ONENESS
Oneness Biotech Co., Ltd.

2021
ESG Report

CONTENTS

About this Report

Thank you for your interest in the ESG Report (hereinafter referred to as the Report) of Oneness Biotech Co., Ltd. (hereinafter referred to as Oneness Biotech or Oneness). Oneness Biotech intends to present our efforts and achievements in ethical management, new drug development, performance improvement, creation of a happy workplace, practice of environmental protection and commitment to social welfare, in accordance with our goal of sustainable development, to our employees, customers, investors and other stakeholders through the Report. We hope that the stakeholders could use this report to better understand Oneness Biotech's current achievements and provide valuable suggestions so that Oneness can continue to make improvements in sustainable development.

Duration and Boundary

The disclosure period for this Report is from January 1, 2021 to December 31, 2021. To ensure the completeness of the reporting, some of the contents also cover the performances in 2020 and in 2022.

The reporting boundaries are aligned with the organizational boundaries based on the Annual Report, including Taipei Xinyi Office, Nangang Office and Lab, Pingtung Nanchou Plant and the subsidiary COTTON FIELD ORGANIC FARM INC. The Annual Report has been audited and signed by Deloitte & Touche in accordance with International Financial Reporting Standards (IFRS). The environmental and social data are collected and confirmed by responsible departments, verified by the directors of the departments and presented in a globally-accepted way.

Report Structure Principles and Verification

Oneness voluntarily published the Report, which is compiled in accordance to Core Option framework of GRI standard published by Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) Index, as well as the requirements of "Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies". The GRI and SASB information is provided in the appendix for the reference. Oneness Environment, Social and Governance Committee (hereinafter referred to as ESG Committee) has verified the Report in accordance with GRI criteria to ensure that it meets the requirements of general disclosure and materiality disclosure. The Report has also been verified by an independent third party, SGS Taiwan.

Publication Frequency

Oneness has published ESG Reports voluntarily since 2020 and will continue to issue the Report on a regular basis. With a view to enhancing the transparency and accessibility of information disclosed in this Report, an electronic file of the complete report will be made publicly available for downloading by stakeholders on the ESG page of the Company's official website.

- **Oneness Website:** www.onenessbio.com
- **Publication Date of the Current Issue:** July 2022
- **Next Issue:** June 2023
- **Previous Issue:** September 2021

Contact Oneness

Please don't hesitate to contact us via one of the following methods if you have any comments or suggestions regarding the Report contents. Your feedback enables us to persist in our efforts to constantly improve ourselves.

Environment, Social and Governance Committee of Oneness Biotech Co., Ltd.

- **Address:** 11F, No. 236, Sec.4, Xinyi Rd., Daan Dist., Taipei City
- **Phone:** 02-27031098, ext: 302
- **Email:** csr_onenessbio@onenessbio.com.tw

Message from the Chairman

Oneness Biotech Co., Ltd. is committed to the our philosophy of "science, Integrity and transparency" and to the research and development of innovative drugs. We have an outstanding R&D team and great strength in innovation, work steadily in the field of new drugs, and continue to incorporate our patented technologies into the development of globally innovative drugs that are the best in class, the first in class, and capable of satisfying unmet medical needs. We aim to promote human health and improve people's quality of life by providing safe, effective, and quality drugs.

Oneness Biotech Co., Ltd. has made significant progress in developing new drugs last year. FESPIXON® cream, our new drug for diabetic foot ulcers (DFU) passed the New Drug Application (NDA) of the Ministry of Health and Welfare and obtained the drug license. Nanchou Plant completed the PIC/S GMP and GDP certifications for the API plant and the finished pharmaceutical product plant. The details of Phase III MRCT clinical trials on FESPIXON® cream have been published in *JAMA Network Open*, an international medical journal. The result of clinical trials is much better than that of standard treatment. The R&D team continues to conduct academic and clinical research on FESPIXON® cream and works with major medical centers to evaluate the medication use on radiation ulcers, decubitus ulcers and varicose ulcers with an expectation to provide better treatment to patients. We also completed the Phase IIa clinical trial of FB825, a new drug for atopic dermatitis. According to the exploration results in this Phase IIa study, FB825 has met the anticipated treatment efficacy.

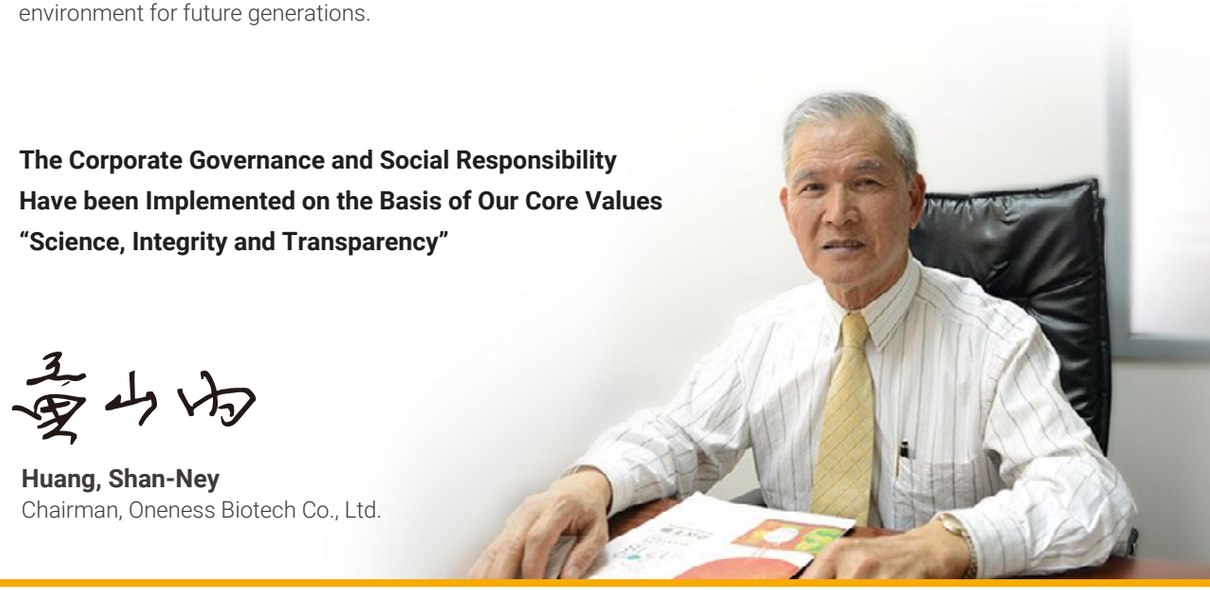
In response to the tremendous impact of COVID-19 globally, Oneness as a biotech company has diligently worked to develop SNS812, a RNA nucleic acid drug that targets and severs important gene sites of a coronavirus that do not mutate easily, to effectively inhibit 99.8% variants. The research result of SNS812 has been officially published in the world-leading journal, *EMBO Molecular Medicine*. It has been positively received by international virologists and RNA drug experts and they believe that RNA drugs like SNS812 may be the solution for variants and pave the way for new COVID-19 treatment. "New drug development" is our core business and our efforts are aligned with UN's Sustainable Development Goal 3 to "ensure healthy lives and promote well-being for all at all ages".

Oneness Biotech also abides by "Corporate Governance 3.0 - Sustainable Development Roadmap" established by Financial Supervisory Commission to safeguard shareholders' rights, strengthen the Board's structure and operation, increase information transparency, promote sustainable development and improve governance. In 2022, "the 8th Corporate Governance Evaluation Results" published by Taiwan Stock Exchange in April, Oneness Biotech ranked among the top 5% in the TPEx-listed companies. It is the highest honor in the evaluation. We also ranked in the top 10% of listed companies with a market capital of 10 billion TWD or more in the non-finance and non-electronics industry, recognizing Oneness's excellent performance and efforts in corporate governance and sustainability. Oneness Biotech has committed to build a friendly workplace and promote gender equality and is the only Taiwan biotech company to be included in 2022 Bloomberg Gender-Equality Index in January.

Oneness Biotech has voluntarily issued the ESG Report in accordance with GRI standards for the third consecutive year and this year, the ESG Report is also third-party certified. In this report, we make our climate actions public in accordance with Task Force on Climate-related Financial Disclosures (TCFD), and disclose the ESG information based on the sustainability accounting standards (SASB) in accordance with the investment community's required disclosures. To transform to a low-carbon emission operation, we have initiated a GHG inventory plan and completed the carbon footprint verification of FESPIXON® cream (ISO 14067). We will also establish the organization GHG emission list and obtain the ISO 14064 certification in 2022. Meanwhile, we increase energy use efficiency and promote measures to save energy and reduce carbon emission. Supply chain resilience is also one of our focal issues. We actively evaluate the sustainability risk of suppliers, revise suppliers' management procedures and include ESG issues in the supplier evaluation criteria in order to build a "green" and "sustainable" supply chain.

The new drug business is established to solve human life and health problems with scientific innovation. Oneness Biotech shall hold on to the core business values of "integrity, innovation, and compassion" by forming integrity-based alliances, innovative expansion of blue ocean strategies, and giving back to society in a spirit of compassion. We will continue increasing our strength in research and development to develop world-class innovative drugs and help create a healthy life for humankind. We will incorporate sustainability strategies into business operation and development, carry out our corporate social responsibilities, and support a sustainable environment for future generations.

The Corporate Governance and Social Responsibility Have been Implemented on the Basis of Our Core Values "Science, Integrity and Transparency"



Huang, Shan-Ney
Chairman, Oneness Biotech Co., Ltd.

1 ESG Highlights

1.1 Consolidated Financial Statements

Currency: NTD thousand

Item	2018	2019	2020	2021
Operating Income	18,856	13,475	41,605	65,765
Operating Cost	(10,208)	(17,002)	(10,888)	(20,721)
Gross Profit	8,648	(3,527)	30,717	45,044
Net Operating Income	(132,186)	(311,733)	(673,174)	(878,139)
Non-Operating Income and Expenses	(112,755)	(14,528)	423,234	482,177
Net Profit of the Period	(244,941)	(326,261)	(251,679)	(412,823)

Note: Please refer to page 304 of the 2021 Annual Report for employee remuneration and welfare expenses, taxes and other expenses.

1.2 ESG Performance

2021 ESG Performance

E Environmental

- The Nanchou Plant obtained ISO 14001:2015 Environment Management System certification. The disposal process and management of waste gas, waste water, wastes and toxic substances, and pollution prevention all in compliance with regulatory requirements.
- The Nanchou Plant has received the outstanding performance award of 2020 and 2021 Pingtung County Green Procurement for Private Businesses and Organizations for 2 years in a row.
- The product carbon footprint inventory project has been initiated at the Nanchou Plant since 2021 Q3 and third-party certified in April 2022.
- TCFD (Task Force on Climate-Related Financial Disclosures) has been introduced in 2021 to identify the influence of climate change on operations and mitigation and adaptation strategies.

S Social

- Oneness has been included in the 2021-2022 Bloomberg Gender-Equality Index and was the only Taiwan biotech company to receive this honor.
- The Nanchou Plant has been certified according to ISO 45001:2018 - Occupational Health and Safety Management Systems, to build a healthy and safe workplace.
- "The Supplier Management Procedure" has been amended to require suppliers to sign a *Supplier CSR Commitment Letter*. The employees' welfare and rights, environmental protection, occupational safety and health, ethical principle and anti-corruption of the supply chain are included in the assessment and inspection of suppliers. 32 suppliers signed the Letter in 2021. We worked with them to build a "sustainable supply chain" to create positive social impact.

G Governance

- In the 8th TWSE Corporate Governance Evaluation, Oneness has been ranked among the top 5% in the TPEx-listed category and the top 10% among listed companies with a market capital of 10 billion TWD or more in the non-finance and non-electronics industry, acknowledging Oneness's excellent performance and efforts in corporate governance and sustainability
- Oneness was the only Taiwan biotech company invited to participant in 2021 Dow Jones Sustainability Indices (DJSI) assessment in DRG Pharmaceuticals industry.
- Oneness ranks BBB (Average) in MSCI ESG rating with superior performance in "product safety" and "corporate governance".
- Oneness is certified in accordance with ISO 9001:2015 - Quality Management System, to improve product quality and safety comprehensively.
- Oneness was also awarded Taiwan Intellectual Property Management System (TIPS) certification from the Institute of Taiwan Industry to safeguard the intellectual property management system.

Future Operating Policy

- Completing the NDA Submission, Out-licensing of ON101 and Execution of the second Phase III multicenter clinical trial in the United States
- Advancement of the Clinical Trials of Antibody New Drugs
- Advancement of Phase I Clinical Trial of *Antrodia cinnamomea* Anti-cancer New Drug
- Continuous Advancement of Pre-clinical Research and Development of New Drugs
- *Plectranthus amboinicus* Seedling Preservation Area
- Establishment of *Centella asiatica* GACP Cultivation Process
- Development of Organic Business

R&D Strategy

- Full dedication into the research and development of existing new drugs
- Full utilization of the technology platform for product diversification development
- With technology based in Taiwan, the Company actively seeks expansion to the international market

Sales Policy

- Completion of the drug listing of all medical centers in Taiwan to increase the sales of new drug "FESPIXON®"
- Dedication to the domestic and foreign marketing channels and customer services
- Out-licensing of the pipeline and technology in clinical stage
- Continuous development of the first-in-class or best-in-class new drugs to meet the unmet medical needs

Note: For details regarding the operational, R&D and marketing policies, please refer to page 17 of the 2021 Annual Report.

