:



#### Prohibition Against Child Labor

- We comply with the laws on prohibition of child labor. The identities of new hires are verified when they join the company.



#### Non-Discrimination in Employment

- Discrimination on the basis of race, class, language, thought, religion, political affiliation, home province, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, physical/mental disability, star sign, blood type or past union membership during the hiring and dismissal of employees is not permitted.



#### Legal Scheduling and Work Hours

- An attendance management tool has been developed to remind employees and supervisors about work hours through management reports.
- An internal audit mechanism checks shift rosters, attendance and overtime every month. Anomalies are investigated and corrective action taken.
- Training and seminars are used to help managers at each level adopt the right mindset regarding labor management.

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Equality and Dignity in the Workplace

- Active efforts are made to prevent and eliminate all forms of discrimination, bullying and sexual harassment. The "Employee Complaints Regulations" and "Measures for Prevention, Correction, Complaint and Punishment of Sexual Harassment" govern all related prevention, corrective and remedial actions.
- A corporate hotline and e-mail have been set up by momo to handle all complaints. These are disclosed in the stakeholder's section of our website. Feedback can be reported online, over the phone, or in writing.
- A stakeholder relations conference is convened by momo every year to listen to the voices of our diverse stakeholders, and serve as a way for promoting their continued engagement and the design of corrective action. For employees, the labor-management meeting is convened every three months during which employee and employer representatives discuss and make improvements in labor rights, employee benefits, occupational safety and health, and other matters.

Stakeholder Communication Channels

Privacy Protection

- We comply with company requirements on protection of personal information. HR and employing units safeguard the personal information of job applicants to ensure they are not compromised.

In addition to courses for all employees and new hires described above, labor law compliance and gender equality courses were prioritized for managers in 2021 to enhance awareness of employee rights and gender equality throughout the company. The courses covered non-discrimination during recruitment, protection of female and maternity leave types (e.g., menstrual leave, paternity leave, maternity exam leave, maternity leave, unpaid parental leave), balance between work and family life (statutory caps on work hours, impact of overtime on health, scheduling for compliance with one fixed day off and one flexible rest day per week, and family leave etc.).

Outcomes of Labor Law Compliance and Gender Equality Courses in 2021

New Hires		
A 3-hour seminar is conducted for new hires on the day they join the company and contains the following human rights topics: <ul style="list-style-type: none"> <li>Employee rights (work rules and related management regulations)</li> <li>Act of Gender Equality in Employment, and sexual harassment prevention seminars</li> <li>Explanation of different employer-employee communication channels</li> </ul>		
Training Hours per Person	Actual Number of Trainees	Course Participation Rate <small>(Actual Number of Trainees/Planned Number of Trainees)</small>
1	890	100%
In-service personnel		
<ul style="list-style-type: none"> <li>Act of Gender Equality in Employment, and sexual harassment prevention education</li> <li>Education on Measures for Prevention, Correction, Complaint and Punishment of Sexual Harassment</li> <li>Education on employee suggestion box and complaints channels</li> </ul>		
Training Hours per Person	Actual Number of Trainees	Course Participation Rate <small>(Actual Number of Trainees/Planned Number of Trainees)</small>
1	2,705	100%
Managers above the grade of team leader		
<ul style="list-style-type: none"> <li>Awareness training on employee rights and labor law compliance</li> <li>Awareness training on gender equality and sexual harassment prevention</li> <li>Awareness training on workplace safety and prevention of bullying</li> </ul>		
Training Hours per Person	Actual Number of Trainees	Course Participation Rate <small>(Actual Number of Trainees/Planned Number of Trainees)</small>
3	47	100%

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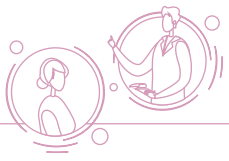
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SDG 3

Highlight

Employee Matters,  
Matters to momo

## ► Action Plan

Employee Assistance Plan (EAP)

## ► Implementation

A five-step process for accessing professional assistance is provided to help employees maintain their physical and mental well-being.

1. Consultation via e-mail; 2. Consultation over the phone; 3. In-person consultation;
  4. Consultation over communications software; 5. Group consultation
- Eligibility: All permanent employees
  - Access: 24-hour service
  - Classification: Confirm the type of service required by employee
  - Service Content: Service provided by professional psychiatrist or specialist consultants
  - Case Support: No information is disclosed to third parties without the consent of the client

## ► Action Target

- Physiological support for employees was enhanced by the additional of psychological healthcare services. A systematic management model was adopted to provide professional consulting services for employee consultations, EAP or mental health.

## ► Outcomes

- Psychology-related seminars, topical articles, and physical and mental wellness website platforms were organized to help employees obtain information and connect to resources on a variety of topics including work, life, health, family, and society. Two EAP information seminars were hosted during 2021 and attended by 57 people.
- Planning of management practices training to implement the EAP concept at the management level so that it can benefit employees at every level within the organization.
- Provided employees with psychological, work, management, health, financial management and legal consultation channels so they have access to a full range of physical and mental healthcare and assistance. The "How to mentally cope and adapt to COVID-19" course, for example, was attended by 74 people and helped employees maintain their physical and mental well-being during the pandemic.

## ► Future Plan

In the future, functions for promoting employee mental health in the workplace and strengthening the mental qualities of employees will be emphasized. An example of this is EAP training workshops targeted at every level of management. The EAP training workshop for managers uses live interactions to illustrate tricky issues among employees in the workplace and teaches strategies for handling such issues.

Establishing a proper understanding of mental health in the workplace for employees will also help them cope with psychological distress, work-related stress, career changes and other problems. This will in turn enhance their self-perceived performance and productivity.





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### 5.4.2 Labor-Management Communications and Rights Protection

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momo cares about every employee's thought and feeling. As such, we have established a variety of communication channels and actively encourage the use of all labor-management communication channels. We take every employee's inner feeling seriously and work together to find a solution. Routine employee conferences and management meetings are used to communicate important company messages and policies. These forge open channels for two-way communications that encourage the company and employees to work together towards a common goal.

#### ● Labor-Management Communications and Rights Promotion

A labor-management committee has been established and is convened quarterly to effectively mediate on labor-management relations and promote labor-management cooperation. Four labor-management meetings were convened in 2021. The questions raised by labor representatives during the meetings were immediately answered by the relevant units with no further questions. One formal resolution was passed relating to strengthening of epidemic prevention measures related to COVID-19. The Committee currently consists of 10 labor representatives and 10 management representatives. The labor representatives were elected directly by all employees, and they represent the workers from momo's main operating locations including the Neihu head office, Tomson Industrial Park (Sanchong), and North Distribution Center. Topics of employee concern were discussed at length by labor and management representatives.

momo has been conducting internal training courses on labor law compliance, sexual harassment, gender equality and workplace bullying over the past three years. In addition to content related to labor laws such as scheduling, overtime, leave, performance evaluation, retrenchment and dismissal, particular emphasis was given to gender equality and sexual harassment prevention. Compliance awareness training courses were conducted specifically for managers as well.

To ensure sound channels for vertical communications, we drew more attention to the company's internal complaint channels so that all types of employee questions could be resolved securely and confidentially via these channels first. This effectively reduced and prevented labor-management problems and disputes.

In 2021, a total of two employee complaints, including a complaint on sexual harassment, were received after the above training was conducted. Action was immediately taken to resolve the situations. This demonstrated that both the training and the complaint channel were effective tools for education and communication.

Complaint Type	Employee complaint	Complaint of illegal abuse in the workplace	Complaint of sexual harassment
Complaints Channels	Established dedicated employee complaints mailbox and regulations	Established dedicated employee complaints mailbox and regulations	Established dedicated complaints mailbox, hotline and regulations
Responsible Unit	Human Resources Department	Occupational Safety & Hygiene Office	Sexual Harassment Complaints Committee

Safe and Confidential Expression of Opinion

- Complaints are investigated once they are received by the responsible unit. If necessary, a task force is set up those reports and makes recommendations directly to the president. The president's directive determines what action will be taken.
- Strengthening of internal complaints channels to reduce and prevent labor-management problems and disputes: a total of two employee complaints (including sexual harassment complaint) were received in 2021. These were investigated and there were no further complaints after action was taken.

- Notice of Major Operational Changes**  
momo will communicate in advance with employees on any major operational changes that impact them. Notice is also given in accordance with the Labor Standards Act. Employees that have been with the company for more than three months but less than one year are given ten days' notice. Those that have been with the company for more than one year but less than three continuous years are given twenty days' notice. Those that have been with the company for more than three continuous years are given thirty days' notice. There were no related incidents in 2021.
- Appropriate Rostering and Non-Forced Labor**  
Due to the nature of the e-commerce industry as well as holiday retail promotions, momo now recognizes and is actively working to resolve labor and human rights issues with logistics and warehouse workers. As momo continues to expand the number of warehouses and workers, we must respect and pay attention to labor rights even as we insist on improving our service to customers. Warehouse and logistics workers will therefore be an area of particular concern for us. In addition to safeguarding the labor rights that employees are entitled to under the law, rosters and additional manpower are organized in advance for special events or periods when an increase in picking volumes can be expected. We are also expanding our engagement with logistics providers to ensure that employees receive adequate rest and are not subjected to force labor. We continue to actively monitor actual employee attendance through internal audits and both employees and their supervisors are interviewed if there is an anomaly. Through this two-way communication, a mechanism for constructive labor-management interactions and enforcement of human rights management can be established.

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## ● Listening to Employee Feedback

During 2021, momo prioritized the promotion of labor-management communication channels in order to understand and deal with employee issues. Employees can use the stakeholder section and the internal employee complaint mailbox to submit any opinions or suggestions they have regarding the company.

We will continue to focus on employee feedback in 2022. Other than continuing to promote the various communication channels that the company has in place, an employee engagement survey will also be drawn up and assessed to serve as a bridge between momo and employees. By understanding the needs of employees and making improvements in those areas, we can increase employee happiness and loyalty. This will in turn boost our competitiveness.

## 5.5 Safe Workplace Matters

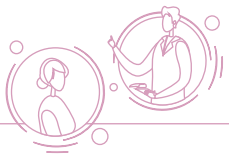
momo adheres to a safety and health policy of "Friendly workplace, safety and health, total participation, continuous improvement" and the core values of "workplace safety, environmental hygiene, healthy workplace." Employee safety and health assessments and planning are conducted to create the best working environment for employees. Comprehensive and diverse health and safety initiatives are provided to enhance quality of life for employees and in the workplace. Since 2016, momo has continuously won awards from the Ministry of Health and Welfare and local city/county health departments. Our Lujhu Warehouse (DC4) obtained the MOHW Badge of Accredited Healthy Workplace in 2021, and we plan to progressively certify all facilities in the future.



## 5.5.1 Promotion of Occupational Safety and Health Management

103-1 · 103-2 · 103-3 · 403-1 · 403-2 · 403-4 · 403-5 · 403-6 · 403-7 · 403-8

For employees, the workplace is their second home. It is momo's responsibility to give employees a workplace that feels like home. Workplace safety and health protection plans are defined for each work site and the role of each employee ensures workplace safety through systematic management model.