1.3 Awards

1. Oneness Biotech merged with Fountain Biopharma Inc. in 2019 and has inherited its rights and obligations since then.

2022

Ranked among Top 5% in the 8th Corporate Governance Evaluation

2022

Inclusion in the 2022 Bloomberg Gender Equality Index (GEI)

2019

2019 Taipei Biotech Awards, Innovation Bronze Medal Award[1]

2016

2016 13th National Innovation Award, Corporate Innovation Award, Bio-pharmaceutical and New Medical Technology Groupp[1]

2016

2016 Drug Research and Development Science and Technology Award Co-Hosted by MOHW and MOEA – Bronze Medal Award[1]

2016

2016 Drug Research and Development Science and Technology Award Co-Hosted by MOHW and MOEA – Bronze Medal Award

2014

2014 National Biotechnology and Medical Care Quality Award – Bronze Medal Award for Health Food Group, Nutrient Health Food Category

2013

2013 Taipei Biotech Awards – Silver Medal Award for Technology Transfer

2010

Certificate of 2010 Symbol of National Quality

2

ESG Overview

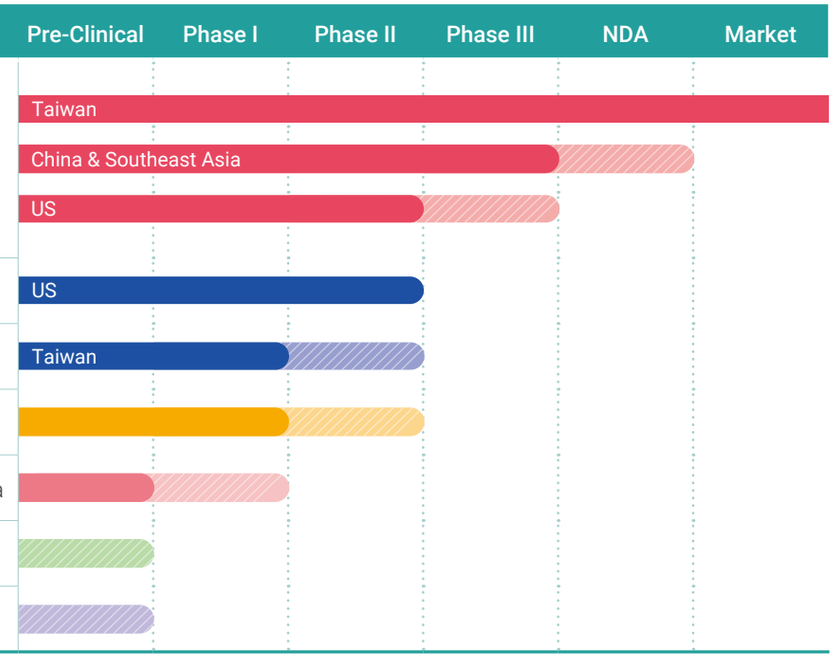
2.1 About Oneness Biotech

Oneness Biotech Co., Ltd. was established in June 2008, with its corporate headquarters located in Da'an District, Taipei City. The Company also has a lab and a plant in Nanchou Township, Pingtung County, as well as an office and a lab in Nangang District, Taipei City. In 2010, Oneness Biotech has been approved by the government as a "New Drug Biotech" company for research and development of new drugs. In June 2011, Oneness received approval from Securities and Futures Bureau (SFB) to be listed on the stock market and started to be traded since September 23rd 2011 (ticker: 4743). To increase its scale of operation and gain more strength in the research and development of new drugs, Oneness Biotech merged with Fountain Biopharma Inc. in August 2019. The merger was intended to facilitate collaboration with large international research institutes and pharmaceutical companies and thereby improve Oneness Biotech's competitiveness on the global market. In 2021, the Company had a paid-in capital of NTD 3.88 billion, an operating income of NTD 65,765 thousand, and a total of 160 employees.

To achieve the purpose of "developing new drugs and caring for life", Oneness Biotech has an excellent R&D team and a strong pipeline of new drugs. Developing global new drugs is the ultimate goal and we focus on chronic dermatology and immunology. Our pipelines are the first-in-class or best-in-class new drugs spanning from Phases I, II, III, to NDA/approval phases. The antibody new drug, FB825 has been out-licensed to an international pharma company. The DFU new drug, FESPIXON®, approved by Taiwan FDA, is also planned to enter the global market proactively.

Pipeline

Research Code	Therapeutic Area	Indication
ON101 (FESPIXON®)	Dermatology	Diabetic Foot Ulcer
FB825	Dermatology	Atopic Dermatitis
	Immunology	Allergic Asthma
FB704A	Immunology	Asthma
OB318	Immunology	Hepatocellular Carcinoma
FB918	Immunology	Asthma
SNS812	Infection	Cov-flu



Business Philosophy

Oneness has been dedicated to the development of new drugs in the chronic dermatology and immunology on the basis of our core value: science, integrity, and transparency. We have an excellent R&D team and great innovation to support the R&D of new drugs, and continue to incorporate our patented technologies into the development of globally innovative drugs that are the best-in-class, the first-in-class, and capable of fulfilling unmet medical needs. We aim to promote human health and improve people's quality of life by providing safe, effective, and quality drugs.

Oneness Biotech will keep conducting clinical and non-clinical trials that not only cater for unmet medical needs, but also comply with international regulations, in order to ensure the effectiveness, safety, and consistency of drugs. We will continue our efforts in developing new drugs with strong market competitiveness, satisfying patients' medical needs, and creating operating value. In addition, we will bring new drugs into the global market through international collaborations and strategic alliances so as to accelerate global market entry and maximize the value of corporate operation.

Core Values

- Based on regulation, science, integrity and transparency, Oneness Biotech develops global new drugs for the unmet need by working with talents, innovative technolongy and resilience in research and development.

Business Strategies

- Full dedication into the research and development and internationalization of existing new drug pipelines, focus on the global market, initiation of clinical trials, and completion the milestones of new drug development in order to carry out global out-licensing and co-development of technology a to create a win-win situation with our partners.
- Develop new indications for unmet medical needs to increase the value of the product.
- Caring for the disadvantaged, giving back to the community, establishing the corporate image, and creating the value of the Company's corporate brand assets.

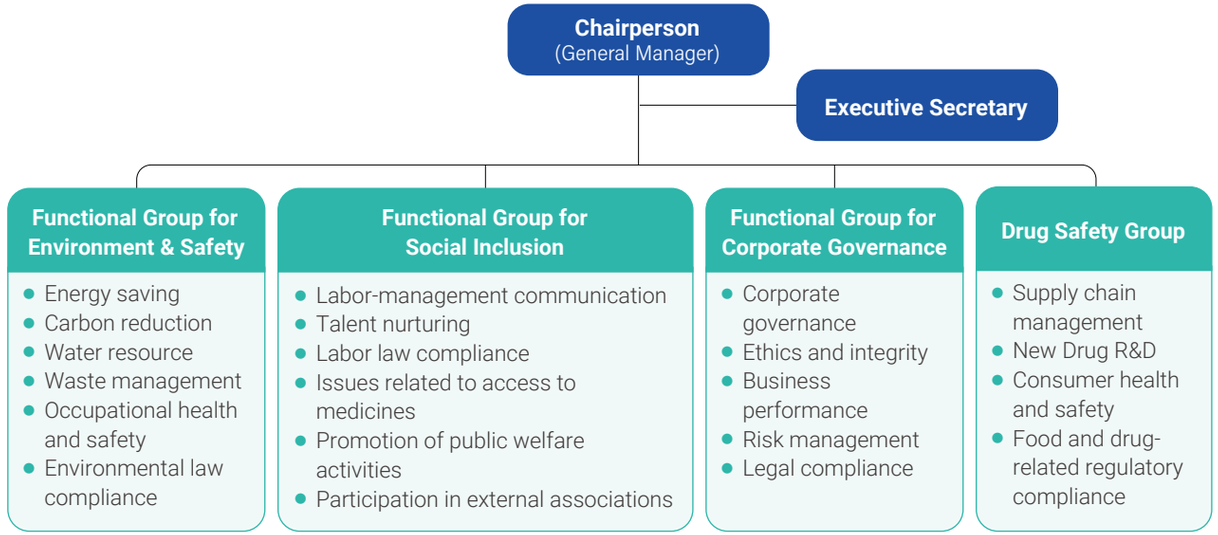
Vision of Sustainability

Following its core business values of "Integrity, Innovation, and Love", Oneness Biotech establishes alliance with integrity, expands to new market with innovation, and gives feedback to the society with love. We will continue increasing our strength in research and development in order to develop world-class innovative drugs and help create a healthy life for the humankind. We will integrate sustainability strategies into business operation and development, carry out our corporate social responsibilities, and protect a sustainable environment for future generations.

Sustainable Management Structure

Stakeholders in the biotech and pharmaceutical industry historically recognized the economic value of the industry as enterprise profitability and the social value of the industry as improvement of the health and welfare of human beings. However, with the development of triple-bottom-line business models, which have not only economic and social, but also environmental, considerations, stakeholders in the biotech and pharmaceutical industry have paid more and more attention to the environmental value of the industry. For Oneness Biotech, sustainability is not simply a marketing slogan, but a moral mission and responsibility that must be undertaken. To promote sustainable development of Oneness Biotech, the Board of Directors has passed the "Corporate Social Responsibility Best Practice Principles" and established a Corporate Sustainable Development Committee, of which the General Manager is the chairperson, and which has four functional groups, namely the "corporate governance" group, the "environmental safety" group, the "social engagement" group, and the "drug safety" group. The functional groups carry out work related to corporate sustainability and have engagement with their respective stakeholders through routine communication channels in order to understand their requirements and expectations of the Company. When the committee convenes, the functional groups discuss the stakeholders' requirements and expectations in the meeting and arrive at a consensus by considering the inputs from different departments so as to respond to the stakeholders properly.

To ensure that the spirit of sustainable management is effectively implemented, the Corporate Sustainable Development Committee convenes meetings on a regular basis. In each meeting, all functional groups report their annual target and how their work has been carried out, so that the percentage of annual target achievement can be determined through a rolling review. The annual performances are then reported to the Board of Directors, who oversee the execution of sustainable development, and are disclosed on the Company website and in the Annual Report.



Sustainability Strategies

Implement Corporate Governance

- Strengthen the Board's structure, implementing the diversity policy, fulfilling obligations with the care of a good administrator, supervising the enterprise to practice corporate social responsibility, and reviewing the effectiveness and improvement promptly to ensure the fulfillment of corporate social responsibility.
- Follow the Company's Integrity principles, from the highest management to employees, to set high standards covering business management to everyday operations, in order to prevent corruption, bribery, and incidents that may compromise customer privacy.
- Implement intellectual property management, enhancing the intellectual property management system to protect trade secrets and prevent divulge technologies for an continual increase of intellectual property and R&D capability with a leading edge.
- Respect stakeholders' right, identifying the key stakeholders, and establishing shareholder pages on the company website to understand the reasonable expectation and requests via routine communication and appropriately respond to their issues of concern.

Develop a Sustainable Environment

- Comply with Environment-related laws, regulations, and international standards to protect the natural environment and achieve environmental sustainability.
- Transit toward circular economy to increase the efficiency in use of resources, to use environmental-friendly materials, to reduce waste by reuse and recycling and to lower negative impacts on the ecological environment.
- Proper use of water resources to increase water recycling efficiency and proper handling of treat wastewater with high standards to ensure local water quality and to maintain biodiversity.
- Assess the transition and physical risks of climate change, to plan mitigation and adoption strategies, to conduct greenhouse gas inventory with carbon reduction goals to transfer to low-carbon operations.

Create Social Value

- Comply with labor laws to provide employees with relevant information to ensure their full understanding of their rights granted by laws.
- Follow International Bill of Human Rights, such as maintaining gender equality, equal employment opportunity, freedom of association, collective bargaining, child labor elimination, non-discrimination, and forced labor prevention to treat all employees without discrimination due to their gender, race, age, education, and family background for an equal chance of salary and benefits, education and training, and evaluation and promotion.
- Establish regular communication channels for employees to ensure their rights to obtain information and express opinions on the company's business management activities and decision-making. For situations that endanger labor rights, an effective and appropriate mechanism should be provided to ensure the equality and transparency of the complaint process. The complaint channel shall be concise, convenient, and unobstructed, and the complaint of employees shall be appropriately responded to.
- Provide employees with a safe and healthy working environment, including necessary health and first aid facilities with a committment to the reduction of potential hazards to employees so that occupational disasters can be prevented. Regularly provide safety and health education and training for employees.
- Ensure the recruitment, retention, and encouragement of human resources and achieve the goal of sustainable business operation, set and take reasonable employee welfare measures that reflect business performance or results in employee remuneration.
- Assess the impact of purchasing behavior on the environment and society of the supply source community and cooperate with the suppliers to fulfill corporate social responsibility.
- Participate in public welfare activities through multiple channels.

Enhance Information Disclosure

- Information disclosure should be conducted in accordance with relevant laws and regulations and Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Relevant and reliable corporate social responsibility-related information should also be fully disclosed to enhance information transparency.
- The corporate social responsibility report should be prepared in accordance with internationally recognized standards or guidelines to disclose the fulfillment of corporate social responsibility. It is advisable to obtain a third-party assurance or guarantee to enhance the reliability of the information.

MSCI

Oneness Biotech was included in the MSCI ESG ratings in 2021 for the first time and was given the **BBB rating**.

S&P Global Sustainable1

In 2021, Oneness Biotech was invited to take part in the S&P Corporate Sustainability Assessment and was rated as among the **top 20** biotech and pharmaceutical companies in the world.

SUSTAINALYTICS

Oneness Biotech improves its transparency and ESG actions persistently, is rated as in the **top 16th percentile** of biotech and pharmaceutical companies, and ranks **second** among its global peers having a similar market value.

2.2 Stakeholders Engagement

In a 2019 meeting, the Business Roundtable of the US changed the "shareholder primacy" principle that had been adhered to in the past. 181 chief executive officers (CEOs) that attended the meeting jointly signed a statement in which they are committed to leading their respective companies to benefit all the stakeholders, including customers, employees, suppliers, the society, and shareholders and a new direction for corporate sustainability was outlined.

Paying attention to stakeholders' opinions helps an enterprise delineate a vision of future development. Through engagement with stakeholders, Oneness Biotech chose from a wide range of sustainability issues and identified several topics that pose high risks, are very likely to occur, or have significant influence. The corresponding short-, medium-, and long-term development strategies were then planned and carried out to create shared value. Both positive and negative information is disclosed herein to honor the principle of transparency and to respond to the public's expectations of Oneness Biotech.

Confirming Key Stakeholders

Stakeholders are people who may affect or be affected by the Company. A mechanism of two-way communication with stakeholders has been used in order to communicate with stakeholders in a timely manner, understand the sustainability issues of their concern, and integrate those issues into the Company's sustainable development strategies. We have carried out stakeholder engagement in an open and transparent manner based on GRI Standards: 2016 published by the Global Reporting Initiative (GRI), and during the engagement, we disclosed the key stakeholders, the communication channels, and the issues of concern, and identified material topics.

To confirm the categories of key stakeholders, Oneness Biotech held internal meetings to discuss how stakeholders in each category are close to, are dependent on, affect and are affected by, and are important to the Company, and 8 categories of key stakeholders were eventually identified, namely government agencies, investors, customers, employees, suppliers, communities, news media, and medical care personnel. Through routine communication channels, each department has had the opportunity to understand stakeholders' reasonable requirements and expectations of the Company.