## ● Occupational Safety and Health Committee

The Committee consists of OSH personnel, department heads, nursing personnel and labor representatives. There are 24 committee members with labor representatives making up 42%. The Committee focuses mainly on the establishment of an OSH system structure, OSH enforcement for employees at each work site, and health management matters. Motions are discussed and voted on before being presented to top-level managers for approval. Once a resolution is approved the Committee is responsible for its promotion and implementation.

- **Meeting Interval and Frequency:** Quarterly
- **Meeting Frequency:** Four meetings convened
- **Resolutions:** During 2021, a total of 26 actions taken by labor safety units and nine OSH and health management matters were reported to the Committee.

## Occupational Safety and Health Committee

## Occupational Safety and Health Personnel ▼

- Promote ISO 45001 Occupational Safety and Health Management System
- Regularly convene Occupational Safety and Health Committee
- Supplier management, education and training
- Develop management rules, regulations, and related operating procedures
- Plan and host safety and health education training for new hires and current personnel
- Auditing of on-site OSH self-management
- Assist with the implementation of COVID-19 epidemic prevention measures

## Nursing Personnel ▼

- Plan and host health promoting courses
- Support for maternity health
- Support for returning to work after occupational injury
- Human-factor hazard prevention and support
- Prevention and support for excessive stress and vascular risk
- On-site health services by physicians
- Hosting of health projects (e.g., Flu vaccination drive)
- Implementation of COVID-19 epidemic prevention measures

## Department Heads ▼

- Support and promote OSH initiatives

## Labor Representatives from Each Unit ▼

- Implement and cooperate with OSH-related initiatives and activities
- Collate safety and health recommendations from each unit

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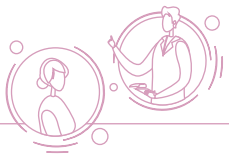
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## ● Environment, Safety and Health Management Policy



## ● Systematic Management

The ISO 45001 OSH management system was introduced by momo in 2019 to provide a safe and healthy workplace even though related management systems were not required by national regulations at the time. A systematic mechanism for implementing employee safety and health management is now in place. Hazard identification and risk assessment were conducted for high-risk warehouse and delivery operations. Controls such as operating permits were adopted to strengthen risk control and effectively prevent any occupational hazards. The scope of verification now encompasses all employees including temporary workers at the head office building and North Distribution Center, or 62% of all employees; non-employees accounted for around 1.7% (contractor personnel stationed on-site). Scope of verification will be expanded to include all warehouses in the future to provide total care and demonstrate our commitment to workplace safety.

## ● Future Prospects



## 5.5.2 Enhancing Workplace Safety

103-1 · 103-2 · 103-3 · 403-1 · 403-2 · 403-4 · 403-5 · 403-6 · 403-7 · 403-8

momo employs various professional trainings along with on-site operations hazard identification and risk management to prevent occupational injuries. These form a robust basis for safety so that employees can enjoy safe working and office environments.

## ● Occupational Safety Hazards and Risk Identification

Most momo work sites are either logistics warehouses or offices. To build a safe and happy environment, the Safety and Health Hazard Identification Guidelines were defined to effectively identify risks and hazards in the workplace. Joint inspections by each unit are used to identify internal and external issues, applicable regulations, and safety hazards/risks during on-site operations. The risk and opportunity evaluation matrix are then used to assign high, moderate and low-risk ratings. Guidelines are defined as a matter of priority of high-risk items. The guidelines are then periodically reviewed to determine their appropriateness to reduce the likelihood of on-site accidents.

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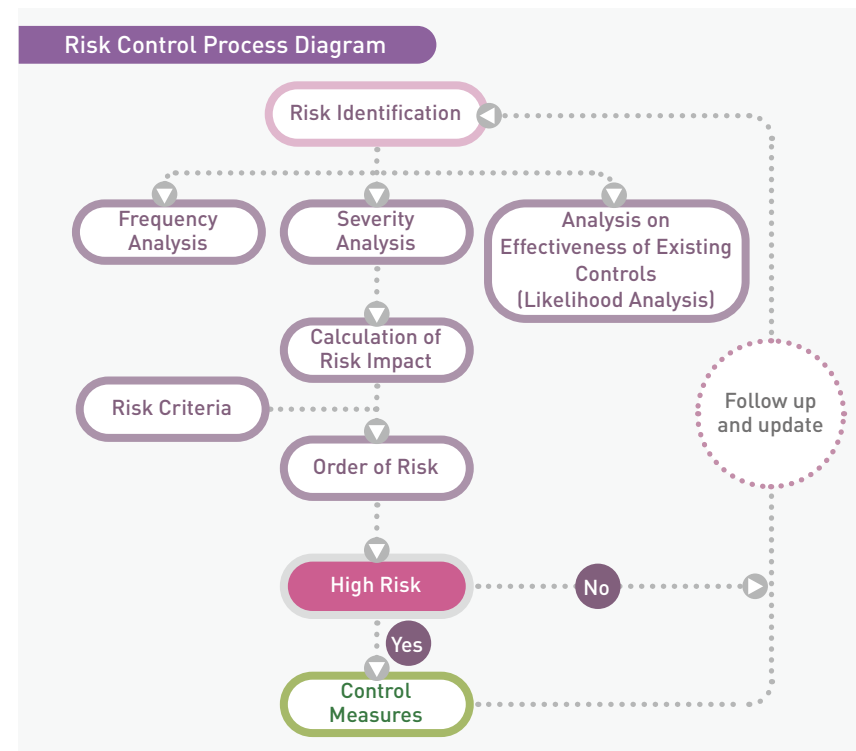
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## ● Workplace Safety Risk Assessment

Assessments are conducted by internal instructors with the relevant professional OSH qualifications or ISO 45001 OSH management system training. Internal inspections, operational environment inspections, online questionnaires, hazard identification and assessment management forms, and a variety of internal and external communication channels are used to analyze the types of safety and health risks in each operating activity, verify the effectiveness of existing protective measures, and then calculate the residual risk. Risk classification is based on the OSH system. In 2021, high-risk activities include live streaming in the studio and warehouse operations. Moderate and low risk activities include employee drinking water, and cleaning and disinfection of work sites. Cloud-based education and training as well as on-site OSH training are used to promote a culture of safety.



## ● Effective Safety Management and Action

## Routine

- **Audit-based safety and health management:** OSH audits are conducted every month at logistics warehouse sites. Safety audits are conducted on the delivery operations at satellite warehouses every quarter. The audits improve employee safety awareness and their working environment.
- **Special hazardous operation management:** Radioactive substance swab test reports are conducted for quality inspection instruments every year. Employees are also provided with protective equipment and facilities. For work sites with a higher level of risk, internal inspections are conducted and logged on a regular basis to prevent occupational injury/disease from physical risk factors in the workplace.
- **Drinking water risk control:** Water dispensers undergo filter replacement and maintenance every quarter. Trusted testing bodies are also hired to regularly sample and test the E. coli count of water dispensers at each work site for employees' peace of mind. All water dispensers passed their water quality testing in 2021.
- **Workplace cleanliness risk control:** In addition to daily cleaning of the offices by professional cleaning personnel, momo contracts specialized companies each year for floor polishing and special cleaning to maintain a clean, tidy and bright environment. Green plants looked after by dedicated personnel on a regular basis are planted inside and outside of offices. The greenery improves the office environment for employees.
- **Workplace hygiene risk control:** The floors are washed and pest control performed every month. Pest control frequency is stepped up during the summer to prevent occupational injury from bio-hazard factors in the workplace, as the heat and humidity promotes insect and bacterial growth. momo protects the quality of the working environment for employees by ensuring a hygienic working environment 24 hours a day, 365 days a year.

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## Non-routine

- **Workplace fire risk control:** Signs indicating evacuation routes and firefighting cabinets are posted throughout the workplace to improve employee awareness of emergency evacuation routes. Maps of the evacuation route featuring momoco, the company brand ambassador, are posted at each entrance as well, and include instructions on fire extinguisher and fire hydrant operation. This not only improves their visibility but also helps employees operate firefighting equipment in an emergency.

- **Contractor management:** Contractor coordination meetings and training are held on a regular basis to strengthen contractor safety awareness. There were no contractor injuries during 2021.
- **Workplace human-factor hazard assessment and overload prevention operations:** All employees including temporary workers undergo risk assessment and identification to prevent musculo-skeletal injuries or vascular risk from overloading during repetitive operations. Continuous health support is provided through tiered management.

## Online contractor education and training courses

- **Target:** Joint operations by contracted vendors (repair work, machine maintenance and repairs, product delivery, general labor)
- **Time:** 3PM, December 13, 2021
- **Vendors in attendance:**  
Total of 34 vendors attended the meeting



## Pre-operation

1. Contractor Safety and Health Declaration
2. Work Requisition Form
3. Hazard Notification Form
4. Education and Training
5. Certification

## Mid-operation

1. Comply with momo safety and health management system guidelines (ISO 4001 OSH management system)
2. Prevention of illegal abuse in the workplace
3. Implementation of hazard prevention measures

## Post-operation

1. Restore site to safe condition
2. All machinery and equipment are normal

Epidemic  
prevention controls

1. Access management
2. Wear mask
3. Proof of vaccination



## Operational safety education

1. Aerial work vehicle (16 hours of training)
2. Hazard prevention for confined space and oxygen-deficient operations
3. High temperature operations
4. Fall prevention measures
5. Aerial operations by personnel on forklift
6. Electrocution and current leakage breaker
7. Personal protective equipment

## Education and verification

1. Operating process and guidelines
2. Regulations and mandatory measures for mechanical, confined space, and oxygen-deficient hazardous operations
3. Implementation of automatic inspections
4. Implementation and verification of related training
5. Use of personal protective equipment
6. Suggestions or feedback



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## ● Occupational Safety Training Courses

- **Labor safety and health training:** new hires, current employees, and special hazardous operations personnel undergo mandatory OSH training as required by law and their file is retained for reference.

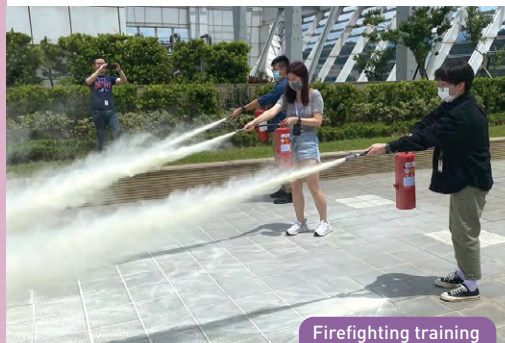
- **Training of qualified first-aid personnel:** Initial and refresher training for workplace first-aid personnel is held annually to improve the first-aid ability of employees and reduce the severity of injuries. 81 people were qualified this year.

Note · By law, there must be one employee trained in first-aid for every 50 employees. In 2021, the momo workforce totaled 2,771 people so that the number of qualified personnel exceeded statutory requirements.

- **Firefighting Training:** Employees operate the actual firefighting equipment during firefighting training. The training is conducted every six months to improve employee ability to respond to emergencies. This not only helps with disaster mitigation but also improves their self-preservation skills. A total of 266 people participated.