Identification of Key Stakeholders
8 Categories

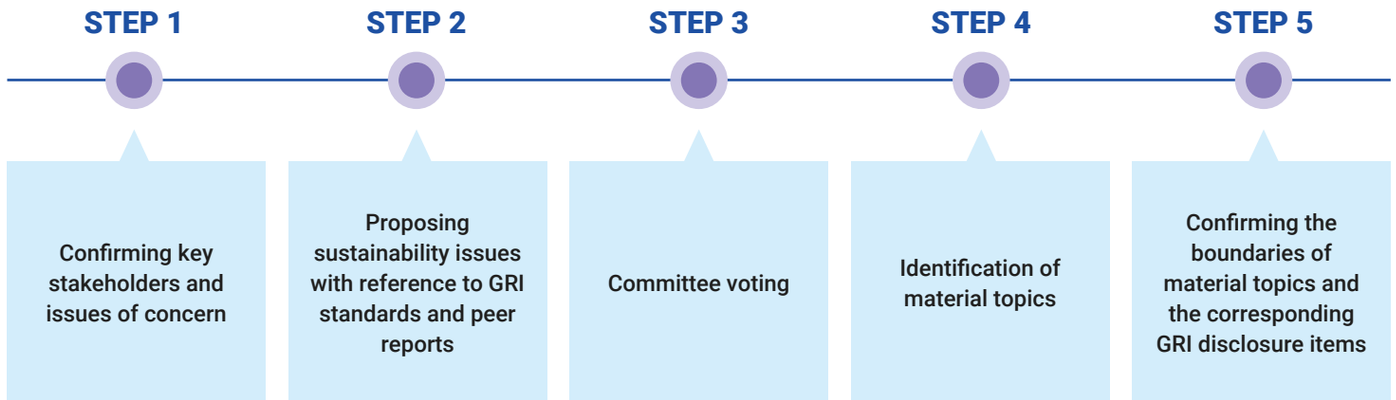
- Government Agencies
- Investors
- Customers
- Employees
- Suppliers
- Communities
- News Media
- Medical Personnel

Compilation of Sustainability Issues
17 Issues

- Business Performance
- Legal Compliance
- Information Transparency
- Drug Safety
- Intellectual Property Rights Protection
- Cyber Security
- Grievance Mechanism
- Supply Chain Management
- Climate Actions
- Water Resource
- Waste Management
- Occupational Safety and Health
- Remuneration and Benefits
- Human Resource Development
- Equality and No Discrimination
- Access to Medicines
- Public Welfare

Identification of Material Topics
7 Topics

- Business Performance
- Legal Compliance
- Drug Safety
- Intellectual Property Rights Protection
- Cyber Security
- Climate Actions
- Human Resource Development



Issues of Stakeholders' Concern

Maintaining a sound and interactive relationship with stakeholders is crucial to a company's sustainable management. Through two-way communication channels, we hope to grasp stakeholders' opinions in a timely manner so as to adjust management strategies accordingly. The communication channels and issues of concern vary from one stakeholder to another. Oneness Biotech has gathered, compiled, and listed below the key stakeholders' communication channels and issues of concern.

Key Stakeholders	Significance to Oneness Biotech	Issues Of Concern	Communication Channels / Frequency	Corresponding Report Chapter	
Government Agencies	Oneness Biotech is vigilant in overseeing corporate governance and drug safety; we follow the government's laws and regulations to carry out stable business operations.	• Corporate Governance • Ethics and Integrity • Risk Management • Legal Compliance • Drug Safety • Water Resource • Greenhouse Gas Emissions • Occupational Safety and Health	• Official Letters / Occasional • Policy Advocacy from the Competent Authority / Occasional	3 Research & Development	3.2 Drug Quality Management
				4 Corporate Governance	4.1 Governance Practice 4.3 Risk Management 4.4 Legal Compliance
				6 Environmental Protection	6.1 Climate Actions 6.2 Water Resources
				5 Social Inclusion	5.4 Healthy and Safe Working Environment
Investors	The shareholders are the investors of the Company. In order to protect the rights and equities of shareholders and treat all shareholders fairly, Oneness Biotech discloses information in a timely manner with openness and transparency while also communicating with shareholders and other interested parties.	• Business Performance • Corporate Governance • Risk Management • Legal Compliance • Drug Safety • Intellectual Property Rights Protection • Cyber Security	• Company Website / Occasional • Financial Statement / Quarterly • Institutional Investor Conference / Quarterly • Shareholder's Meeting / Annual • Market Observation Post System (MOPS) / Occasional	1 ESG Highlights	Entire Chapter
				3 Research & Development	3.1 R&D Progress and Results 3.2 Drug Quality Management
				4 Corporate Governance	4.1 Governance Practice 4.3 Risk Management 4.4 Legal Compliance 4.5 Cyber Security 4.6 Intellectual Property Rights Protection
Customers	Oneness Biotech's customers include users, marketing/distribution channels, and medical institutions. Oneness Biotech is committed to providing customers with products and services of the highest quality. We are willing to listen to our customers and meet their needs so that we can continue to make improvements and build trust with our customers.	• Business Performance • Risk Management • Legal Compliance • Drug Safety	• Company Website / Occasional • Telephone, Email / Occasional	1 ESG Highlights	Entire Chapter
				3 Research & Development	3.1 R&D Progress and Results 3.2 Drug Quality Management
				4 Corporate Governance	4.3 Risk Management 4.4 Legal Compliance

Key Stakeholders	Significance to Oneness Biotech	Issues Of Concern	Communication Channels / Frequency	Corresponding Report Chapter	
Employees	• Talent is the company's most important asset. Colleagues with integrity and activeness can work with the Company to achieve the corporate target of "developing new drugs and caring for life" • Oneness Biotech provides its employees with highly competitive salaries, year-end bonuses, and employee dividends, as well as comprehensive employee welfare and gender equality in the workplace. Through a complete education & training system and a career development plan, we uphold the concept of profit-sharing with employees to retain, nurture and motivate outstanding talents. • Oneness Biotech builds a friendly work environment and encourages employees to improve their self-worth. We know that if a company aims to achieve sustainable operation, the continuous recruitment and development of talents is absolutely the key to success.	• Business Performance • Remuneration and Benefits • Labor-Management Communication • Occupational Safety and Health • Talent Cultivation	• Email / Occasional • Telephone / Occasional • Grievance Hotline / Occasional • Labor-Management Meeting / Quarterly • Performance Appraisal / Semi-Annual	1 ESG Highlights	Entire Chapter
				5 Social Inclusion	5.1 Reliable Employer 5.4 Healthy and Safe Working Environment
Suppliers	To maintain the quality of company products, we rely heavily on the steady supply of raw materials by our suppliers. Through close cooperation and two-way communication, both the Company and its suppliers will jointly pursue sustainable business operations and grow together.	• Business Performance • Legal Compliance • Supply Chain Management • Procurement Policies	• Meetings / Several Times a Month • Emails / Several Times a Month	1 ESG Highlights	Entire Chapter
				3 Research & Development	3.5 Supply Chain Management
				4 Corporate Governance	4.4 Legal Compliance
Communities	We are committed to reducing the impact of business operations on the environment. With long-term devotion to social welfare and industry-academia cooperation, we are dedicated to fulfilling our corporate social responsibility.	• Water Resource • Waste Management • Public Welfare	• Company Website / Occasional • Grievance Hotline / Occasional	6 Environmental Protection	6.2 Water Resources 6.3 Waste Management
				5 Social Inclusion	5.5 Social Engagement
News Media	Since the news media reflects the public's expectations and supervision of Oneness Biotech, the advice and suggestions put forward by the news media will urge the Company to continue to make progress.	• Business Performance • Corporate Governance • Drug Safety • Water Resource • Waste Management • Public Welfare	• News Media Interview / Occasional • Newsletter / Occasional	1 ESG Highlights	Entire Chapter
				3 Research & Development	3.1 R&D Progress and Results 3.3 Pharmacovigilance
				4 Corporate Governanc	4.1 Governance Practice
				6 Environmental Protection	6.2 Water Resources 6.3 Waste Management
				5 Social Inclusion	5.5 Social Engagement
Medical Personnel	The healthcare personnel expertise in medicines and drug use and their understanding of patients are critically important to the use of marketed medicines and the implementation of clinical trials of new drugs.	• Business Performance • Corporate Governance • Drug Safety	• Official Letters / Occasional • Telephone, Email / Occasional • Seminar / Occasional	3 Research & Development	Entire chapter

Once the key stakeholders and the issues of concern were confirmed, Oneness Biotech referred to the topics in GRI Standards: 2016 and the sustainability trends and actions of the international biotech and pharmaceutical industry. Webefore selecteding the 17 sustainability issues that are closely related to the Company's operation, including eightseven issues in the governance/economical aspects, threefour in the environmental aspect, and six in the social aspect, as shown in the list of sustainability issues below.

Governance / Economical Aspects

- Business Performance
- Legal Compliance
- Information Transparency
- Drug Safety
- Intellectual Property Rights Protection
- Cyber Security
- Grievance Mechanism
- Supply Chain Management

Environmental Aspect

- Climate Actions
- Water Resource
- Waste Management

Social Aspect

- Occupational Safety and Health
- Remuneration and Benefits
- Human Resource Development
- Equality and No Discrimination
- Access to Medicines
- Public Welfare

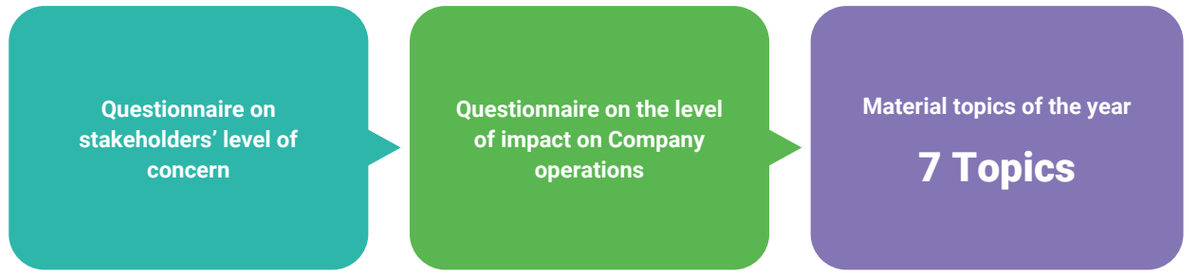
Note: Issues such as corporate governance, ethics and integrity, and risk management are required by GRI Standards: 2016 to be disclosed in the Corporate Sustainability Report. Oneness Biotech, therefore, does not include the aforesaid issues on the list of sustainability issues; relevant contents, however, will still be disclosed in this report.

Identification of Material Topics

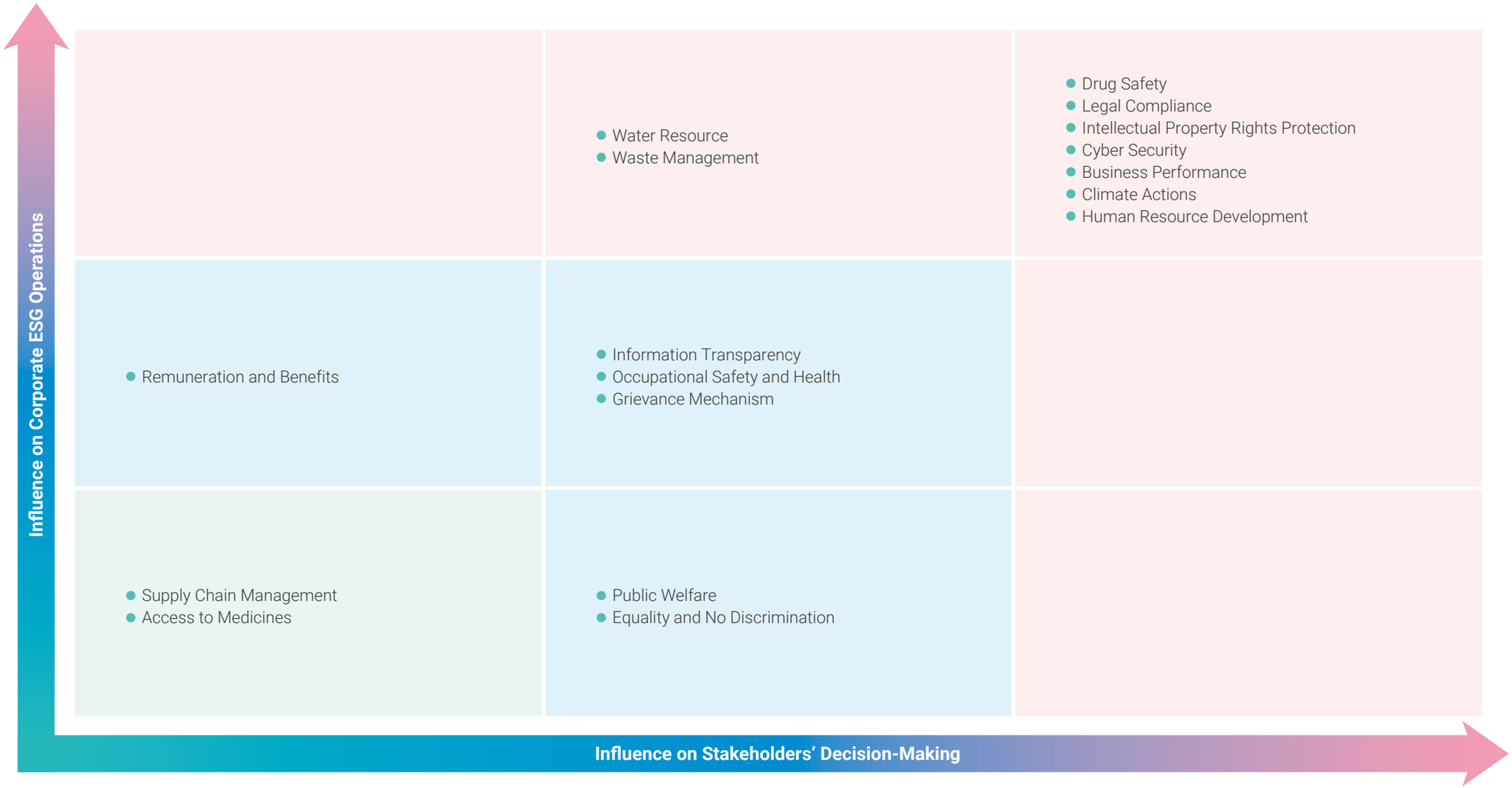
Oneness Biotech conducted a questionnaire survey to identify material topics. A material topic matrix was created whose with which two axes are "influence on stakeholders' decision-making" and "influence on corporate ESG operations" respectively. To assess the "influence on stakeholders' decision-making", the responsible departments of Oneness Biotech derived justifies stakeholders' level of concern for the issues from such factors based on the past interactions, including frequency, communication details, with stakeholders as the frequency and communication details of their past interactions with stakeholders. To assess the "influence on corporate ESG operations", the executives/senior managers of Oneness Biotech scored the economical, environmental, and social impacts of the sustainability issues on the Company based on professional knowledge in their respective fields.

In 2020, Oneness Biotech identified five material topics and drew up related strategies and management guidelines. The five material topics are "operating performance", "Legal compliance", "drug safety", "intellectual property rights protection", and "Cyber Security". In view of the continuity of corporate strategies and resource input, as well as GRI's specifications regarding the revision of material topics, Oneness Biotech planned to re-conduct the material topic identification process for next year's report. This year, only two material topics were added in response to external market dynamics: "climate actions" and "human resource development".

- **Climate Actions:** the United Nations climate change conference (COP 26) held in 2021, and adopted the Glasgow Climate Pact with the goal of limiting global warming less than 1.5ºC and phase-down unabated coal power and inefficient subsidies for fossil fuels. Both the stakeholders and Oneness Biotech consider it necessary for Oneness Biotech to take actions in response to climate change.
- **Human Resource Development:** The research report published by the World Economic Forum (WEF) in 2020 declares that corporate performance will be evaluated according to not only the shareholder return, but also its ESG performance. Talent is critical for advancing ESG strategy. Oneness Biotech relies on talent in research and development, in production, in marketing, and in sales to retain the energy of innovation and of new drug development, and to thereby drive to sustainable development.



Material Topic Matrix



The boundaries of Oneness Biotech's material topics are as follows:

Aspect	Material Topic	Importance to Oneness Biotech	Internal Boundary	External Boundary			GRI Standards: 2016 Specific Topic / Disclosure Item	Report Chapter Where Disclosure is Made
			Company	Suppliers	Customers	Communities		
Governance / Economy	Business Performance	Steady operation and profitability are the Company's operational goals. We are able to build trust with our investors, employees, and value chains on the basis of continuous profitability. It is also a key for the Company to strive toward the goal of a sustainable business operation.	✓	✓	✓		201-1 Economic performance	2021 Annual Report
Environment / Society / Economy	Legal Compliance	• Biotech industry is highly regulated, and the biotech company is subject to the strict supervision of laws and regulations on pre-clinical R&D, clinical trial, new drug launch, and subsequent production and manufacturing. Therefore, in addition to following the existing laws and regulations, Oneness Biotech also pays close attention to any amendments and updates so that it can take measures in a timely manner. • The company's operations must also comply with relevant laws and regulations such as corporate governance, environmental protection, and labor rights to protect the rights and interests of stakeholders.	✓	✓	✓	✓	307-1 Environmental compliance 419-1 Socioeconomic compliance	4 Corporate Governance 4.4 Legal Compliance
Governance / Economy / Society	Drug Safety	With advanced biotechnology and talents, Oneness Biotech is devoted to the research and development of new drugs and the latest technology with a rigorous and responsible attitude to improve human health.	✓		✓	✓	416-1~2 Consumer health and safety	3 Research & Development 3.1 R&D Progress and Results 3.2 Drug Quality Management 3.3 Pharmacovigilance
Governance / Economy	Intellectual Property Rights Protection	The advanced technology that the biotechnology industry should possess is critical to Oneness Biotech's core competitiveness and belongs to the company's trade secrets. Therefore, at each stage of research and development, it is necessary to ensure that all inventions are under a strict and effective global patent layout to protect R&D technology and various intellectual property rights to maintain a high degree of competitiveness in the global market.	✓				No corresponding topics in GRI Standards	4 Corporate Governance 4.6 Intellectual Property Rights Protection
Governance / Economy	Cyber Security	The cyber security methods ensure that the company's R&D technology can be effectively protected. Oneness promulgates Cyber Security policies internally and takes a number of specific measures to ensure strict protection of Cyber Security.	✓				No corresponding topics in GRI Standards	4 Corporate Governance 4.5 Cyber Security
Environment	Climate Actions	Climate change is a challenge that contemporary enterprises are faced with. Oneness Biotech has introduced the TCFD structure and taken mitigation and adoption measures to respond to the physical and transitional risks posed by the climate actions.	✓	✓		✓	302-1 Energy sources 305-1~3, 5 Emission	6 Environmental Protection 6.1 Climate Actions
Society	Human Resource Development	Oneness Biotech creates a diverse and inclusive working environment. We aim to attract top talent in each field, ensuring that our colleagues can grow in this environment.	✓				401-1~2 Employer-employee relationship 404-1 Education and training 405-1 Diversity of and equal opportunities for employees	5 Social Inclusion 5.1 Reliable Employer

2.3 Response to SDGs

In 2015, the United Nations announced the "Sustainable Development Goals (SDGs) for 2030", which include set 17 goals, such asincluding no poverty, decent work and economic growth, and climate actions, etc. The goals cover 169 targets and were intended to guide joint global efforts toward promoting human survival and sustainable development. The SDGs turned a new page for global development. This ambitious sustainability blueprint relies on unprecedented collaboration of all the parties involved. Each party, be it a government, international organization, enterprise, or even individual, can contribute to the SDGs through practical actions.

The SDGs describe the most pressing environmental, social, and economical problems in the world and have become not only increasingly important to governments and enterprises, but also a focus of attention for stakeholders around the globe. The SDGs provide opportunities for corporate growth. An enterprise will have the first-mover advantage if it makes a preemptive deployment that takes the development of the SDGs into account. By contrast, an enterprise will be disadvantaged in operation, or even suffer a damaged in reputation, if it follows suitacts relatively late or has no practical actions for the SDGs.

Oneness Biotech is a science-based driven company engaging in the research and development of new drugs and contributes mainly to SDG 3: good health and well-being. However, we are also aware of the close connections between Oneness Biotech's operation and other SDGs. In order to understand the positive contributions and negative effects of corporate actions to or on the SDGs, Oneness Biotech has performed a comprehensive evaluation of all its operational aspects. To ensure that our operation is in line with the SDGs, the material topic identification process of Oneness Biotech has taken into consideration the mutual effects between the material topics and the SDGs. The SDGs were incorporated into the operation plans for the material topics, and strategies were drawn up accordingly to increase the beneficial effects of the SDGs.

SDGs	Actions of Oneness Biotech
 SDG 3 **Good Health and Well-Being**	The biotech and pharmaceutical industry is an important factor in promoting the health and well-being of humans. Oneness Biotech develops new drugs with science and innovation, provides affordable treatment for patients, protects the R&D results with a sound intellectual property management system, and creates value to be shared between Oneness Biotech and the society.
 SDG 5 **Gender Equality**	We have a workplace culture that values gender equality. In addition, the Board of Directors has a diverse and inclusive structure composed of both management and employees so that different voices can be heard during the decision-making process to enhance team cohesiveness between employees and thereby encourage growth of Company operation.
 SDG 8 **Decent Work and Economic Growth**	Employees' safety and benefits are protected. The concept of "equal pay for equal work" is reflected in salaries. Complete employee development plans are in place to increase employees' professional abilities, ensure proper career development, and promote sustainable economic growth.
 SDG 9 **Industry, Innovation and Infrastructure**	Large amounts of resources have been put into technological innovation so as to develop high-quality, reliable, and sustainable new drugs, upgrade production equipment, improve manufacturing processes, and increase the efficiency of use of energy.
 SDG 12 **Responsible Consumption and Production**	Based on an environmentally friendly design, our lead product, the FESPIXON® cream composed of botanical active pharmaceutical ingredients which are derived from plants with non-toxic organic cultivation. Moreover, manufacturing processes are subjected to life cycle-based reviews in order to gradually increase recycling and achieve the goal of zero pollution.
 SDG 13 **Climate Action**	In face of the physical and transitional risks posed by climate change, Oneness Biotech has introduced the TCFD structure, verified its inventory of organization-level and product-level carbon footprints, and taken mitigation and adaption measures improve energy intensity and reduce carbon emissions.
 SDG 16 **Peace, Justice and Strong Institutions**	Operation with integrity is not only one of the social responsibilities of an enterprise, but also a cornerstone for sustainable operation. Oneness Biotech has established a good corporate governance and risk management mechanism, follows and complies with the global legal requirements, and endeavors to prevent any corruption and dishonest behaviors.

3

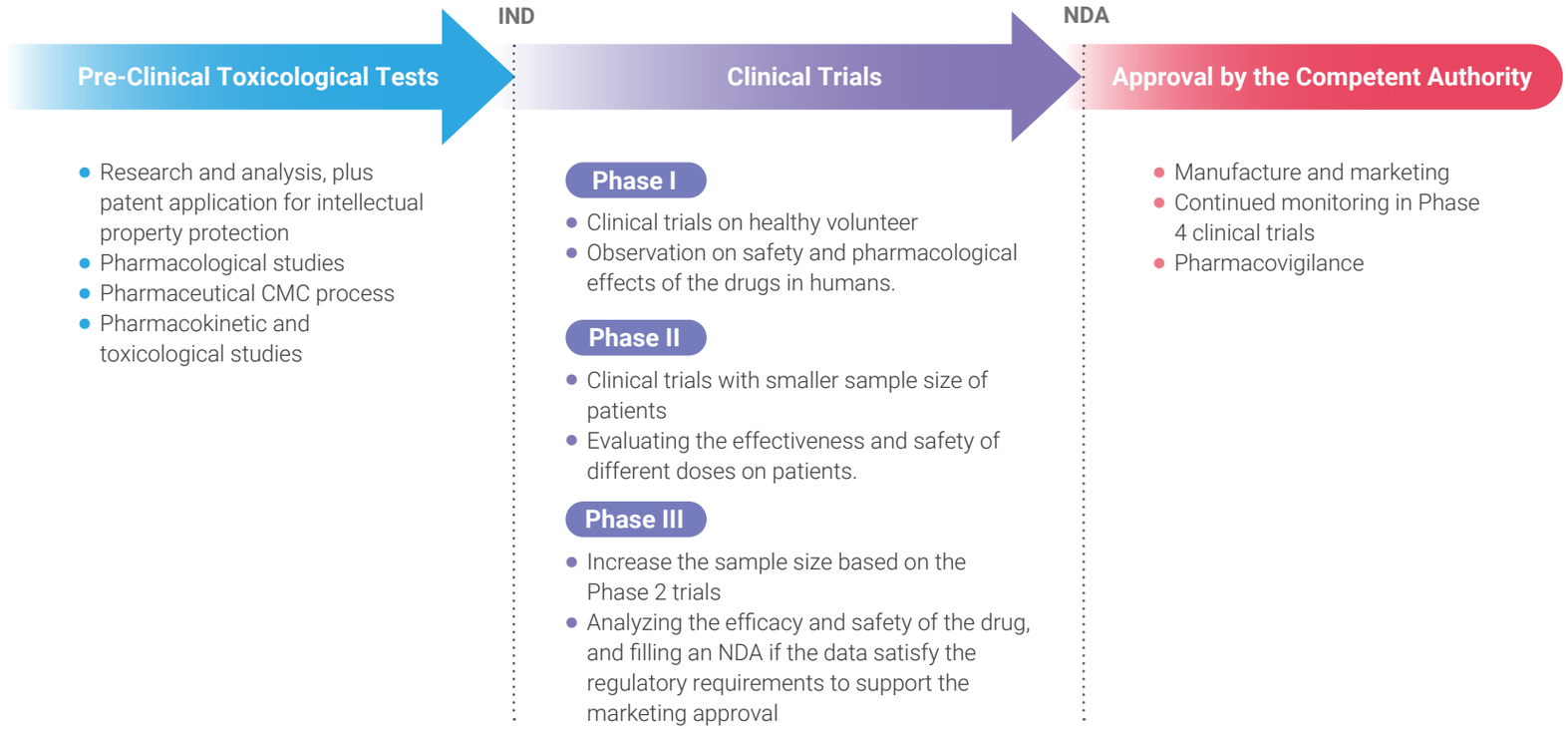
Research & Development

The research and development of new drugs requires a long-term commitment. It takes 12 to 15 years with an investment in R&D for about USD 1 billion for the entire process from drug screening in the laboratory to the clinical trial stage and the obtainment of approval for marketing.

The development of a new drug starts with the discovery of drug candidates. The drug candidates must go through a chemistry, manufacturing, and controls (CMC) process, pharmacokinetic studies, pre-clinical pharmacological studies, pre-clinical safety-pharmacological studies, and pre-clinical toxicological studies, before an investigational new drug (IND) application can be filed to the competent health authority to begin clinical trials.

The efficacy and safety of the new drug are determined by a rigorous statistical analysis, and if the regulatory requirements to support the marketing approval are fulfilled, a new drug application (NDA) can be filed to the regulatory authority. After obtaining the approval, it is required to monitor and report adverse reactions and serious side effects.

Due to the fact that drugs are administered directly in humans, the competent health authorities of all countries ensure the safety and efficacy of drugs through regulations intended to assess such processes including the research and development, manufacture, import/export, sale, and use of drugs. The competent health authorities monitor the aforesaid processes closely in order to safeguard the public health.



3.1 R&D Progress and Results

The core objective of Oneness Biotech is to develop globally innovative drugs, with a focus on the treatment of chronic dermatological and immunological disorders. We have a complete new drug R&D pipelines, including those in Phase 1, Phase 2, Phase 3 clinical trials, or in the NDA/ marketing stage. Most of them are the first-in-class or the best-in-class drugs. In particular, the antibody new drug FB825 has been licensed to an international pharmaceutical company, and its Phase IIa atopic dermatitis trial participants in the US has been unblinded in May 2022. FESPIXON® cream, with a new drug approval in Taiwan, is under accelerated global market entry in order to provide the patients of diabetic foot ulcers an effective therapy. This shows the commitment of Oneness to "developing new drugs and caring for life" since our establishment.

Oneness Biotech has been equipped with the key technologies, from research (R) to development (D), of new antibody drugs, including the successful establishment of a fully-human antibody library, high-throughput antibody screening, anti-IgE (immunoglobulin E) antibodies, anti-IL6 (interleukin 6) antibodies, pre-clinical antibody biological activity verification, and stable high-yield antibody-producing cell lines. Antibody new drugs such as FB825 and FB704A were developed by the foregoing technologies and are now in Phase 2 clinical trials.