- **AED and CPR training:** AED and CRP training was conducted to strengthen employee knowledge of first-aid in an office setting, as well as improve the ability to respond to disasters and to provide first aid. A total of 20 people participated.

- **Forklift operator license:** An inspection is conducted every month to confirm that all forklift operators working at warehouses hold the proper qualifications required by the competent authorities. There were 176 qualified operators at the end of 2021.

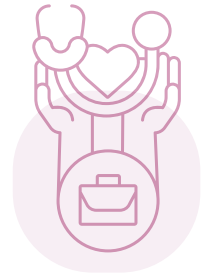


Firefighting training



Basic first-aid training

- **Special occupational hazards training:** As the leading brand in e-commerce, momo boasts a powerful IT team. The data center equipment, however, generates unpleasant noises while running. While the sound does not exceed statutory limits on noise, it may damage the hearing of data center staff. Noise awareness training and provision of protective equipment for data center personnel was continued in 2021 to raise awareness on the importance of hearing protection.



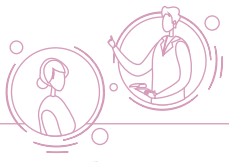
## ● Investigation Process for Employee Occupational Injuries

Given that momo locations are distributed throughout Taiwan, online applications were introduced in 2018 to help employees file occupational injury accident claims more quickly and efficiently. Employees that suffer an occupational injury benefit from extra recovery time. Assistance with the application for occupational injury clinic referrals or hospital claims under Labor Insurance is also provided to employees injured at work. During the assessment of occupational injuries, a nurse will, if necessary, visit and assist the employee with choosing their medical treatment, and assessing whether their work will need to be adjusted once they return to the workplace. Employee health and working rights are protected, and employees are not penalized for applying for work-related injury leave.

Statistics were kept on the types of occupational injury claims made by employees in 2021, including traffic accidents at and outside of work. When an occupational injury accident occurs, momo immediately takes first-aid and rescue measures if necessary. The accident is then reported to the OSH Committee. Corrective actions and improved protection are then examined to eliminate the likelihood of such accidents. There was a total of 47 occupational injury accidents during 2021 with traffic accidents while commuting to and from work being the most common; a total of 45 employees had returned to work by the end of 2021 for a resumption rate of 95.7%.

An annual audit of each department is conducted by labor safety units through the OSH management system. The audit examines work processes, equipment, and environmental conditions to identify hazards and assess the risks. The effectiveness of existing measures is considered during the identification process. Other measures relating to the establishment, implementation, operation and maintenance of OSH are also determined and assessed in order to rate and control risks. Reports are also submitted during management review meetings.





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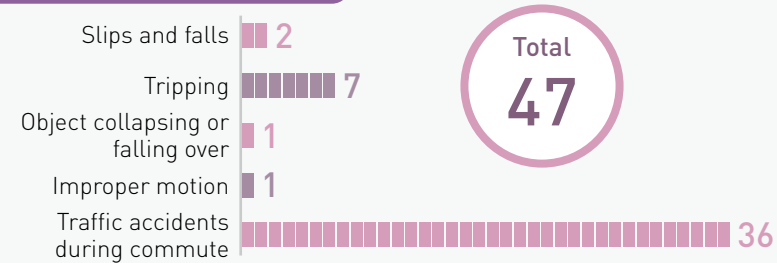
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## Type of Occupational Injury

Unit: Cases



## 2021 Occupational Injury Statistics Table

Type of Worker: momo Employee

	Male	Female	Total
Total Work Days	396,382	233,270	629,652
Total Work Hours	3,171,056	1,866,160	5,037,216
Occupational Fatalities	0	0	0
Occupational Fatality Rate	0	0	0
Frequency of Severe Occupational Injuries	0	0	0
Ratio of Severe Occupational Injuries	0	0	0
Number of Reportable Occupational Injuries	12	35	47
Ratio of Reportable Occupational Injuries	0.76	3.75	1.87
Number of Near-misses	0	0	0
Ratio of Near-misses	0	0	0

Note 1 · Ratio of reportable occupational injuries: (Frequency of reportable occupational injuries/Work hours) x 200,000

Note 2 · Type of Disaster:

- Occupational disaster: Refers to worker disease, injury, incapacitation, or death due to the building, machinery, equipment, raw materials, materials, chemicals, gases, steam, and dust in the workplace, or work activities and other work-related causes.
- Near-misses: Refers to unanticipated accidents that employees were scared by even though no casualties or property damage were caused.

## 2021 Occupational Injury Analysis Table

	2019		2020		2021	
	Male	Female	Male	Female	Male	Female
No. of Occupational Disasters	34	19	25	16	12	35
Total Days Absent	2,725.88	6,352.63	3,130.81	7,166.19	2,407.00	7,149.00
Disabling Injury Frequency Rate (FR)	12.81	0.74	13.13	5.34	6.43	11.04
Absenteeism Rate (AR)	1.21%	1.87%	1.32%	1.91%	1.03%	1.80%
Lost Days Severity Rate (SR)	173.24	25.34	209.89	25.24	240.33	130.24

Note 1 · Disabling Frequency Rate (FR) = Frequency of occupational disasters \* 1,000,000/Total work hours

Note 2 · Absenteeism Rate (AR) = Total days absent / Total work days \* 100% (Days absent include sick leave, menstrual leave, tocolysis leave, and work-related injury leave)

Note 3 · Disabling Injury Severity Rate (SR) = Total days lost \* 1,000,000/Total work hours

Note 4 · 1,000,000 above represents every million work hours

Note 5 · Occupational disaster cases is the sum of all traffic accidents at and outside of the workplace

Note 6 · There were no cases of occupational disease or work-related fatalities from 2018 to 2021

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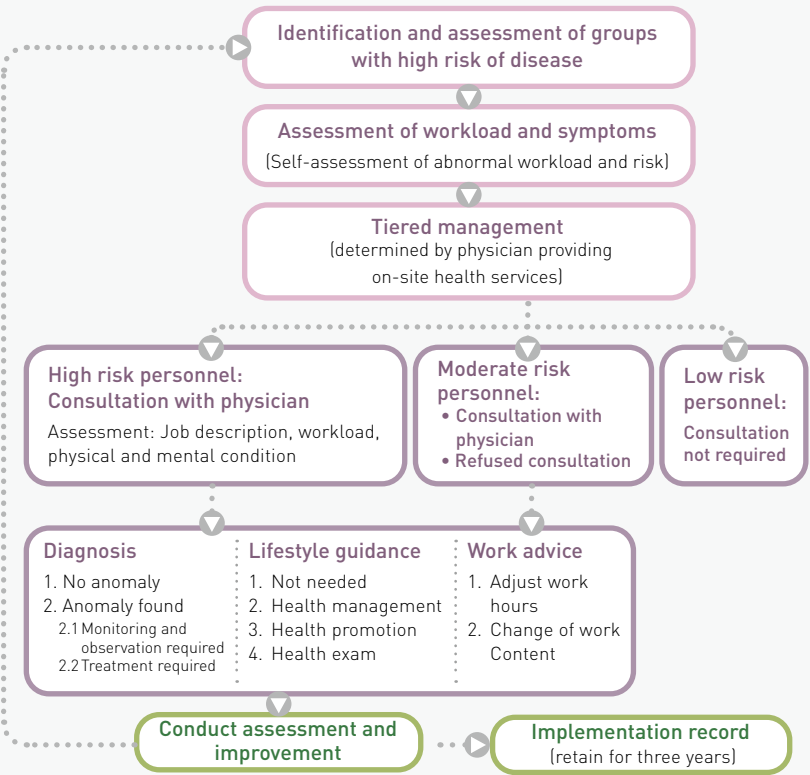
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### Occupational Disease Risk Identification and Improvement Process

1. Surveys and health exam data are used to identify and assess groups with a high risk of disease.
2. **Tiered management:** A combination of cardiovascular disease risk and workload is used to assess the risk rating
  - (1) **Low risk personnel** Individual self-health management with no consultation required.
  - (2) **Moderate risk personnel** Employees with moderate risk are consulted and provided with guidance from the physician during on-site health services. Information promoting health is also provided on a regular basis by nursing personnel.
  - (3) **High risk personnel** Consulted and provided with guidance from the physician during on-site health services.



### 5.5.3 Healthy and LOHAS Workplace

103-1 · 103-2 · 103-3 · 403-1 · 403-2 · 403-3 · 403-4 · 403-5 · 403-6 · 403-7 · 403-8

momo employs professional nurses with health management experience to compile employee feedback on their requirements for planning health courses and incentives. Internal support, which includes manager approval and employee participation incentives, are used during implementation of this system to systematically accomplish the management strategy. The support and guidance of external units are also used to make every health-related project more interesting and complete.

The Chairperson and President personally led all employees in supporting workplace health promotion together. Health-friendly workplace environment and culture were also cultivated. Management units were assigned to develop projects that underpin the promotion plan. The long-term promotion of employee health and healthy living ideals encourages every employee to become more knowledgeable and to put that knowledge into practice. Healthy living ideals are thus extended to every member of our employees' families.

### Five-Heart Healthy Workplace

- 1 **Epidemic Prevention**
  - Conduct epidemic survey and education
  - Promote new lifestyle for epidemic prevention
  - Host flu vaccination drive
- 2 **Staying Active**
  - Health courses and seminars
  - Tobacco hazard prevention seminars and health education
  - Course satisfaction survey
  - Promotion and application of health knowledge
- 3 **Relaxing Environment**
  - Fitness plaza
  - Designation of employee rest areas
  - Employee coffee station
  - Welcoming pumping room
  - Maternity parking
- 4 **Health Management**
  - Employee health exam
  - Health exam data analysis
  - Health cognitive survey and on-site physician
  - Measurement of employees with high blood pressure
- 5 **Open Outreach Channels**
  - 24-hour EAP hotline
  - Diverse range of employee consultation channels on psychology, work, management, health, financial management and legal consultation
  - Health education by nurses

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## ● Epidemic Prevention

As the COVID-19 pandemic spread, momo's epidemic prevention response team worked hard to implement each response measure. momo nursing personnel also activated the employee health protection plan with daily respiratory disease checks, review of new hire travel history and a physical examination report. We cooperated with the epidemiological surveys of the competent authorities and defined our own health management mechanism. To support government policy

and protect employee health, momo strove to encourage employees to receive the COVID-19 vaccine and introduced vaccination leave. As of December 31, 2021, the vaccine has been administered 3,563 times or the equivalent of NT\$5,304,954. Full subsidies for notifiable infectious disease insurance were also introduced with all employees enrolled. Total subsidies amounted to NT\$547,115. Even as we focused on supporting our partners in practicing proper epidemic prevention, we maintained the new epidemic prevention lifestyle to continue engaging in employee health management as well as provide a safe and healthy workplace.