Currently, the R&D pipelines include ON101 (FESPIXON®), FB825, FB704A, OB318, FB918 and SNS812. The new drugs cover the disease area including diabetes, asthma, liver cancer, and infection prevention. All the aforesaid diseases fall within the 82 diseases included in the 2021 Access to Medicine Index[2], so the successful development of those new drugs will make tremendous contribution to the health and well-being of the public.

R&D Projects/Drugs	Indications	Indications Included in the 2021 Access to Medicine Index	New Treatment Mechanism/ New Drug First Seen on the Market
ON101(FESPIXON®)	• Diabetic foot ulcer	✓	✓
FB825	• Atopic dermatitis • Allergic asthma	✓	✓
FB704A	• Severe asthma • Cardiovascular diseases induced by chronic nephritis	✓	✓
OB318	• Liver cancer	✓	✓
FB918	• Severe asthma	✓	✓
SNS812	• SARS-COV-2 infection/ Coronavirus flu	✓	✓
Ratio		**100%**	**100%**

2. Access to Medicine Index 2021, page 212, Table3, link

Pipeline

Research Code	Therapeutic Area	Indication	Pre-Clinical	Phase I	Phase II	Phase III	NDA	Market
ON101 (FESPIXON®)	Dermatology	Diabetic Foot Ulcer	Taiwan					
			China & Southeast Asia					
			US					
FB825	Dermatology	Atopic Dermatitis	US					
	Immunology	Allergic Asthma	Taiwan					
FB704A	Immunology	Asthma						
OB318	Immunology	Hepatocellular Carcinoma						
FB918	Immunology	Asthma						
SNS812	Infection	Cov-flu						

Pipeline

ON101 (FESPIXON®)

Indications	Diabetic Foot Ulcers (DFU)
Mechanism of Action	• Inhibits inflammation • Regulates the generation of collagen • Promotes the regeneration of damaged cells • Promotes the proliferation of human keratinocytes • Reduce inflammatory M1 macrophages, stimulate adipose precursor cells to secrete GCSF and CXCL3, and increase repairing M2a/M2c macrophages, thereby promote complete wound healing. The mechanism of action studies can be referred to *JID Innovations* (2022).
Current Status	• Phase 3 multicenter randomized clinical trials (MRCT) was completed. ON101 has been demonstrated with 60.7% vs 35.1% (p=0.0001) in complete healing rate in 16-week treatment. A subgroup analysis on difficult-to-heal ulcers also shows the stastistical significance, consistency, and robustness of the therapeutic effect of ON101. The related data was published in the international medical journal *JAMA Network Open* (JAMA Netw Open.2021;4(9):e2122607) • Granted a drug approval in Taiwan. Under NDA review in China, Singapore (by the Health Sciences Authority), Malaysia (by the National Pharmaceutical Regulatory Agency, NPRA), and the Philippines (by the FDA Philippines). • Granted Fast Track Designation by the US FDA.
Product Advantages	• **Effectiveness:** ON101 has been clinically proven with a significant wound healing effect and can reduce the formation of hypertrophic scars. • **Cost advantage:** Oneness Biotech implements a streamlined controlled from research and development cultivation of the medicinal plants, production, and quality control to ensure global supply capability and competitiveness.
Market Potentials	According to a market research report by Fortune Business Insights, the global market size of diabetic foot ulcer (DFU) treatment was USD 6.6 billion in 2018, with the compound annual growth rate at 6.8%, and the market size of 2026 is estimated to be USD 11 billion.

FB825

Indications	IgE-related allergic diseases such as atopic dermatitis, allergic asthma, hyper-IgE syndrome, and food allergies
Mechanism of Action	Treats and prevents allergic diseases by inhibiting the B lymphocytes, which express IgE
Current Status	• Completed a Phase 1 clinical trial in the US • Completed a Phase 2a clinical trial atopic dermatitis in the US • A Phase 2a clinical trial in allergic asthma in Taiwan is ongoing
Product Advantages	• **Uniqueness:** Has a novel drug target and mechanism by inhibiting the source of IgE, i.e., the IgE B cells. • **Safety:** Has a specific pharmacological mechanism and limited side effects. • **Extensive use:** Has a wide range of indications and is applicable to more allergy and asthma patients than its existing counterparts. • **Economy:** FB825 has excellent pharmacokinetic properties with a long half-life. An administration frequency of once every 2-3 months is anticipated. The long-acting advantage provides great convenience to patients and helps reduce medical costs.
Market Potentials	According to analysis reports by Allied Market Research and Coherent Market Insights, the global market size of atopic dermatitis/asthma treatment will reach USD 38 billion in 2027.

FB704A

Indications	Severe asthma (with high neutrophils), autoimmune diseases, i.e. rheumatoid arthritis, systemic sclerosis, and chronic kidney disease induced cardiovascular complications
Mechanism of Action	FB704A can neutralize IL-6 specifically and inhibit IL-6/IL-6R classic- and trans-signaling at the same time, thereby inhibiting inflammatory responses.
Current Status	• Completed a Phase 1 clinical trial in the US • Greenlighted to proceed with Phase 2 clinical trials in severe asthma by the US FDA • A Phase 2 clinical trial in severe asthma in Taiwan is ongoing
Product Advantages	• Fully human antibody, low immunotoxicity, and high safety • With high biological activity in inhibiting inflammation. In vitro studies showed superiority over commercially available drugs under a similar mechanism. • With high antibody specificity. The chances of inducing such side effects as an infusion reaction, an injection site reaction, severe infection, cancer progression, and an undesirable effect on the hematopoietic system or an important organ (e.g., liver, lungs, or kidney) are low.
Market Potentials	• FB704A (anti-IL-6 Ab) can reduce bronchial hyperresponsiveness as well as the Th1, Th2, and Th17 inflammatory responses of the respiratory tract, inhibit IL-6 classic- and trans-signaling pathways, and therefore have a chance of improving the symptoms of severe asthma (with high neutrophils) and severe mixed-granulocytic asthma. Globally, about 110 million people suffer from asthma (with high neutrophils)[3], and about 5% of them are severe asthma cases[4], meaning there are about 5.5 million patients suffering from severe asthma(with high neutrophils). The patients with severe asthma(with high neutrophils) tend to have recurrent episodes, which result in huge medical expenses, and yet commercially available drugs are still unable to control the disease effectively. It is estimated that the global market of biologics for treating severe asthma, which is an unmet medical need, may reach tens of billions of US dollars[5]. • Many diseases are related to over-activated IL-6/IL-6R signaling. We will continue exploring the application of FB704A to systemic inflammation-related diseases in order to maximize the value of the product.

OB318

Indications	Cancer (e.g., liver cancer)
Mechanism of Action	Has multiple working mechanisms, including inhibiting the growth of cancer cells, inhibiting the angiogenesis of cancer cells, and inhibiting the metastasis of cancer cells.
Current Status	• Pre-clinical studies were proceeded in accordance with international R&D standards for botanical new drugs (e.g., the corresponding standards published by ICH and the US FDA). All the established techniques and quality met international standards. The anti-cancer activity of the drug has been verified with various cancer cells, and the safety range of the drug has been evaluated by comparing its toxicological study results with those in normal cells and animal studies. The anti-cancer activity of the *Antrodia cinnamomea*-based new drug has been validated in different in vivo disease models. • Greenlighted by the US FDA and TFDA (the Food and Drug Administration, Ministry of Health and Welfare of Taiwan) to proceed with the Phase 1 clinical trial. The Phase 1 clinical trial in Taiwan started in 2020.
Product Advantages	• Safety: 100 times inhibition of cancer cells than in normal cells (in terms of concentration) and therefore has high selectivity • Effectiveness: Inhibit the growth of a subcutaneously or orthotopically transplanted malignant cancer significantly • Quality assurance: To ensure batch-to-batch consistency of the drug, a proper quality control process has been established for the entire manufacturing process from the raw materials to the finished product. • Monopoly: Oneness Biotech has been granted with patents in many countries for the anti-cancer active components, the drug manufacturing process, and the use of the drug. The patent protection of the product lasts at least till 2035.
Market Potentials	Millions of patients with liver cancer die each year. Hepatocellular carcinoma (HCC) is the most common primary liver cancer and makes up about 90% of all liver cancer cases. As currently available treatment solutions contribute to only a limited increase in the overall survival rate, a new therapy is needed to meet the medical needs in HCC. It is estimated that the market size of liver cancer treatment in 2025 is about USD 5 billion.

3. Source: Literature Review, Frost & Sullivan Analysis
4. European Respiratory Journal 2018 52: PA3918
5. The Potential American Market for Generic Biological Treatments and the Associated Cost Savings

FB918

Indication	Asthma
Mechanism of Action	FB918 is a fully-human antibody drug to target interleukin 33 (IL-33). It was developed by Oneness Biotech by screening a human antibody library, and is now in the pre-clinical development stage. Currently, all the major pharmaceutical companies are enthusiastic in exploring new indications of IL-33 drugs, making IL-33 a promising new drug target.
Current Status	Pre-clinical studies
Market Potential	Today, the treatment of non-allergic eosinophilic asthma is still an unmet medical need. Patients of this disease show an increase in group II innate lymphoid cells (ILC2), which when stimulated by the IL-33 secreted by epithelial cells cause maturation and migration of eosinophils and thus lead to an attack of the disease. Statistics show that the global market of asthma treatment in 2019 was about USD 18 billion, and the market size is predicted to reach USD 26 billion in 2027.

SNS812

Indications	Coronavirus, flu
Mechanism of Action	SNS812 belong to a class of nucleic acid medicines called siRNA that uses a gene silencing mechanism (RNA interference, RNAi) to specifically cleave a highly conserved region of SARS-CoV-2 genome and thereby, inhibiting virus replication, and eliminating viruses in cells.
Current Status	• In vitro and in vivo preclinical pharmacological studies have been completed, including inhibition of Vero E6 cells and human ACE2 transgenic mice infection, cytotoxicity studies, off-target genes analysis and multi-species (mouse, rat, monkey) toxicological studies. The study results suggest that SNS812 is a candidate for anti-SARS-CoV-2 infection with low toxicity, off-target rate and immunogenicity • SNS812 is currently under cGMP production with the CMO followed by toxicology studies with the CRO. It has been planned to submit the IND application to the US FDA in the middle of 2022.
Product Advantages	Vaccines and antibodies currently on the market target the most mutated viral spike protein, which is easily escaped by the virus, leading to vaccine breakthroughs and repeated outbreaks of epidemics. SNS812 targets highly-conserved regions of the virus, and is expected to solve the problems of SARS-CoV-2 variants.
Market Potentials	According to the statistics of market analysis agencies, the COVID-19 preventive and therapeutic drug market is 150 billion (IQVIA Holdings) and 25.6 billion US dollars (IncInsightAce Analytic) respectively. SNS812 is currently one of the few drug candidates in the world that can target broad-spectrum of SARS-COV-2 variants.

In particular, FESPIXON® cream, which is Oneness Biotech's new drug for diabetic foot ulcers (DFU), is the global first-in-class DFU drug. DFU is the major cause of disability and death of diabetic patients. Amputation may be required if such ulcers are not taken care of properly. According to statistics, every 20 seconds there is a diabetes-related lower-limb amputation somewhere in the world, but the five-year survival rate after the amputation is lower than 60%. Since 1997, the US FDA has approved only one DFU drug to be marketed; all the other drugs failed in their international Phase 3 trials. After thirteen years of perseverance, Oneness Biotech received an approval from the Ministry of Health and Welfare of Taiwan in 2021 on the new drug application for FESPIXON® cream so that the drug can be marketed to satisfy the huge unmet medical needs in DFU and bring new hopes to the treatment of DFU.

R&D Rewards

After the marketing of FESPIXON® cream was approved, the Company introduced the "Research Project Subsidy Plan" to encourage medical researchers to make further studies on the academic foundation or clinical applications of treating DFU or other difficult wounds with FESPIXON® cream. The innovative and pioneering research projects can be subsidized by the Plan with NTD 2 million, with the hope of understanding other mechanisms of FESPIXON® cream and expanding its indications. As of 2021, the subsidy of 8 research projects was approved by external experts after assessment. The Company also announced the "Academic Paper Awarding Plan" in order to encourage basic research on, or clinical applications or promotion of the use, of FESPIXON® cream in treating DFU or other difficult wounds. An award ranging from NTD 5000 to 1 million will be granted in accordance with the international SCI-grade of the journal in which each paper is published.

Industry-University-Institute Collaboration Plans of Oneness Biotech in 2021

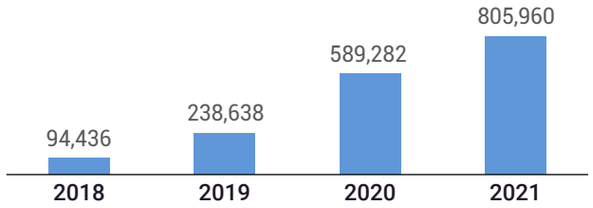
Research Subject	Project Title
Venous Leg Ulcer	A Research Study to Evaluate the Safety and Potential Efficacy of ON101 Cream for the Treatment of Venous Leg Ulcers.
Scar-1	Explore the short- and mid-term effects of FESPIXON® in scar cosmesis following cervical thyroidectomy or caesarean section
Scar-2	Utilizing the Translational Approach to Investigate the Efficacy and Mechanism of ON101 cream and their active compounds in Preventing Hypertrophic Scar, Microenvironment and Chemotacic Epithelial Stem Cells Formation
Biofilm	Exploring the therapeutic effect of FESPIXON® on the wound biofilm infection in a diabetic animal model
Pressure Injury	Open-label Clinical trial to Evaluate the Efficacy and Safety of ON101 Cream for the Treatment of Pressure Injury in Scarum Wound
Diabetic Foot Ulcer-1	Evaluate the Safety and Efficacy of FESPIXON® Cream for the Treatment of Chronic Diabetic Foot Ulcers (TEXAS 1A, 2A) in dialysis patients
Diabetic Foot Ulcer-2	Exploring the Effect of FESPIXON® Cream for the Treatment of Diabetic Foot Ulcers (TEXAS 3A, 3B)

Source of information: Presentation of the 2022 1st Quarter Investor Conference of Oneness Biotech

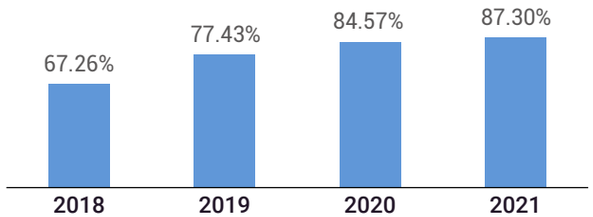
- Chinese version, page 32
- English version, page 33

Oneness Biotech will keep conducting clinical and non-clinical trials that not only cater for unmet medical needs, but also comply with international laws and regulations, in order to ensure the safety and effectiveness of drugs. We will continue our efforts in developing monopolistically competitive drugs, satisfying medical needs, and creating the operating value of the Company.

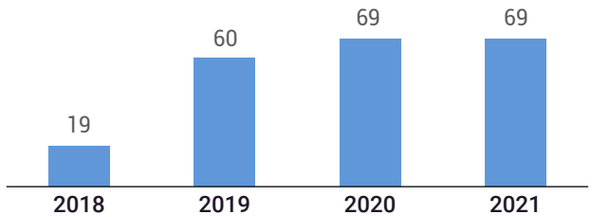
R&D Expenditure
(NTD thousand)



Ratio of R&D Expenditure to Operationg Expenses



R&D Manpower
(number of staff)



Lab Certification and Animal Experimentation

The Nangang Lab received ISO 17025 test laboratory certification from Taiwan Accreditation Foundation (TAF) in July 2020. The Nangang Lab has established the Animal Care and Use Program and is committed to reducing the use of animals, replacing the use of animals, and refining the quality of animal experiments. The Lab is also accredited by AAALAC International.

Clinical Trial Program of Oneness Biotech

Clinical trials are the critical part of the drug development process. Before use for disease treatment, newly developed drugs must go through clinical trials in order to ensure their safety and effectiveness. All the benefits and potential risks of a new drug must be scientifically proven and verified.

In order to ensure that the entire clinical trial process is conducted safely and ethically with stringent guidelines, Oneness Biotech has established the "Management Procedure for Clinical Trials", with the Chairman serving as the highest-level internal supervision unit. The policy is intended to ensure that all clinical trials comply with applicable regulations and Company rules and are properly documented for future reference and to facilitate tracing.

To safeguard the rights and benefits of human subjects, clinical trials shall be reviewed by a third-party Institutional Review Board (IRB). A subject may contact the Institutional Review Board and investigators according to the information on the Informed Consent Form in order to raise trial-related questions or file a complaint. To maintain its independence, the Sponsor (pharmaceutical company) involved will not contact any of the subjects directly. If a subject suffers inquiries resulting from a drug-related adverse reaction that is not stated in the Informed Consent Form, the pharmaceutical company shall be responsible for compensating for the damage, and the hospital conducting the trial shall provide professional medical care and medical consultation.

To further reduce the risks of clinical trials, Oneness Biotech implements a Risk Management Plan, monitors ongoing clinical trials on a regular basis, and performs education and training on clinical research personnel every two weeks.

Education and Training Items for Clinical Personnel

- Introduction to Diabetic Foot Ulcer
- IRB's Cinical Trial Examination Guidelines and GCP Requirements for Clinical Trials
- Formal Meetings Between FDA and Sponsors or Applicants (Guidance for Industry)
- IRB Audit Experience Sharing
- Overview of ICH-GCP
- Introduction to TMF and DIA Referencing Model
- Introduction to the eTMF System and Reports
- eCTD for US IND Submission

3.2 Drug Quality Management

Major Achievements in 2021

- The manufacturing site passed the API GMP and finished product GMP and GDP inspections by the Taiwan Food and Drug Administration
- No major violation of laws or regulations regarding of medicinal products
- No product quality-related events that are required to be reported

GMP Certification Issued from the Ministry of Health and Welfare

ISO 9001
Quality Management System

Quality Policy: Continuous Quality Improvement for Excellence

- Complying with international good practice for medicinal products, including the Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) established by the Pharmaceutical Inspection Convention and Co-operation Scheme (PIC/S)
- Formulating internal quality management policies and operating procedures that comply with international standards
- Complying with the "Medical Care Act", the "Pharmaceutical Affairs Act", and other applicable laws and regulations of Taiwan

Objectives of Quality Management

- To focus on satisfying customers' ongoing needs, comply with all the applicable technical standards and regulation requirements, and live up to customers' expectation of quality
- To enhance product quality through systematic methods and standardized procedures in order to meet the regulation requirements of different markets
- To step up education and training and implement quality management and product safety management operations
- To implement quality management system and obtain third-party certification, including ISO 9001 for quality management system and ISO 13485 for medical device quality management system (No.: TW22/00000011)

Quality and Safety Management, and Code of Practice

- A Quality Management Center has been established. The Center includes a Quality Assurance (QA) Section and a Quality Control (QC) Section, has professional and experienced qualified staff, and is responsible for managing and supervising quality and safety of products. The Center works to ensure that the quality policies are complied with in each receiving inspection of raw materials, in production, in each finished product inspection, in warehousing, and in transportation, the objective being to ensure drug safety.
- The Nanchou Plant has a document system designed according to international standards such as PIC/S GMP and ISO 9001. The quality assurance department is responsible for the issue, review, and management of the documents in the quality document system. To ensure that the documents under control are effectively created and maintained, standards have been established, and standard operating procedures and forms are required to be implemented to ensure the quality and safety of products.

Implementation and Specific Actions of Quality Management

(1) Measures to Assess and Manage Quality Safety Risks

- The management of product quality risks is carried out according to such "Risk Management Principles" as PIC/S GMP Annex 20 Quality Risk Management and ICH Q9 Quality Risk Management. The scope of assessment includes raw materials, supplies, finished products, the support system, manufacturing processes, equipment and machines that may affect drug safety, product quality, regulatory requirements, and so on.
- The Risk Priority Number (RPN) is used for risk classification, and risk reduction plans are made accordingly. It is then determined whether the risk events under assessment are acceptable. If not acceptable, the risk reduction plans will be modified according to the "Change Control Procedure" or the "Operating Procedure for Correcting/Preventing Anomalies".
- Risk assessment is performed on the critical quality attributes (CQA) of products, manufacturing processes, and critical manufacturing process parameters by the SME team members (R&D experts, technology transfer personnel, engineers, QA personnel, and QC personnel), and the assessment results are recorded. Once the corresponding reports are prepared, the responsible departments will be notified to perform preventive or corrective actions on items of relatively high risks until the risks are lowered to acceptable levels.

(2) Quality-Related Education and Training Based on PIC/S GMP and GDP

- The Company places great emphasis on the education and training of employees. Not only must the key personnel defined by law be trained by external institutions and acquire the corresponding credit, but also all the employees are required to complete education and training related to their respective positions and pass the corresponding exams before they are allowed to perform the tasks assigned to them. According to the regulations on internal education and training, training assessment can be carried out through a written exam, an oral exam, and/or hands-on operation, and it is required that the score of assessment be 90 or above.
- To ensure that the staff of the Nanchou Plant have professional knowledge related to the "Good Manufacturing Practice for Medicinal Products" (PIC/S GMP) and the "Good Distribution Practice for Medicinal Products" (PIC/S GDP), the Company has provided a series of courses and has required a total of 12 colleagues associated with manufacture and/or quality assurance to take the courses and pass the corresponding exams. In 2021, this series of courses included 111 courses and had 900 attendances in total.

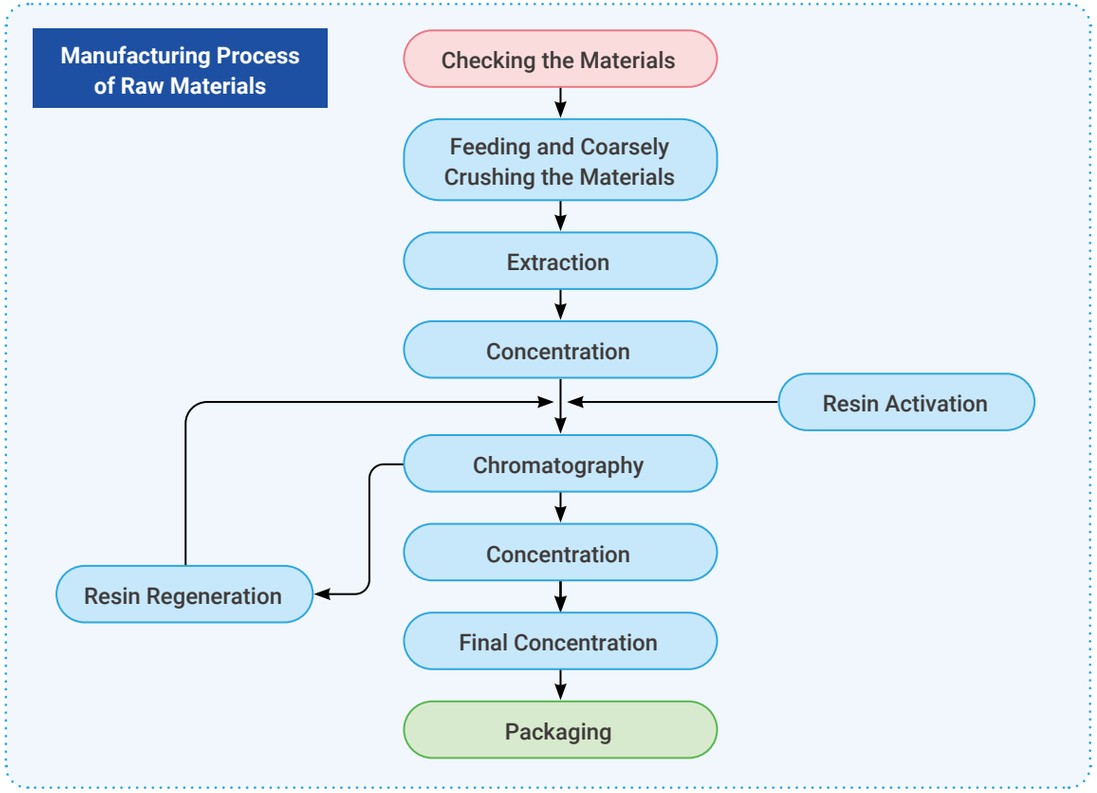
Statistical Table for Quality-Related Education and Training at Oneness Biotech's Nanchou Plant

Month	Courses Provided Per Month	Attendances Per Month
January	16	114
February	9	63
March	5	46
April	10	33
May	16	242
June	13	128
July	0	0
August	7	32
September	7	65
October	4	13
November	16	66
December	8	98
Total	111	900

(3) Production Equipment and Manufacturing Processes

► Active Pharmacuetical Ingredients(API)

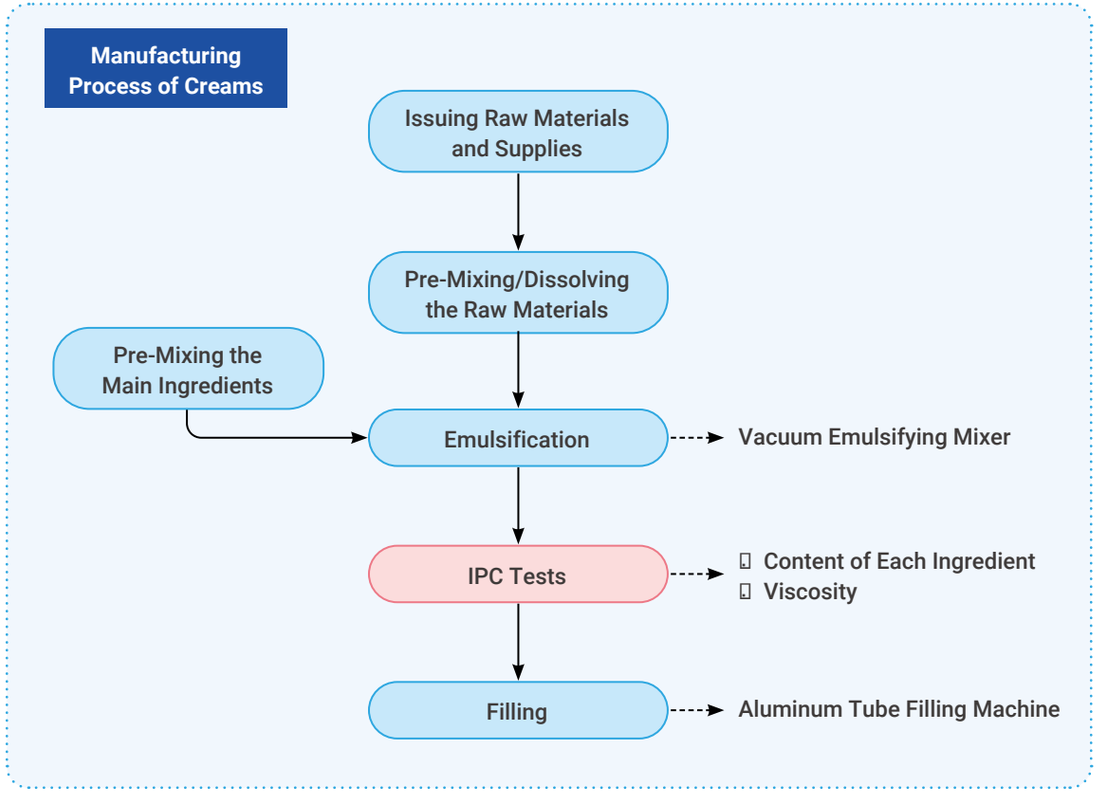
The API manufacturing site is composed of an extraction system, concentration systems, a chromatography system, and a distillation system. Each system has, and can be controlled with, an independent man-machine interface. All the manufacturing stages are automatically controlled to ensure operational consistency between different units and product consistency. All the units are monitored and managed according to established procedures. The API production area is an explosion-proof area because of the use of organic solvents. Any equipment that is used in the API manufacturing process and has relatively great safety concerns is subjected to nitrogen purgation to reduce the amount of oxygen in the equipment, lest static electricity or an overly high concentration of organic vapor cause personal or property damage. To protect the safety of on-site operating personnel, the manufacturing area is equipped with organic solvent detectors and oxygen level detectors that provide 24-hour monitoring of the operation area.



► Cream Medicinal Product

The Plant was designed according to the strictest PIC/S GMP specifications and is managed according to the corresponding SOP in order to produce safe and conforming finished products, i.e., the FESPIXON® cream. Raw materials weighing, mixing, emulsification and filling of cream products are carried out in the regulated D-level operation area. The rooms of, and the line of motion in, the grade-D operation area were designed to meet the PIC/S GMP requirements.