COVID-19 Epidemic Prevention Measures

	Type of Implementation	Implementation Measure
Policy	Epidemic prevention reporting process	<ul style="list-style-type: none"> <li>An emergency response mechanism was defined for Severe Pneumonia with Novel Pathogens with explicit provisions for "Establishment of epidemic response team", "Internal epidemic classification, standards, and related response measures", and "internal reporting process."</li> <li>Daily epidemic investigation and reporting: Reporting of flu, related travel history, or contact with suspected COVID-19 case, and daily progress updates on self-health management.</li> <li>Primary epidemic prevention procedure: Aspects include reporting, personnel safety and response, disinfection, epidemic prevention communication, and business continuity.</li> </ul>
System	Management regulations	<ul style="list-style-type: none"> <li>The Company introduced epidemic prevention leave based on the epidemic prevention initiatives announced by the competent authorities. Rules were defined for employee business travel and attendance during each level of epidemic alert.</li> <li>Site splitting or working from home were activated depending on the risk ratings of internal epidemic classification, standards, and related response measures.</li> </ul>
Response plan	1. Strict access control	<ul style="list-style-type: none"> <li>Body temperature must be measured and a surgical mace mask worn before entering the workplace.</li> <li>Vendors, delivery drivers and postmen may only enter and leave via designated areas.</li> <li>75% alcohol provided at all office entrances.</li> <li>Restrictions on business travel overseas</li> </ul>
	2. Working from home	<ul style="list-style-type: none"> <li>Split into teams A and B during level 3 alert to work from home with site splitting.</li> </ul>
	3. Plentiful epidemic prevention supplies	<ul style="list-style-type: none"> <li>Provide each unit with essential epidemic prevention supplies: Forehead thermometer, 75% alcohol, surgical face masks etc.</li> </ul>
	4. Remote meeting	<ul style="list-style-type: none"> <li>Adoption of video and tele-conferencing across the board</li> </ul>
	5. Environment and disinfection management	<ul style="list-style-type: none"> <li>The environment is disinfected once a month to provide employees with a safe and healthy working environment.</li> <li>Employees designated as potential contacts provided with rapid antigen tests</li> <li>129 announcements on the pandemic, epidemic prevention, and environment were issued to all employees during the year</li> </ul>

Cleaning and disinfection of the environment



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• **Advance Planning of Epidemic Prevention Measures**

At the start of 2022, momo drew on our epidemic prevention experience from 2021 by activating site-splitting and working from home before the Lunar New Year holidays and the latest outbreak. Offices and warehouses were disinfected more thoroughly as well. In addition to providing those employees designated as potential contacts with rapid antigen tests (RATs) and nurse support, momo continued to closely monitor the epidemic prevention policies of the competent authorities and implement rolling adjustments in order to provide employees with a safe and trusted workplace.

• **Flu Protection and Improving Employee Immunity**

To improve employee immune function, momo partnered with clinics to launch a flu vaccination drive so employees did not have to travel to a medical facility. In 2021, we asked the hospital to hold a vaccination clinic for momo-funded vaccinations at the momo building in Neihu and 120 people were vaccinated against influenza.

• **Healthy Living**

"Health activity course", "health and weight management activity" and "Mental health adjustment and adaptation course" were developed to increase employee health knowledge, establish a healthy lifestyle, and prevent disease. We also promoted "Health-Friendly Areas" to provide employees with different ways and channels for obtaining health knowledge, changing their behavior, improving their health and engaging in health-promoting behaviors. To look after the personal health of every employee, momo established a comprehensive employee health management system that provides maternity care to pregnant employees as well as health education, breast-feeding information, and other types of assistance. In 2021, we completed 100% of pregnancy and post-natal health education.

• **Health Seminars and Physical Exercise**

Courses were organized in partnership with regional health centers to improve the health and energy of employees. Seminars such as "Brain care for stroke prevention", "Simple and fun massage techniques", as well as healthy weight management were offered for employees to voluntarily attend. In 2021, average satisfaction of health seminars was 4.8 (out of 5.0).



Neurology specialist  
teaching about prevention  
of strokes

**Brain care for stroke prevention**

Stroke prevention course was held to promote cardiovascular health and treatment in order to educate employees about strokes and prevention of cardiovascular disease.

Course attendance: 82 people  
Course location: DC1 employee cafeteria

Average  
course  
satisfaction  
**4.94**



Professional  
aromatherapist teaching  
DIY relaxing massage

**Simple and fun massage techniques**

Aromatherapy essential oil massage events were held in conjunction with the weight loss Go Health program. The DIY workshop was held in the afternoon due to the nature of warehouse work to help employees relax and unwind.

Course attendance: 25 people  
Course location: 2F conference room, DC1

Average  
course  
satisfaction  
**4.94**



Top 3 students in the  
weight management class

**DC1 healthy weight management course**

The 2019 employee health exam found that 60% had abnormal BMI (body mass index). The healthy weight management course was organized in response.

Event attendance: 19 permanent office employees  
Event period: The event ran for 5 months. Employees were encouraged to take 5,000 steps each day and individual instruction was given by nursing personnel.  
Event location: 2F clinic, North Distribution Center

**Best result of weight management course**

Weight: reduced by 7.9kg  
body fat: reduced by 5%





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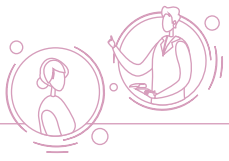
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## Health Seminar Satisfaction Survey



Note · Health seminar satisfaction is scored out of 5.0.

### ● Promotion and Application of Health Knowledge

A number of clever touches were used when promoting health management to provide employees with health information through a variety of convenient pathways. All of the techniques and measures used were aimed at boosting visibility of health and cultivating healthy habits in employees.

#### · Monthly health education ·

All-employee e-mail was the quickest and simplest way to provide employees with health knowledge on a regular basis. Topics included physical health and preventive healthcare, healthy workplace diet, and guide to national physical activities to help employees learn about the latest health knowledge and news.

### ● Health-Friendly Areas

momo firmly believes that the physical and mental well-being of employees improves productivity. Various fitness facilities encourage employees to try out different stress-relieving and healthy activities. Exercising is a good way to get the body moving, to relax tense muscles, and to improve the body's base metabolism. It also keeps the brain alert, improves self-confidence and gives a sense of accomplishment that helps to reduce stress and prevent negative moods.

- **Fitness plaza:** A gym (treadmills and resistance machines) and exercise area (yoga and table tennis facilities) have been provided by momo. Employees are provided access to a high-quality exercise space, exercise equipment, and various exercise classes.

- **Designation of employee rest areas:** Employee rest areas were designated by the Company at each site to help employees recharge during their work day.
- **Employee coffee station:** Coffee bars were set up in the unused space of the head office employee rest areas, fitness area, stress-relieving massage station and health bulletin board area. These provided employees with a corner for rest and relaxation at the office.

### ● Total Health Management

- **Employee health exam:** Employee health exams with better coverage required by law are provided every two years. Cancer prevention is emphasized with screening tests for oral cancer, nasopharyngeal cancer, liver cancer, intestinal cancer, breast cancer, ovarian cancer, and prostate cancer. Screening for early detection allows for early intervention and improved survival.
- **Health exam data analysis:** Employee health exam data are collated by the health management system. Nursing personnel in the labor safety and health management unit then analyzes anomalies in each unit's health exam results and notifies employees with anomalies for follow-up based on the tiered health management scheme. Medical consultations are also arranged if necessary. Our comprehensive approach to health management helps employees identify health problems and receive treatment early. They can then adopt a healthy lifestyle that promotes their personal health.
- **Health know-how survey:** A health know-how survey is conducted with all employees as part of the health exam program. The results showed that over half of all employees answered the survey correctly, and momo continued to promote other health information. Bone density testing was conducted for all employees, while groups engaged in more repetitive work also received neck and waist X-rays to prevent musculoskeletal injury.
- **On-site physician:** momo offers employees access to an on-site physician for health consulting services and support. These include health exam anomaly consultation and management, disease tracking, health education, and advice on medication, as well as on-site inspection and support. Consulting services were used 120 times in 2021.

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## Society 6 Matters

This chapter corresponds  
to 2 main stakeholdersGovernment  
organizationsShareholders/  
Investors

· Customers · Suppliers · Employees

Communities  
and NPO/NGO · MediaPerformance  
HighlightsNT\$91,596,000  
in charity funds

- Promoted more than **30** charity activities and projects
- Helped raise about **NT\$50,570,000**
- No effort is spared by momo when it comes to promoting sports in Taiwan and supporting worthy causes through sporting competitions. Promotions and sponsorship amounted to approximately **NT\$41,026,000**

Worked with consumers  
to make a positive impact

● **53,109** momo members  
to donate to charity  
appeal that benefited  
**72,881** people

Provided channel  
platform for people to  
pursue their dreams

● **1,977,950** people took  
part in the campaign and  
generated **2,685,000**  
views in traffic

Exercised our power as  
an e-commerce platform  
to organize charity sales  
and donations of products  
totaling **9,254** pieces

— Helped a total of **37** groups  
(social welfare groups and schools)

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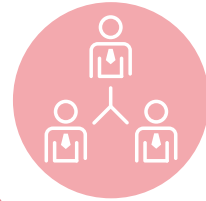
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Management  
Policy

## Dedicated Management Unit

- ESG Committee - Social Care Team



## momo's Promise

momo has always been concerned with social issues, specifically when it comes to underprivileged women and children, as well as caring for the elderly and people with disabilities. Using SDG2 Zero Hunger and SDG10 Zero Inequality as our guidelines, combined with our core business values and integrated with our resources, we promote social welfare via our online platform.



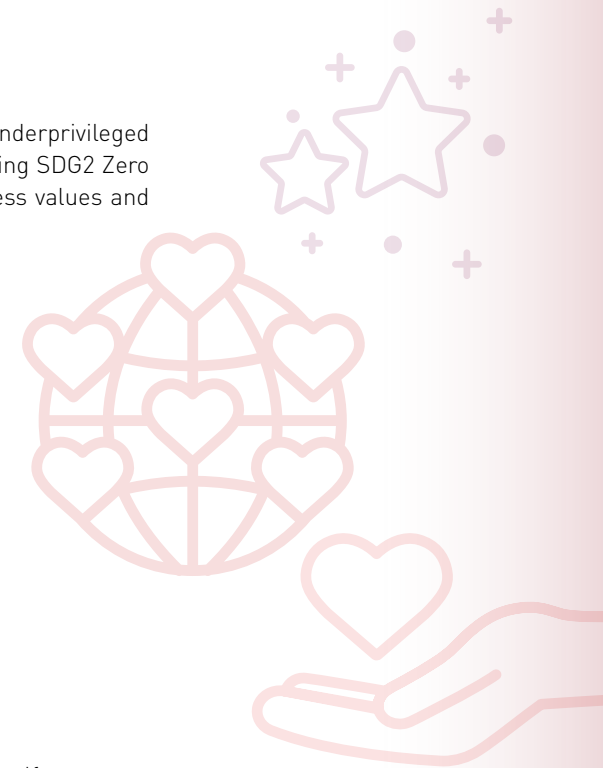
## Investment of Resources

- Build and maintain an online charity platform with NT\$122,310,000 invested in promotional activities in 2021 to boost exposure for social welfare groups. Our cash flow, information flow, and marketing power were also used to help raise needed funds and supplies.
- Integrate channel resources and take advantage of momo's strength in procurement to help Fubon Group procure, donate and sponsor products for charities. We also promoted social welfare through charity donations and online voting activities on social communities, such as Facebook, LINE, and other Apps simultaneously.



## Management Approach and Assessment Mechanism

- Each year prior to launch of any project, momo will convene meetings with various social welfare groups to discuss how we can cooperate on important social issues arising in the current year.
- Implement the internal inventory mechanism and compile the annual charity project performance and results.



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## 6.1 Supporting Women, Children and the Disadvantaged

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The digital transformation wave has swept across the world. The emergence of the "stay-at-home economy" not only accelerated the shift in consumer habits to online shopping but also boosted participation in charity activities online. momo upholds the philosophy that "any social welfare matters, matter to momo" and combines it with the four major values of "Honesty, Friendliness, Professionalism and Innovation". We apply the core competencies of our virtual channels to develop a trustworthy "Online Charity Platform", as the Company grows and earns profit. We integrate our service resources including cash flow, logistics and information flow, and combine the platform's in-house and external promotional resources to invest in the five major charity field of "supporting women, children and the disadvantaged," "caring for the elderly", "sports promotion," "making dreams come true," and "force for good". We have built a dedicated online stage for social welfare groups where they may share their philosophy, stories and ideas without charge. The momo platform counts more than 10 million members. Under the supervision of the platform, members can participate in charitable activities without worry, conveniently, and at any time, allowing for continuous support of the charity and its campaigns.



### Light Up Charity Sale and Speak Out Together for Public Welfare

**Investment by momo:** Charity Sale, Donation, Sponsorship, Fund Raising and Donation in Kind

**Results:** We built a tailor-made sales platform exclusively for social welfare groups and used our online marketing resources to advertise items available for the charity sale and to raise their profile. momo provided support in the form of cash flow, logistics and information flow to shorten the delivery distance between goods and consumers.

The charity sale raised nearly NT\$4,090,000.

### 1. Chiling Lin Charity Book Charity Sale

For the last 8 years, momo has worked with Chiling Charity Foundation to sustain the cycle of charity and care for the disadvantaged. The Foundation aims to help children and adolescents make their dreams come true by educating young minds, fostering unlimited creativity, and giving those dreams the opportunity to sprout and grow. In 2021, the Chiling Charity Foundation promoted the book under the brand-new campaign "From Me, To You" and in 2022 released "My Little Notebook" to share the author's tender yet positive story. The book became a tool for healing, benefiting disadvantaged children and adolescents. Chiling Charity Foundation and momo aligned to create positivity and build a better society in Taiwan.

momo actively supported the campaign by building a dedicated promotional platform to share the philosophy and stories. We worked with the Foundation on in-house and external media promotion, and called on our members and fans to join the event, communicating the power that words can have to create positivity. In 2022, a total of 1,500 copies of "My Little Notebook" were sold raising NT\$780,000, all of which went toward educating disadvantaged children, medical treatments and women's health initiatives, thus giving back to society.



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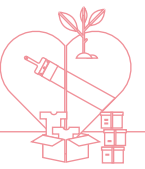
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## 2. Rare Disorders - Good Luck Hand-Made Cloth Bag Set from Rare Craftsmen

Charity Sale

There are more than 18,000 patients suffering from rare disorders in Taiwan, 70% of whom cannot be cured. The "Rare Craftsmen" group consists of patients suffering from such rare disorders and their family members. Due to physical limitations or the need for long-term care, it is impossible for these patients to work outside of their own homes. They need much care and this causes financial burden. To encourage and assist them in developing their own skills, we partnered with the Taiwan Foundation for Rare Disorders to promote the "Good Luck Hand-Made Cloth Bag Set" charity sale through momo shopping mall, selling 600 "Patch Bag Sets" produced by "Rare Craftsmen" and their family members and raising a total of NT\$300,000. Through this initiative, momo has felt the strength and resilience of "Rare Craftsmen." By allowing them the opportunity to support themselves, has helped build their self-confidence.



## 3. Team "Do Good Things" - Good Deeds in a Lifetime

Charity Sale

The "Do Good Things" charity sale initiated by momo and Ms. Belle Yu is in its 13th year. In 2021, the world baking champion, Chef Yoshi Chen, was invited to present the "Good Deeds in a Lifetime" cookie gift set, an assortment of six popular breads and pastries from his bakery, with the theme "Blessings from the Island". This exclusive charity sale platform provided by momo sold a total of 5,003 boxes and raised NT\$2,710,000. Profits were donated to "Hsiang-Yuan Memorial Education and Nursing Institute" to care for more than 100 moderately and severely disabled people, assisting them in their daily lives.



## 4. Direct Purchase for Charity - Precise Donation, Shopping With Love

Fund Raising Donation in Kind

The largest resource sharing platform in Taiwan, Give Circle, was established in 2009. The platform upholds the values of "Sharing" and "Circular Economy." To enhance the charity's message, momo worked with Give Circle to meet the social welfare groups' needs under the "Innovative Shopping" model. momo shopping mall has an abundance of product lines and serves as a diversified direct-purchase channel for Give Circle members to send product donations to those social welfare groups in need. In 2021, momo worked with six social welfare groups, including World Peace Association, Association of Spinal Cord Injury Taipei, The Therapeutic Riding Centre of Taiwan, Rong Xin Social Welfare Services Promotion Association, Taiwan Lourdes Association and Canlove Social Service Association, to raise resources. A total of NT\$300,000 was raised from direct purchases, making the charity service rapid, efficient and precise.





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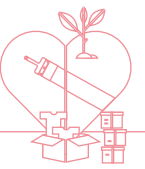
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## One Hundred Online Donations to Assist the Physically and Mentally Disabled

**Investment by momo:** Charity Sale, **Donation**, Sponsorship, Fund Raising and Donation in Kind

**Results:** momo "Online Charity Platform" serves as the platform where groups can share their philosophy, stories and ideas. Utilizing momo's resources, customers could participate in charitable activities of their choice in a "contactless" manner at any time and any place in the post-epidemic era. The pooling of micro-donations raised NT\$3,910,000 towards supporting handicapped and disadvantaged children.

A total of  
**NT\$  
3,910,000**  
was raised

SDG

2 ZERO  
HUNGER

## 1. Taiwan Fund for Children and Families - Ending Generational Poverty Project

momo has partnered with the Taiwan Fund for Children and Families (TFCF) to promote "Ending Generational Poverty" NT\$100 monthly donation program for many years. TFCF focuses on the two major services, "Economic Support" and "Child Protection," to help eradicate poverty among disadvantaged children and families. momo saw that disadvantaged families had no way of nurturing their children's abilities and talents due to financial difficulty. The impact of the epidemic and commodity price fluctuations caused their lifestyle to deteriorate further in the recent year. Unable to provide even basic necessities, opportunities for their children's education were further restricted. We therefore hoped to leverage our convenient online donation channel and the influence of the TCFC to encourage the general public to donate to charity. A total of NT\$550,000 was raised and donated to the TFCF "Ending Generational Poverty Project." The funds will provide economically disadvantaged children with the opportunity to develop their talents and mitigate the gap in education for these children.



## 2. Eden Social Welfare Foundation - Thank You for Making Me Braver

Eden Social Welfare Foundation has been promoting early development intervention in children for 28 years. It serves more than 20,000 children with developmental delays, i.e., "slow angels," each year. To help handicapped people overcome their disabilities and move forward with confidence, momo partnered with Eden Social Welfare Foundation to fundraise for the "Disadvantaged Children Service Project". Customers were able to donate to the charity through momo platform, receiving an exclusive gift with each donation made. The project raised NT\$470,000 in charity from all segments of society. Donations went to the Eden Foundation to provide personalized care services, parenting growth, family support and community education services. These help "slow angels" overcome their developmental challenges and move forward bravely.



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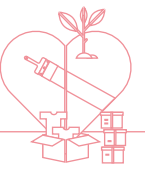
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### 3. Children Are Us Foundation - From momo with Love

The Children Are Us Foundation launched the "Send Love to the Tribe" project 12 years ago in 2009, teaching children with intellectual disabilities (ID) to be independent and to love life. The charity lunch boxes full of hope they bake form a circle of courage with students from rural areas. momo saw the rural communities' longstanding need to connect vocational training with care for the mentally disabled, and appealed to members and the public to send assistance to those in need from these areas. One gift of love can change the future for two IDs, and bring the spirit of charity to indigenous villages. momo also raised lunch boxes for 800 primary schools in rural areas throughout Taiwan. NT\$460,000 in funds were raised to provide after-school activities to help children in rural areas learn skills so that social welfare can be allocated and used in the most effective way.



### 4. Down Syndrome - Soap Workshop to Move Forward Toward a New Life

The Down Syndrome Foundation R.O.C. was badly affected by the COVID-19 epidemic in 2021. Revenue from donations and orders declined sharply, and Down Syndrome patients were a higher risk group during the epidemic. Utilizing our platform's influence, momo brought awareness to the difficulties and needs of Down Syndrome children and we worked with the Foundation to launch the "Employment Training Program for the Mentally Disabled." With the help of the public, a total of NT\$760,000 was raised. The funds supported different holistic services, including early development intervention, day care, medical rehabilitation, vocational training, sheltered employment, health management, community inclusion and emergency relief, based on the Foundation's philosophy of "where services are needed, the Foundation is always there." In 2021, there were 10 active community day workshops in progress ("workshop") to assist and support those with Down Syndrome.



### 5. Modern Women's Foundation – Together with momo, Keep Guarding with Love

In Taiwan, one person suffers domestic violence on average every five minutes and 150,000 children are raised in broken families each year. Last year, one domestic violence case was reported every three minutes, a new record. Considering our vast female audience, we worked with the Modern Women's Foundation to initiate the "Together with momo, Keep Guarding with Love" one hundred donations activities, hoping to bring attention to the cause by sharing it via the platform. The Project has raised a total of NT\$430,000, which will help support more than 2,000 victims of domestic violence and their children. Funding for in-depth services and counseling will help abused mothers and children to break the cycle of violence, recover from the trauma, turn their life around, and create a new future. momo strives to help abused mothers and children today and every day, making each new day a beautiful one for them. A safe home is no longer just a dream.



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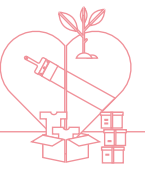
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## 6. Genesis Social Welfare Foundation - Hundreds of Love for Hundreds Miles

Taking care of patients in a vegetative state is demanding and the financial burden can often cause a family to fall apart. The Genesis Social Welfare Foundation has provided professional care and support for those patients in vegetative states. The "Hundreds of Love for Hundreds Miles" launched through momo's NT\$100 monthly donation program provided a "zero-contact" online donation platform to provide love and support to patients in vegetative states and their families. The 17 nursing homes of the Foundation throughout Taiwan accommodated about 800 patients in vegetative states and they need about 3.4 million diapers each year. The campaign raised NT\$520,000 towards diapers and consumables for patients in a vegetative state. The expression of charity provides the families with badly needed love and support.