The cream products are packaged in the general operation area. Once the tubes are filled and sealed, the finished cream products pass through a wall to enter the packaging room in the general operation area, where the products are boxed and inspected before being transferred to the warehouse.



(4) Quality Review, Tracking, and Improvement

The Nanchou Plant performs an annual product overall evaluation according to the "Standard Operating Procedure for Annual Product Quality Review". At the beginning of each year, a product quality review report for the products produced in the previous year shall be completed.

The potential effects and risks of any product quality-related issue shall be evaluated according to the data of trends, change control, deviations, deviations from trends, follow-ups of the corrective or preventive actions taken, customer complaints, rejected products, and other related data. The stability of a manufacturing process and the principles of subsequent handling shall be determined according to the process capability index (CpK).

The Nanchou Plant has an internal audit procedure by which internal audits and tracking are performed to ensure that plant operations meet the requirements of the quality management system and can be carried out continuously and effectively. Quality audits within the quality system shall be scheduled according to the operations of the to-be-audited departments and the importance of the to-be-audited items. In principle, at least one audit shall be conducted per year. The operating procedure for an internal audit and the related documents shall cover the scope, frequency, method, authority, and planning of the audit, the requirements for implementing the audit, and how the audit shall be recorded.

(5) Drug Traceability and Recall

An effective drug traceability system helps ensure and enhance patients' medication safety. Each batch of products is given a batch number or product serial number, and the corresponding records of receiving inspection, production, and examination shall be kept so that when there is a problem with quality, the production and inspections of the product in question can be traced through the corresponding records. These records serve as reference information for use in customer complaint investigation and handling and in the formulation of corrective or preventive measures.

Customer complaints about drug defects shall be dealt with according to the <Customer Complaint Procedure>. If a customer has a concern or a complaint about drug quality, a cause analysis and liability identification shall be performed according to the corresponding reference sample in the plant, in order to determine whether the customer complaint in question is a quality-related complaint or a non-quality-related complaint. If it is a quality-related customer complaint, a comprehensive investigation must be carried out, and corrective/preventive measures taken, in order to close the case.

If a counterfeit drug or prohibited drug is suspected, the logistic companies and those responsible for quality assurance in the Company shall be informed within 24 hours, and the sale and distribution of the batch involving the suspected counterfeit or prohibited drug shall be stopped. The stock of the batch in question shall be stored in a concentrated manner and physically isolated to prevent misuse. The QA personnel shall conduct a deviation or customer complaint investigation, reconfirm the package identification of the corresponding stock, sample the stock, and perform a total chemical analysis on the sample in a lab to determine the drug as genuine, counterfeit, or prohibited. If the analysis result reveals the drug as a counterfeit or prohibited drug, a drug recall operation shall begin immediately.

In order for the drug recall operation to begin, the Quality Management Center is responsible for drafting the drug recall plan. Once the highest-level responsible executives decide to approve the plan, the related sales unit shall work with the logistic companies to check the sale of the batch of products in question, communicate with the customer with regard to the recall of that batch of products, and manage the recalled products and the related sales and distribution documents. At the end of the recall operation, the QA personnel shall prepare a recall report and submit the report to the competent health authority. During the recall operation, the QA personnel shall supervise and follow all the activities in order for the drug recall to be completed by the specified time limit.

If no recall operation has taken place in the entire year, the Quality Management Center shall initiate at least one simulation audit and prepare the corresponding simulation audit plan in order to link the operations of the related departments of the Company to the market-end operations according to the plan.

(6) Monitoring the Quality of the Environment

The maintenance and monitoring of the production and warehouse environment are crucial to the quality and safety of products. The manufacturing areas of the Nanchou Plant are controlled against cross-contamination of active substances, with the flow of people separated from the material flow. All the related facilities, critical public equipment, instruments, and procedures have been validated to ensure compliance with design standards. The temperature, humidity, suspended particles, and pressure difference in the entire plant are strictly controlled to meet specification requirements and to prevent the risk of cross-contamination. A surveillance alarm system is also in place so that the responsible personnel will be notified of any detected abnormality by way of mobile phone short messages. The air conditioners of the grade-D clean room are provided with 99.97% HEPA filters, and the return air system is mounted with 30% pre-filters. All the filters are replaced periodically. An operating procedure for cleaning the factory environment has been established, stipulating the methods and frequencies of cleaning and disinfection of the factory environment.

(7) Drug Storage and Transportation

A "Warehousing Operation Control Procedure" for the warehousing of raw materials, supplies, and finished products has been established according to the PIC/S GMP and GDP specifications. The warehouse Supplies Section is responsible for performing receiving inspection on incoming goods after the goods are unloaded. The receiving inspection includes inspecting the environment around logistic vehicles, confirming the identity of qualified suppliers, counting the items delivered, checking the exterior of incoming goods, and so on. Raw materials, supplies, and finished products shall be stored in the quarantined area or on the quarantined racks (for dried medicinal herb and finished products) in order to be inspected. Items that are determined by QC inspection as conforming shall have their external packaging attached, by the QA personnel, with a label indicating conformity and be transferred to the conforming goods storage area in the warehouse by the Supplies Section personnel.

Product transportation from the Nanchou Plant is entrusted to GDP certified logistic companies to cover the transportation in Taiwan including the remote areas, and for the offshore islands of Taiwan, the transportation is entrusted to the assigned contractors by Kerry Pharma Logistics.

3.3 Pharmacovigilance

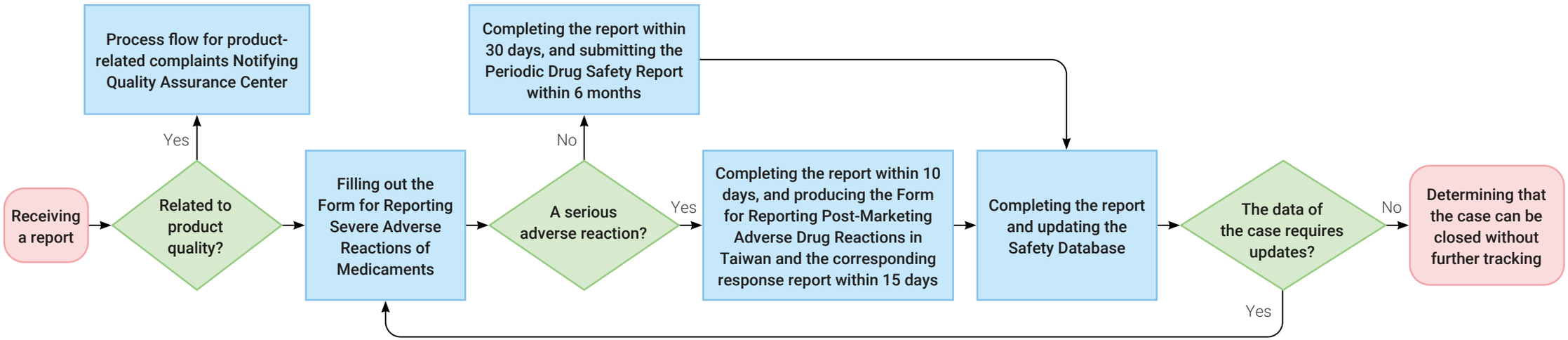
During the period covered by the 2021 Annual Report, Oneness Biotech had no drug safety-related issue that is legally required to be reported.

"Pharmacovigilance" refers generally to the measures taken to monitor the safety of a drug whose marketing has been approved. The scope of pharmacovigilance includes risk management as well as the detection, analysis, and evaluation of signals indicating doubt about drug safety. Oneness Biotech has created a "Pharmacovigilence System" according to the Pharmaceutical Affairs Act, the Regulations for the Management of Drug Safety Surveillance, the Regulations for Reporting Serious Adverse Drug Reactions, the Guidelines for Filling Out Forms for Reporting Serious Adverse Drug Reactions, the ICH Guideline E2C (R2) on Periodic Benefit-Risk Evaluation Report (PBRER), and so on. The Post-Marketing Drug Quality Monitoring System of the Company is led by the Department of Medical Sciences and works in conjunction with the Quality Management Center and the R&D, sales, clinical, and IT departments to ensure that the system is in normal operation and that all the necessary documents are prepared, archived, and reported as required.

Medical personnel, patients, and the caregivers of patients may report information related to the experience of an adverse reaction of a medicament through a sales representative, the customer hotline, or the dedicated email address (medicalscience@onenessbio.com.tw) of the Company. When receiving such a report, the Department of Medical Science is responsible for filling out the Form for Reporting Severe Adverse Reactions of Medicaments; contacting the reporter in order to obtain more detailed information; and evaluating, reporting if necessary, preparing a report for, and updating the Safety Database in accordance with, the reported case according to the "Procedure for Pharmacovigilance Reports". In addition, the Department of Medical Sciences shall classify, and perform a statistical analysis and trend analysis on, the reported cases on a regular basis, present the classification and analysis results in the "Periodic Drug Safety Report", and submit the report to the National Adverse Drug Reaction Reporting Center, the Ministry of Health and Welfare according to a specified schedule.

Oneness Biotech collects cases of adverse drug reactions through the monitoring system, has created and maintains a report database, and keeps monitoring the safety of the approved drugs, in order to protect patients' safety and take on responsibilities for its products and to patients using the products.

Procedure for Post-Marketing Drug Quality Monitoring Reports



3.4 Pharmaceutical Industry Chain

Plant-Based New Drug

Upstream	Midstream	Downstream
Stage for preparing the raw materials needed for drug production	Stage for processing raw materials and plant-based materials	Distribution channels of prescription drugs, hospitals, and clinics

New Antibody Drug

Upstream	Midstream	Downstream
Industries related to the early stages of drug research and development, such as suppliers of biotech reagents, raw materials, and equipment; IT service providers; and academic research institutions	Industries related to the pre-clinical and clinical stages of drug development, such as R&D-oriented biotech companies, institutions engaging in research and clinical trials, and institutions engaging in drug production	Industries related to the sale of drugs, such as those engaging in drug packaging, transportation, warehousing, marketing, and retailing

3.5 Supply Chain Management

Oneness Biotech established the "OQP009 Supplier Management Procedure" as early as 2017. This operating procedure specifies the procedures for the assessment, evaluation, and approval of raw material and supplies suppliers to ensure that raw materials and supplies are purchased from qualified suppliers, and that the raw materials and supplies used in the drug production process meet their quality requirements. Here, the measures for supplier evaluation and management in relation to FESPIXON® cream are described by way of example.

Classification of Suppliers' Risks

The risks of the suppliers for FESPIXON® cream are classified into the following levels according to Oneness Biotech's "OQP009 Supplier Management Procedure" and the attributes of the products supplied:

Classification	Supplier Subclass	Supplier's Level of Risk
Raw Material Supplier	Critical material	CL1
	Excipient	CL1/CL2
Supplies Supplier	Primary packaging material	CL2
	Secondary packaging material	CL4
Others	Materials that do not fall within the foregoing subclasses but are used in the manufacturing process, such as solvents and resins	CL3

Examination and Evaluation of New Suppliers

In order to have active control of suppliers' risks in relation to sustainability, Oneness Biotech examines all the suppliers' risk states when they first register with us, the examination including a preliminary risk assessment based on a supplier's business license, tax payment certificate, company profile, quality certificates, and certificate for environment, Health and Health(EHS).

According to Oneness Biotech's "OQP009 Supplier Management Procedure", the examination items of a new supplier are as follows:

Examination Item	Supplier's Level of Risk				
	CL1	CL2	CL3	CL4	CL5
Supplier Questionnaire On Quality	✓	✓	✓	✓	✓
Supplier Information Form	✓	✓	✓	✓	✓
Quality Tests	✓	✓	✓	✓	✓
Functional Tests	✓	✓			
On-Site Audit	✓				

Suppliers' Code of Conduct

Oneness Biotech teams up with suppliers to create sustainable enterprises. The *Supplier CSR Commitment Letter* has been formulated with reference to the related international initiatives and requirements, including the *UN Global Compact*, the *Universal Declaration of Human Rights*, and the *UN Framework and Guiding Principles on Business and Human*. All the suppliers are required to sign the Letter, of which main contents include the following sustainability-related items:

- Environmental protection policies
- Prohibiting child labor
- Protect basic labor rights, including the right to work and the freedom of assembly
- Guaranteeing working hours and work conditions
- Complying with laws and regulations related to occupational safety
- Ethical governance

Management Measures for Existing Suppliers (Qualified Suppliers)

As of the end of 2021, Oneness Biotech had 20 collaborating suppliers for the new drug FESPIXON® cream. The levels of risk of those suppliers have been evaluated periodically and are as follows:

Level of Risk	CL1	CL2	CL3	CL4	Total
Number of Suppliers in 2021	5	8	3	4	**20**

Evaluation Items

Cooperativeness	Delivery Dates	Raw Material/ Supplies Quality	Quality System, Including ESG
25%	**25%**	**25%**	**25%**

Grading Results of Supplier Evaluation

Oneness Biotech issues the "Supplier Assessment Form" on a regular basis in order for each supplier to fill out the form according to their cooperativeness, delivery dates, raw material/supplies quality, and quality system, thereby allowing the Company to know each supplier's operational risks. A supplier will be disqualified if the total score of supplier assessment is lower than 70 or if the suppler has been found to have a major deficiency that may impair product quality.

90~100 A
- The Company may give priority to the supplier when choosing suppliers for a new item.
- The Quality Control Section may reduce the chemical analysis to be performed on the supplier's products.

70~89 B
- The Company may continue procurement from the supplier as usual and, if any defect in quality is found, shall demand the supplier to keep improving.

≦ 69 C
- The Company shall stop purchasing raw materials/supplies from the supplier and eliminate the supplier from the "List of Qualified Suppliers".
- If necessary, the supplier's qualification shall be re-evaluated, or the procurement unit shall search for an alternative supplier.

Grade

Frequency of Evaluation

The following annual evaluation and review plan is made according to the "OQP009 Supplier Management Procedure" and with reference to the grades of critical material suppliers and the annual evaluation results:

Level of Risk	Grade A	Grade B	Grade C
CL1	Every three years	Every two years	Every year, and monitoring the progress of mprovement closely
CL2	Every four years	Every three years	
CL3	Every five years	Every four years	
CL4	Every six years	Every five years	

Note: As of the end of December 2021, the Company completed the evaluation of all its suppliers according to the evaluation and review plan.