## 7. Syin-Lu Social Welfare Foundation - Wash for Good Luck

Syin-Lu Social Welfare Foundation has worked in Taiwan for 34 years and served more than 6,000 people each year with intellectual disabilities, autism, Down syndrome, cerebral palsy, multiple disabilities, and mental disorders each year. It has served more than 530,000 people with disabilities and their families to date. momo and Syin-Lu Social Welfare Foundation partnered again the "Wash for Good Luck" project. The "good luck soap", made by the mentally disabled youth from the Foundation, together with the "good luck" soap case, exclusively designed by the well-known online illustrator, "turtledrawturtle", were promoted by momo via its platform. Meanwhile, the two campaign ambassadors encouraged their fans to join the cause, amplifying the project's efforts to build hope for the mentally disabled. The project raised NT\$500,000 in funding for Syin-Lu to help the intellectually disabled embrace a bright and fulfilling life.



## 8. Syin-Lu Social Welfare Foundation - Donation Subscription: Charitable Shareholders Reinforcement Order

momo shopping mall provides the "NT\$100 Monthly Donation" service, which allows all age groups to easily donate and gives social welfare groups a site where they can advocate for themselves. We have met the needs of long-term donors and have allowed them to access a convenient donation platform, integrating our power as an e-commerce platform with features such as periodic purchases and adjustable donation cycles. In the future, we will continue to extend our services to more disadvantaged groups. In 2021, momo partnered with Syin-Lu Social Welfare Foundation to promote the "donation subscription" charity project. For more than 30 years, "charitable shareholders" have supported the intellectually disabled young and old with getting through each day. The campaign raised NT\$220,000 for assisting the intellectually disabled and their families. This offers the intellectually disabled a ray of hope.





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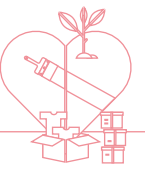
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## 6.2 Caring for the Elderly

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The aging population has become an emerging issue all over the world. In 2018, national parliament estimated that Taiwan will become a super-aged society in 2026 (20% of the population will be over 65 years old) and, therefore, several social, economic and political issues might arise in long-term care, health insurance, medical care, childcare and labor force. Declining birth rates will raise the burden on the working population. This will in turn have a significant impact on society and families. momo has observed this inevitable trend and has made every effort to bring awareness to the "aging society" issue to ensure this group gets the funding and care needed.

Co-creating the Elderly Economy  
for the Super-Aged Generation

SDG

10  
REDUCED  
INEQUALITIES

**Investment by momo:** Charity Sale, Donation, Sponsorship,  
**Fund Raising** and Donation in Kind

**Results:** Pay attention to the issue of "aging society" issue to protect  
financial security, health maintenance and life-long care.

A total of **NT\$830,000** was raised.1. The First Social Welfare Foundation - Watching  
Over IDs for Life

momo has seen the difficulty in reversing the trend of low birth rates and aging population in Taiwan. The elderly population will reach 4.69 million people, i.e., one in five people are elderly. Therefore, the demand for long-term care is expected to grow significantly. momo worked with the First Social Welfare Foundation for the charitable cause "Watching Over IDs for Life", hoping to inspire young consumers to care about the aging issue and take concrete action to support "intellectually disabled elderly". There are more than 1.18 million people with physical and mental disabilities in Taiwan, i.e., one in 20 people is

physically and mentally disabled. Handicapped people must not only contend with discrimination and challenges in everyday life, but often feel isolated by the public. Tragic stories about family care are heard from time to time. The Project raised NT\$400,000 for double-aging families; This can be a life-saver.

2. A Skin-Graft with Love - Walking with Dementia:  
A Mile of Love

The rise of dementia has been felt globally. The forecast, based on the data provided by Alzheimer's Disease International (ADI), indicates there are more than 50 million people with dementia in the world. The number is growing at the rate of one person every three seconds. momo understands that dementia has become an important global health issue and has worked with the A Skin-Graft with Love Foundation to promote the "24-hour group housing plan." momo appealed to its tens of millions of members to donate to the cause. The Foundation provides home services, meal delivery services, care for isolated elderly, mobile bathing services for the disabled, and support services for the physically and mentally disabled and family caregivers. The project raised NT\$430,000 to provide dementia patients peace, stability and dignity through 24-hour care, and help their families regain their quality of life. The final leg of the elder's journey in life can therefore be filled with happy memories for the whole family again.



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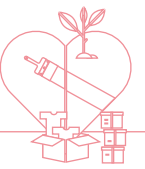
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## 6.3 Sports Promotion

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"Every matter, matters to momo." In order to create diversified and abundant life experiences, momo actively participates in the promotion of physical education activities. As the leading domestic brand of virtual channels, we harnessed the abundant marketing resources of our online platform and prowess in creative marketing to help Taiwanese break into new territory and reach a wider audience. momo creates a stage for elite and emerging Taiwanese athletes to show off their talents in the online world as well. At the same time, momo suppliers were also encouraged to do their part for sporting competitions. Sporting competitions that momo focuses on include basketball and baseball, which are very popular nationally. In addition to responding to Fubon Group's physical education development policy and supporting the development of professional sport teams such as "Fubon Guardians" and "Fubon Braves," we also invest in the promotion of college sports to pave the way for athletes pursue their dreams. momo serves as the core platform linking the Group, suppliers, athletes, fans and consumers together to promote sports in Taiwan. These in turn foster national enthusiasm for sports, and maximize returns on investment in sport development.

International Sporting Competition Gifts and  
Media Advertising

**Investment by momo:** Charity Sale, Donation, **Sponsorship**,  
Fund Raising and Donation in Kind

**Results:** momo assists in the development of Taiwanese sports in multiple ways. We support the booming development of sports in Taiwan by allowing sport players to demonstrate their fighting spirit and touch audiences' hearts, by promoting player performance internationally so as to enhance Taiwan's reputation in the international sports arena, and by helping professional teams and sports increase their exposure (website and social network).

**NT\$41,026,000** were invested in sports marketing and sponsorship events.

## 1. Fubon Braves Basketball Team

momo has supported the Fubon Group in managing and developing the Fubon Braves Basketball Team for seven consecutive years. As the Fubon Braves moved to P.LEAGUE+, momo raised NT\$7 million in sponsorship and promotion funds and engaged in creative marketing by combining the games with the e-commerce shopping festival. We used the resources available on the momo and Fubon Braves platform to conduct a comprehensive promotional campaign for the sport, and to support the routine games and league development. In view of women's love for sports at the moment, momo used the resources of the important annual e-commerce shopping festival, "38 Queen's Day", to promote the games. We transformed the online game to an actual one by organizing the "Ladies & Braves Girls Theme Week", calling on members to watch the games inside the stadium. momo also received the support from the partner brands, LA ROCHE-POSAY and Avene, which provided a gift pack to fans watching the games in the stadium. momo hopes to expand the focus on basketball games in order to bring together the nation's love of the sports and to increase the popularity of basketball games.





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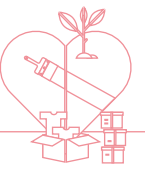
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## 2. Fubon Guardians

Baseball is Taiwan's national sport and momo has worked with Fubon Group to develop the Fubon Guardians since 2017. The investment of NT\$21,000,000 in 2021 went to improving conditions for baseball and the sport's industry so that Taiwanese athletes can rise to new heights.



## 3. UBA Popularity Poll

momo partnered with Fubon Life again to support the UBA college basketball league in order to give back to society and promote the spirit of sportsmanship. momo used our online platform to host popularity polls for teams in the finals, star players and rookie players. The results were also showcased at university/colleges and games throughout Taiwan. Our high traffic gives these excellent teams and players more visibility. Voting incentives encouraged more young people to participate in the competitions and drew online member attention to UBA as well.

momo hopes to build a sound environment for the cultivation of outstanding athletes by supporting the steady development of college teams and enriching players' training resources. The total number of votes reached 1.68 million, and the Internet traffic reached about one million. momo invested NT\$7.026 million in sponsorship and marketing expenses.



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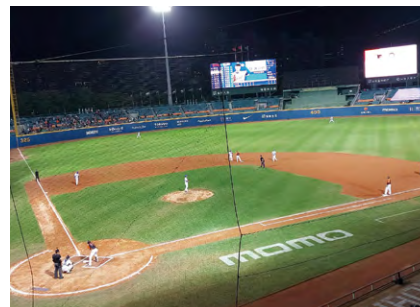
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## 4. Fubon Stadium

momo supports the development of sports in Taiwan, embarking on its stadium venture and investing NT\$6 million in sponsorships in 2021. momo hopes to provide high-quality venues for Taiwan's sport development and to help cultivate the sport culture. Xinzhuang Baseball Stadium is the primary world-class stadium in Taipei, where more than 60 major professional and international games are hosted each year. Average attendance at Fubon Guardians home games often exceeds 5,000. In recent years, the Stadium has organized baseball games of various levels, in order to reach more diverse groups of people.



## 6.4 Making Dreams Come True

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momo has worked hard to build dreams and to be a custodian of dreams. We encourage young students and talented individuals to pursue their dreams and we provide a stage for them to do so. We use our brand's influence and the platform's high-traffic and resources as a stepping stone for building a better Taiwanese society.



## Online Vote to Pave the Way for Dreams

**Investment by momo:** Charity Sale, Donation, **Sponsorship**, Fund Raising and Donation in Kind

**Results:** momo allocates platform resources to the promotion and online voting of select causes. With the platform's high-traffic, and momo's audience and marketing power, the event generated 1,945,000 visits in web traffic and 1,878,000 participants.

Total sponsorship amounted to **NT\$40,020,000**

## 1. 2021 EeLin Star Popularity Contest

momo has worked with EeLin Entertainment for six consecutive years to organize online voting for the next EeLin star, enticing many young people with dreams of stardom to join. We provide an appropriate and healthy channel for them to pursue their dreams. The event generated 180,000 visits in web traffic and about 36,000 participants. Total sponsorship and marketing costs amounted to NT\$6.08 million.





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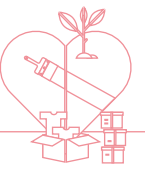
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## 2. 2021 Campus Sponsorship Plan

April to August is the peak season for university campus activities and student societies often need funding from outside sources. momo implemented the "2021 Campus Sponsorship Plan" and established the online event page in partnership with campus ambassadors asking momo members to vote. Student societies can receive sponsorship funds if the number of votes reaches a certain threshold. The event generated 125,000 visits in web traffic and 12,000 participants. Total sponsorship and marketing costs amounted to NT\$5.65 million.



## 3. 2021 Next Campus Star

momo worked with "my plus" to develop a comprehensive promotion plan through physical publications, livestreaming and videos to recruit young people for the magazine modeling competition. Winners received training courses and photography shoots to help make their dreams of becoming a star come true. The event generated 130,000 visits in web traffic and 17,000 participants. Total sponsorship and marketing costs amounted to NT\$5.69 million.



## 4. Spring YOUNG Children's Carnival

The busy pace of modern society means parents are now spending less time with their children. As members are mostly women and families, momo organized the 13th annual "Spring YOUNG Child Concert" with voting and in-person activities for families to create more parent-child interactions and memories. The event generated 120,000 visits in web traffic and 25,000 participants. Total sponsorship and marketing costs amounted to NT\$5.93 million.



## 5. I am the Little Painter Popularity Contest

To improve parent-child relationship and encourage children's artistic development, momo organized the "I am a Little Painter" drawing competition and online popularity poll. Participants ranged from toddlers to elementary school students. Painting helps children improve their observation skills, and fosters greater intimacy and trust between parent and their children. The event generated 130,000 visits in web traffic and 35,000 participants. Total sponsorship costs amounted to NT\$5.6 million.



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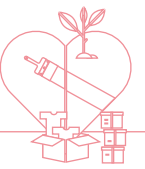
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## 6. 2021 Campus Star Online Poll

momo recruited students who are active on social media to serve as momo campus ambassadors. Key Opinion Leaders (KOL) among student groups were cultivated to serve as the bridge between colleges and universities. The campaign offered product reviews and incentives to encourage student participation as campus ambassadors. The events provided students with real-world experience in social network management at school. The event generated 160,000 visits in web traffic and 45,000 participants. Total sponsorship costs amounted to NT\$5.54 million.



## 7. Junior Ambassador Selection

The 1<sup>st</sup> momo "Junior Ambassador Selection" was open to children aged between 1 and 5. Submitted product reviews were judged in stage 1 while an online popularity poll was held for stage 2 for members to select 10 junior ambassadors and create great memories for parents and their children. The event generated 100,000 visits in web traffic and 28,000 participants. Total sponsorship costs amounted to NT\$5.53 million.



## 6.5 Force for Good

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momo has been a long-time advocate for social issues involving "disadvantaged groups." We actively support group initiatives to generate synergies from our philanthropic services. By encouraging group colleagues to make a contribution we can cultivate a corporate culture of social concern.

Making a Difference Together and Improving  
Philanthropic Performance

**Investment by momo:** Charity Sale, Donation, **Sponsorship**, **Fund Raising** and Donation in Kind

**Results:** momo joined in supporting the "Fubon Charity Ambassador", "Adopt One Hope to Warm One Future", and "Green Power for Charity: Green Energy Charity Project" initiatives. We took part in online voting **97,341 times**, purchased **1,535 orders of product**, and make **2,568 donations**.

Total funding and donations approached NT\$1.72 million

## 1. Fubon Charity Ambassador • Sponsorship

momo partnered with Fubon Charity Foundation for the "Fubon Charity Ambassador" project and took part in online voting 97,341 times. To encourage our staff to proactively participate in charitable causes, we built a charitable services platform for them to assist socially disadvantaged groups and to improve the company's development of activities related to social issues. All current employees of Fubon Group may submit a proposal to support a socially disadvantaged group. The initiative included developing an online charity platform, providing volunteering training, and funding and sponsorship of gifts which amounted to NT\$550,000.



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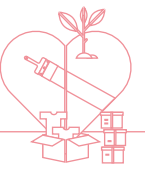
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## 2. Adopt One Hope to Warm One Future • Fund Raising

momo and Fubon Charity Foundation called on Fubon charity volunteers to donate supplies that students wished for. 1,535 product items were donated at the cost of NT\$850,000, allowing students from impoverished rural areas to enjoy a happy Children's Day. The children were also encouraged to embrace the spirit of "pay it forward", to serve as little volunteers, and to participate in various volunteer services. By helping other people, they can learn to treasure and share what they have.



## 3. Green Power for Charity - Green Energy Charity • Fund Raising

Since 2017, Taiwan Mobile has promoted the "Green Power for Charity: Green Energy Charity" project. In 2021, it launched a public appeal to raise funds for the "Noordhoff Craniofacial Foundation" to provide disadvantaged families with congenital craniofacial defects with physical and mental treatment services. The project builds a solar system under a new model. The electricity was sold back to the grid under the government's renewable energy policy to amplify the effects of charity. The promotional resources of the momo platform helped raise NT\$260,000. We hope the project will provide the Noordhoff with sustained support over the next 20 years so they can continue to look after children with craniofacial defects.



## 4. 2021 Friendly Land Full of Kindness • Sponsorship

momo has worked with Anue for five consecutive years on the "Friendly Land Full of Kindness" charitable project. In the past two years, the raging epidemic has significantly impacted many social welfare organizations and funding had to be cut as no relief was available. To support charities and disadvantaged people, NT\$60,000 in funding was provided in 2021 to raise the profile for more disadvantaged groups that need public support.







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<div></div> <div><h3>獨立保證意見聲明書</h3><h4>富邦媒體科技股份有限公司 2021 永續報告書</h4><p>英國標準協會與富邦媒體科技股份有限公司(簡稱 momo)為相互獨立的公司，英國標準協會除了針對富邦媒體科技股份有限公司 2021 永續報告書進行評估和查證外，與 momo 並無任何財務上的關係。</p><p>本獨立保證意見聲明書之目的，僅作為對富邦媒體科技股份有限公司 2021 永續報告書所界定範圍內的相關事項進行保證之結論，而不作為其他之用途。除對查證事實提出獨立保證意見聲明書外，對於其他目的之使用，或閱讀此獨立保證意見聲明書的任何人，英國標準協會並不負有或承擔任何有關法律或其他之責任。</p><p>本獨立保證意見聲明書係英國標準協會審查 momo 提供之相關資訊所作成之結論，因此審查範圍乃基於並侷限在這些提供的資訊內容之內，英國標準協會認為這些資訊內容都是完整且準確的。</p><p>對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問，將由 momo 一併回覆。</p><h4>查證範圍</h4><p>momo 與英國標準協會協議的查證範圍包括：</p><ol style="list-style-type: none"><li>1. 本查證作業範疇與富邦媒體科技股份有限公司 2021 永續報告書揭露之報告範疇一致。</li><li>2. 依照 AA1000 保證標準 v3 的第 1 應用類型評估 momo 遵循 AA1000 當責性原則(2018)的本質和程度，不包括對於報告書揭露的資訊/數據之可信賴度的查證。</li></ol><p>本聲明書以英文作成並已翻譯為中文以供參考。</p><h4>意見聲明</h4><p>我們總結富邦媒體科技股份有限公司 2021 永續報告書內容，對於 momo 之相關運作與永續績效則提供了一個公平的觀點。基於保證範圍限制事項、momo 所提供資訊與數據以及抽樣之測試，此報告書並無重大之不實陳述。我們相信有關 momo 的環境、社會及治理等績效資訊是被正確無誤地呈現。報告書所揭露之永續績效資訊展現了 momo 對識別利害關係人的努力。</p><p>我們的工作是由一組具有依據 AA1000 保證標準 v3 查證能力之團隊執行，以及策劃和執行這部分的工作，以獲得必要之訊息資料及說明。我們認為就 momo 所提供之足夠證據，表明其符合 AA1000 保證標準 v3 的報告方法與自我聲明依據 GRI 永續性報導準則核心選項係屬公允的。</p><h4>查證方法</h4><p>為了收集與作成結論有關的證據，我們執行了以下工作：</p><ul style="list-style-type: none"><li>— 對來自外部團體的議題相關於 momo 政策進行訪談，以確認本報告書中聲明書的合適性</li><li>— 與管理者討論有關利害關係人參與的方式，然而，我們並無直接接觸外部利害關係人</li><li>— 訪談 26 位與永續性管理、報告書編製及資訊提供有關的員工</li><li>— 審查有關組織的關鍵性發展</li><li>— 審查內部稽核的發現</li><li>— 審查報告書中所作宣告的支持性證據</li><li>— 針對公司報告書及其相關 AA1000 當責性原則(2018)中有關包容性、重大性、回應性及衝擊性原則之流程管理進行審查</li></ul></div> <div><div><h4>結論</h4><p>針對 AA1000 當責性原則(2018)之包容性、重大性、回應性及衝擊性與 GRI 永續性報導準則的詳細審查結果如下：</p><h4>包容性</h4><p>2021 年報告書反映出 momo 已持續尋求利害關係人的參與，並建立重大永續主題，以發展及達成對永續具有責任且策略性的回應。報告書中已公正地報告與揭露環境、社會及治理的訊息，足以支持適當的計畫與目標設定。以我們的專業意見而言，這份報告書涵蓋了 momo 之包容性議題。</p><h4>重大性</h4><p>momo 公布對組織及其利害關係人之評估、決策、行動和績效會產生實質性影響與衝擊之重大主題。永續性資訊揭露使利害關係人得以對公司之管理與績效進行判斷。以我們的專業意見而言，這份報告書適切地涵蓋了 momo 之重大性議題。</p><h4>回應性</h4><p>momo 執行來自利害關係人的期待與看法之回應。momo 已發展相關道德政策，作為提供進一步回應利害關係人的機會，並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言，這份報告書涵蓋了 momo 之回應性議題。</p><h4>衝擊性</h4><p>momo 已鑑別並平衡和有效之量測及揭露方式公正展現其衝擊。momo 已建立監督、量測、評估和管理衝擊之流程，從而在組織內實現更有效之決策和結果管理。以我們的專業意見而言，這份報告書涵蓋了 momo 之衝擊性議題。</p><h4>GRI 永續性報導準則</h4><p>momo 提供有關依循 GRI 永續性報導準則之自我宣告，與相當於“核心選項”(每個涵蓋特定主題 GRI 準則之重大主題，至少一個特定主題的揭露項目依循其全部的報導要求)的相關資料。基於審查的結果，我們確認報告書中參照 GRI 永續性報導準則的永續發展相關揭露項目已被報告、部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了 momo 的永續性主題。</p><h4>保證等級</h4><p>依據 AA1000 保證標準 v3 我們審查本聲明書為中度保證等級，如同本聲明書中所描述之範圍與方法。</p><h4>責任</h4><p>這份永續報告書所屬責任，如同責任信中所宣稱，為 momo 負責人所有。我們的責任為基於所描述之範圍與方法，提供專業意見並提供利害關係人一個獨立的保證意見聲明書。</p><h4>能力與獨立性</h4><p>英國標準協會於 1901 年成立，為全球標準與驗證的領導者。本查證團隊係由具專業背景，且接受過如 AA1000AS、ISO 14001、ISO 45001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會等管理標準的訓練，具有主導稽核員資格之成員組成。本保證係依據 BSI 公平交易準則執行。</p></div><div><p>For and on behalf of BSI:</p><div><p>Peter Pu, Managing Director BSI Taiwan</p></div><div><p>AA1000 Licensed Report 000-4/V3-BPG33</p></div><div><p>Statement No: SRA-TW-2021105 2022-06-06</p><p>Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Ni-Hu Dist., Taipei 114, Taiwan, R.O.C. A Member of the BSI Group of Companies.</p><p>...making excellence a habit.™</p></div></div></div> <div data-bbox="2528 1489 2591 1520" data-label="Page-Footer"><p>140</p></div>
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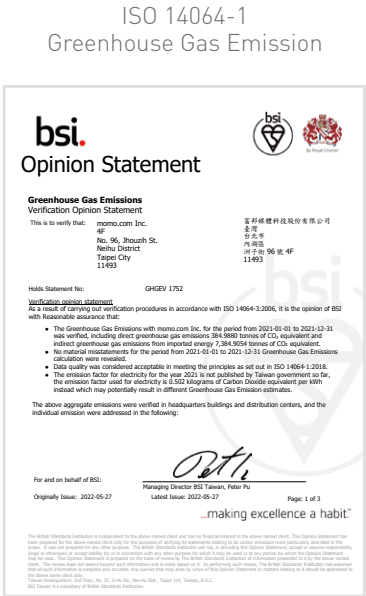
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Chinese Non-Store Retailer Association (CNRA)	Vice President / Members Representative
Taiwan Internet and E-Commerce Association (TiEA)	Class A Company Member
Taiwan Contact Center Development Association (TCCDA)	Member
Taipei Multimedia Production Association (TMPA)	Member
Taiwan Stock Affairs Association (TWSAA)	Member
Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Class A Company Member



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102-7 Scale organization	2.2.1 New Retail Industry Environment and Scale	20
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102-8 Information on employees and other workers	5.1.1 Recruitment and Turnover	98
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102-9 Supplier chain	2.5.2 Supplier Selection and Assessment	55
	2.5.3 Supplier Collaboration	57
	2.5.1 Supplier Overview	54
102-10 Significant changes to the organization and its supply chain	4.2 Green Logistics Overview	90
	No significant changes to the supply chain	
102-11 Precautionary Principles or approach	2.4.1 Comprehensive Risk Management Organization	41
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102-12 External initiatives	5.5 Safe Workplace Overview	116
102-13 Membership of associations	Appendix - momo External Organization Memberships	141

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102-14 Statement from senior decision-maker	From the Chairman	4
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	2.4.2 Established Risk Management Mechanism	43
102-16 Values, principles, standards, and norms of behavior	2.4.4 Engaging in Risk Culture	51
	2.4.5 Compliance	53
	1.2 Execution Policy for Sustainable Living Blueprint	
	2.3.1 Board of Directors Qualifications and Independence	18
	2.3.2 Board of Directors Operations	36
102-18 Governance structure	2.3.3 Functional Committee Operations	38
	2.3.4 Improvement of Governance Mechanism	39
		41
102-19 Delegating authority	1.2 Execution Policy for Sustainable Living Blueprint	18
	1.3 Stakeholder Communication and Identification of Material Topics	
102-40 Stakeholder Group		20
	momo contained no unions in 2021	112
	5.4 Labor Equality Overview	115
	5.4.2 Labor-Management Communications and Rights Protection	
102-41 Collective bargaining agreements	(There are no unions within momo but labor-management committee meetings are convened every quarter to discuss worker rights and obligations)	



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102-42 Identifying and selecting stakeholders	1.3 Stakeholder Communication and Identification of Material Topics	20
102-43 Approach to stakeholder engagement		
102-44 Key topics and concerns raised		
102-45 Entities included in the consolidated financial statements	2.2.2 Continued Excellence in Financial Performance	33
102-46 Defining report content and topic boundaries	1.3 Stakeholder Communication and Identification of Material Topics	20
102-47 List of material topics	1.3 Stakeholder Communication and Identification of Material Topics	20
102-48 Restatements of information	There were no restatements of information in 2021	-
102-49 Changes in reporting	1.3 Stakeholder Communication and Identification of Material Topics	20
102-50 Reporting period	About the momo Report	2
102-51 Date of most recent report		
102-52 Reporting cycle		
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102-55 GRI content index		
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## ● Key Material Topics

GRI Standards	Disclosure	Section	Page
▼ Corporate Governance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Partnership Matters - Performance Highlights and Management Approach	28-29
	103-3 Evaluation of the management approach		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.3.1 Board of Directors Qualifications and Independence	36
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		▼ Business Performance	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Partnership matters - Performance Highlights and Management Approach	28-29
	103-3 Evaluation of the management approach		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2.2.2 Continued Excellence in Financial Performance	33
▼ Risk Management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Partnership matters - Performance Highlights and Management Approach	28-29
	103-3 Evaluation of the management approach		



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GRI Standards	Disclosure	Section	Page
<b>GRI 307: Environmental Compliance 2016</b>	307-1 Non-compliance with environmental laws and regulations	There were no incidents of non-compliance in 2021	-
<b>GRI 417: Marketing and Labeling 2016</b>	417-3 Incidents of non-compliance concerning marketing communications	2.4.5 Compliance	53
<b>GRI 419: Socioeconomic Compliance 2016</b>	419-1 Socio-economic Compliance	2.4.5 Compliance	53
▼ Sustainable Supply Chain			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Partnership matters - Performance Highlights and Management Approach	28-29
	103-3 Evaluation of the management approach		
<b>GRI 308: Supplier Environmental Assessment</b>	308-1 New suppliers that were screened using environmental criteria	2.5.2 Supplier Selection and Assessment	55
<b>GRI 408: Child Labor</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	There were no such incidents in 2021	-
<b>GRI 409: Forced or Compulsory Labor</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.4.1 Human Rights and Anti-discrimination	112
<b>GRI 414: Supplier Society Assessment</b>	414-1 New suppliers that were screened using social criteria	2.5.2 Supplier Selection and Assessment	55

GRI Standards	Disclosure	Section	Page
▼ New Product Development and Selection of Sustainable Products (Self-Defined Topic)			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		
▼ Quality Safety Requirements and Inspection			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.1.1 Product Inspection, Discrepancy and Prevention Management	62
▼ Product and Service Innovation (Self-Defined Topic)			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		





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GRI Standards	Disclosure	Section	Page
▼ Product Responsibility and Marketing			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	3.1.2 Product Label Management	66
	417-2 Incidents of non-compliance concerning product and service		
	▼ Customer Relations Management (Self-Defined Topic)		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		
▼ Customer Privacy and Information Security			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		

GRI Standards	Disclosure	Section	Page
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3.1 Cybersecurity Governance Framework	74
		3.3.2 Cybersecurity and Management	75
		3.3.3 Protection of Customer Information	77
		▼ Sustainable Consumption Advocacy (Self-Defined Topic)	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Customer Matters - Performance Highlights and Management Approach	60-61
	103-3 Evaluation of the management approach		
▼ Environmental and Energy Management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Environment Matters - Performance Highlights and Management Approach	80-81
	103-3 Evaluation of the management approach		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.1.2 Greenhouse Gas and Energy Management	83
	302-3 Energy Intensity		
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services		



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GRI Standards	Disclosure	Section	Page
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	4.1.3 Water Resource Management	85
	303-3 Water withdrawal		
GRI 305: Emissions 2016	305- 1 Direct (Scope 1) GHG emissions	4.1.2 Greenhouse Gas and Energy Management	83
	305- 2 Energy indirect (Scope 2) GHG emissions		
	305- 4 GHG emissions intensity		
	305- 5 Reduction of GHG emissions		
▼ Green Packaging and Logistics			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Environment Matters - Performance Highlights and Management Approach	80-81
	103-3 Evaluation of the management approach		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.1.4 Waste Management	86
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated		
▼ Occupational Safety and Health			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 Stakeholder Communication and Identification of Material Topics	20
	103-2 The management approach and its components	Health Matters - Performance Highlights and Management Approach	96-97
	103-3 Evaluation of the management approach		

GRI Standards	Disclosure	Section	Page
GRI 403: Occupational Safety and Health 2018	403-1 Occupational Safety and Health Management System	5.1.1 Recruitment and Turnover 5.5.2 Enhancing Workplace Safety 5.5.3 Healthy and LOHAS Workplace	116 117 122
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system		



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▼ Career Development and Talent Cultivation			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.1.1 Recruitment and Turnover	98
	404-1 Average hours of training per year per employee	5.3.1 Talent Cultivation and Development	107
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	5.1.1 Recruitment and Turnover	98
		5.3.1 Talent Cultivation and Development	107
		5.3.2 Career Paths and Accomplishments	108
		5.3.3 Training and Development	109
	404-3 Percentage of employees receiving regular performance and career development reviews	5.2.1 Performance and Reward Scheme	100
		5.2.2 Diversified Benefits Scheme	102
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	5.2.1 Performance and Reward Scheme	100
▼ Diverse and Healthy Workplace			
GRI 202: Market Presence 2016	202-1 Ratio of standard entry level wage by gender compared to local minimum wage	5.2.1 Performance and Reward Scheme	100
		5.2.2 Diversified Benefits Scheme	102
	202-2 Proportion of senior management hired from the local community	5.1.1 Recruitment and Turnover 5.1.2 Employee Structure	98

GRI Standards	Disclosure	Section	Page
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.1 Performance and Reward Scheme	100
		5.2.2 Diversified Benefits Scheme	102
	401-3 Parental leave	5.2.2 Diversified Benefits Scheme	102
▼ Labor Rights and Equality			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.4.1 Human Rights and Anti-discrimination	112
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.4.1 Human Rights and Anti-discrimination	112
		5.4.2 Labor-Management Communications and Rights Protection	115
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	5.4.1 Human Rights and Anti-discrimination	112
▼ Social Welfare			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	6.1 Supporting Women, Children and the Disadvantaged	128
		6.2 Caring for the Elderly	133
	203-2 Significant indirect economic impacts	6.3 Sports Promotion	134
		6.4 Making Dreams Come True	136
		6.5 Force for Good	138



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Accounting Metric		Corresponding Chapter	Page
▼ Hardware Infrastructure (Energy & Water Management)			
CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	4.1.2 Greenhouse Gas and Energy Management	83
CG-EC-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	4.1.3 Water Resource Management	85
CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Customer data are stored and managed by the data center located at corporate headquarters. Inspection of the facilities and its surrounds found only general electrical equipment and no special high voltage equipment. No water is needed either. ISO 14001 environmental management system certification has been obtained since 2019.	-
▼ Data Privacy & Advertising Standards			
CG-EC-220a.1	Number of users whose information is used for secondary purposes	3.3.3 Protection of Customer Information	77
CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy	3.3.3 Protection of Customer Information	77
▼ Data Security			
CG-EC-230a.1	Description of approach to identifying and addressing data security risks	3.3.1 Cybersecurity Governance Framework 3.3.2 Cybersecurity and Management	74 75
CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	There were no incidents concerning data security in 2021.	-
▼ Employee Recruitment, Inclusion & Performance			
CG-EC-330a.1	Employee engagement as a percentage	No related information available this year	-
CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	5.1 Employee Retention Overview	98
CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	5.1 Employee Retention Overview	98
CG-EC-330a.4	Percentage of technical employees who are H-1B visa holders	No related information available this year	-
▼ Product Packaging & Distribution			
CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	4.2 Green Logistics Overview	90
CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	4.2 Green Logistics Overview 4.3 Green Packaging Overview	90 93
▼ Activity Metrics			
CG-EC-000.A	Entity-defined measure of user activity	2.2.1 New Retail Industry Environment and Scale	32
CG-EC-000.B	Data processing capacity, percentage outsourced	No related information available this year	-
CG-EC-000.C	Number of shipments	4.2 Green Logistics Overview	90



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