On-Site Audits

The timing of conducting an on-site audit is as follows:
- When evaluating a new supplier candidate
- When conducting a regular audit on an existing supplier (according to the Supplier Audit Plan)
- Wwhen an existing supplier has a major defect in quality (e.g., when a quality-related customer complaint is attributable to the supplier as indicated by investigation results)

Survey and Evaluation of Sustainability-Related Risks

In order to control the suppliers' sustainable risks, Oneness Biotech assess all the suppliers' risk states when they apply to be our cooperated companies. The assessment including a preliminary risk assessment based on a supplier's business license, tax payment certificate, company profile, quality certificates, and EHS certificates. In addition, the "Supplier Assessment Form" is issued on a regular basis in order for each supplier to fill out the form according to their cooperativeness, delivery dates, raw material/supplies quality, and quality system, and for the Company to know each supplier's operational risks. A supplier will be disqualified if the total score of supplier assessment is lower than 70 or if the supplier has been found to have a major deficiency that may impair product quality.

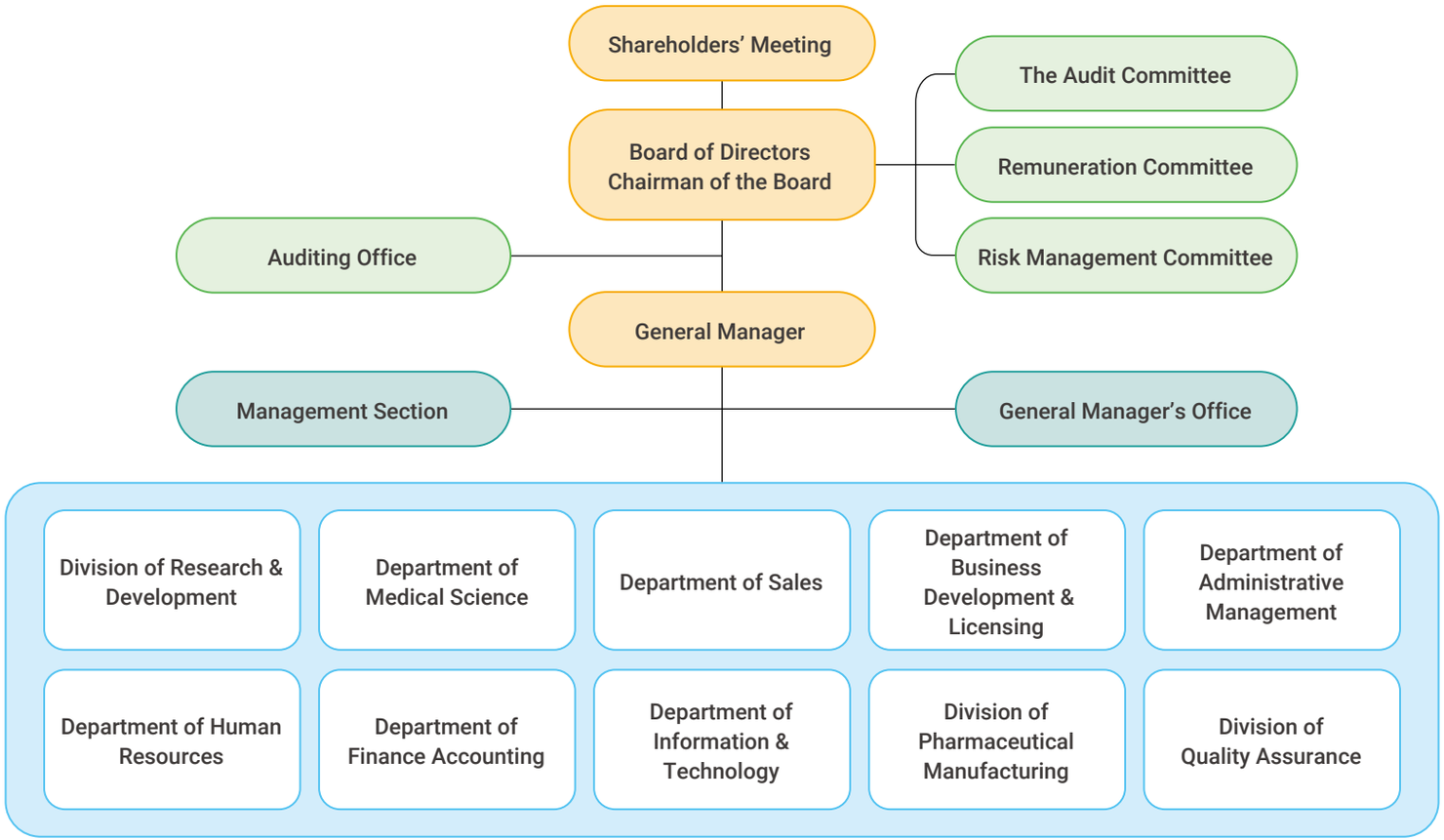
In 2022, Oneness Biotech revised the "Operating Procedure for Supplier Management" and added the Supplier Self-Assessment Questionnaire (SAQ), which, in addition to the items in the existing "Supplier Assessment Form", includes such ESG assessment items as environmental protection, labor conditions, human rights, and corporate governance. The additional items and the existing items of cooperativeness, delivery dates, raw material/supplies quality, and quality system jointly constitute the supplier risk evaluation, which accounts for 5% of the total scores on the evaluation. The new Operating Procedure is slated to take effect in the second half of 2022, and the evaluation result will serve as an important reference for future procurement policies of Oneness Biotech. As to high-risk suppliers, Oneness Biotech will conduct factory audits in order to propose suggestions and help make improvements, the objective being to create a sustainable environment with the suppliers.

4

Corporate Governance

Oneness Biotech endeavors to promote a transparent and ethical corporate governance culture by enhancingthe performance of the Board of Directors, implementing a rigorous internal control system, and managing the financial operations of the Company in a stable manner so as to mitigate the risks of corporate management and enhance the competitiveness and social identity of the Company. Oneness Biotech also aims to build an ethical and responsible corporate culture by obeying applicable laws and regulations, implementing ethical management, and establishing a sustainable corporate governance structure to ensure the sound development of company management, and safeguarding the rights and interests of investors and other stakeholders.

Company Organization



4.1 Governance Practice

Attaching great importance to corporate governance and pursuing sustainable growth and ethical management, Oneness Biotech continues to strengthen the corporate governance structure with an effective internal control system and adheres information transparency, in order to protect the rights and interests of stakeholders. We have established Regulations Governing Internal Control System, designed the internal control system based on the Company's operations, ensured its implementation, and regularly conducted reviews in response to changes in the internal and external environment, to ensure that the design and implementation of the internal control system are effective. We have also ensured the implementation of Corporate Governance Best Practice Principles after getting approval from the Board of Directors. Through a sound management mechanism, we improve the business performance to achieve the goal of sustainable operations.

Oneness Biotech appoints the CPA firm with the regular audits on the financial statements. All information disclosures required by laws and regulations are publicly disclosed in an accurate and timely manner, and there are specific responsible persons for the company information disclosure. The Company has also established spokesperson system to ensure that all material information is disclosed properly and timely so that shareholders and stakeholders can receive the Company's financial and operational information. In addition to the quarterly investor conferences held in 2021, we also reply to investors' questions on the official website on a daily basis. A total of 417 questions from investors were answered throughout the year, which is published in the Investor FAQs Area on the Company's official website in the orders of dates and categories of questions, as a result of our commitment to the ethical and transparent corporate governance spirit.

According to the 8th Corporate Governance Evaluation result published in April 2022, Oneness Biotech advanced into the top 5% of TPEx-listed companies with a score higher than the average of the corresponding interval and ranked as top 10% of TWSE/TPEx-listed companies in the category of "Non-financial and non-electronics companies having a market value of NTD 10 billion or above". This was due to obtaining additional points of corporate governance evaluation indicators by completing the first voluntarily compiled Corporate Social Responsibility Report in 2020, conducting an external evaluation of the performance of the Board of Directors, proposing an intellectual property management plan and reporting risk management operations to the Board of Directors, and disclosing communications with stakeholders.

Looking forward, Oneness Biotech will continue to strengthen corporate governance, to implement sustainable management, to fulfill its corporate social responsibility, to enhance the operation of the Board of Directors, to increaseg information transparency, and to incorporate Oneness Biotech's sustainable management policies into the corporate governance system gradually.

Shareholders' Meeting

Composed of all shareholders, the shareholders' meeting as the Company's highest decision-making authority makes decisions on major issues for the Company and regularly listen to reports from the Board of Directors. The Board of Directors as the highest governance authority exercises the due care of a good administrator, plans the Company's business policies, reviews the Company's financial performance, and ensures the Company's operations in compliance with all applicable laws and regulations.

Board of Directors

The Board of Directors plans the Company's business strategies and is responsible to shareholders and other stakeholders. Directors faithfully execute their tasks, exercise the due care of good administrators, carries out duties with prudent attitude. All of the Company's business execution as well as operations and arrangement of all governance systems, except for those that shall be resolved by a shareholders' meeting as required by law or the Article of Incorporation, shall be decided by the Board of Directors.

Directors of Oneness Biotech's Board of Directors are elected through a candidate nomination system, re-elected periodically with the merit-based principle, not limited by gender, age, ethnicity, or nationality, and composed with gender equality. The Board of Directors of 2021 includes 7 Directors (including 4 Independent Directors) with the term of office of three years, and 43% of the Directors are female.

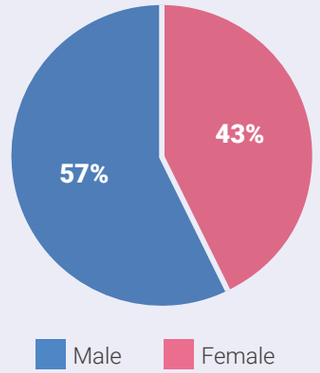
To strengthen corporate governance, the Board of Directors as a whole shall at least possess operational judgment ability, accounting and financial analysis ability, operational management ability, crisis management ability, industrial knowledge, international market perspective, leadership, decision making ability, and risk management knowledge and ability. For members of the Board of Directors who held position in the Company or in any other companies, please refer to page 37 of the 2021 Annual Report.

Oneness Biotech shall at least convene a Board Meeting every quarter as required by law, while ten Board Meetings were held in 2021.

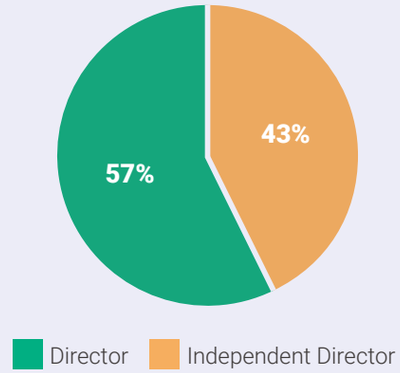
Title	Name	Attendance in the Board Meeting
Chairman	Huang, Shan-Ney	100%
Director	Microbio Co., Ltd. Representative: Kuo, Hsien-Shou	100%
Director	Microbio Co., Ltd. Representative: Hsu, Shih-Hua	100%
Director	Cheng, Chih-Hui (Note 1)	100%
Independent Director	Li, Kun-Ta[6]	100%
Independent Director	Wu, Rey-Yuh[7]	100%
Independent Director	Lu, Suei	100%
Independent Director	Huang, San-Gui[7]	100%
Independent Director	Huang, Jui-Wen	100%

6. Discharged from office as a result of the re-election at the Board meeting on August 18, 2021
7. Taking office as a result of the re-election at the Board meeting on August 18, 2021

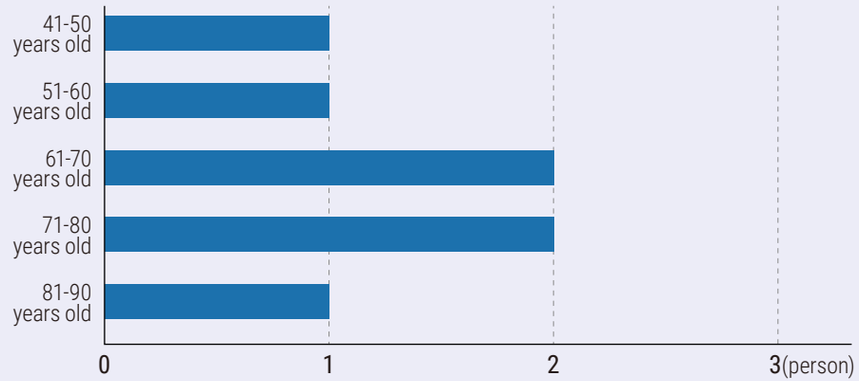
Gender Ratio of Directors in 2021



Ratio of Independent Directors in 2021



Age Distribution of the Board of Directors



Diversification of the Board of Directors

Item / Name	Gender	Operational Judgment	Accounting and Financial Analysis	Operational Management	Crisis Management	Industrial Knowledge	International View	Leadership	Decision Making Ability	Risk Management Knoweldge and Ability
Huang, Shan-Ney	Male	✓		✓	✓	✓	✓	✓	✓	✓
Kuo, Hsien-Shou	Male	✓				✓	✓			✓
Hsu, Shih-Hua	Male	✓	✓			✓				✓
Huang, San-Gui	Male	✓		✓	✓	✓	✓	✓	✓	✓
Wu, Rey-Yuh	Female	✓				✓	✓			✓
Lu, Suei	Female	✓		✓		✓				✓
Huang, Jui-Wen	Female	✓	✓	✓	✓	✓		✓	✓	✓

Board Performance Evaluation

The Regulations Governing Procedure for Board of Directors Meetings has been established by Oneness Biotech's Board of Directors in order to establish a good operation system and to strengthen monitoring function for Board of Directors. The Scope of Independent Directors' Duties has also been established by the Board to ensure that Independent Directors can maintain their independence when performing their duties and to clearly define Independent Directors' scope of duties and the relevant resources given to them for exercising their duties. The Directors also uphold a high degree of self-discipline to implement recusal. If any Director or any juristic person represented by a Director is a stakeholder with respect to any agenda item, the Director shall state the important aspects of the stakeholder relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director shall not participate in the discussion or voting of that agenda item, and further, shall enter recusal during discussion and voting and shall not act as any other director's proxy to exercise voting rights on that matter.

In order to enhance the operational functions of the Board of Directors, the Company has formulated the Rules for Performance Evaluation of the Board of Directors. The scope of evaluation covers the overall Board of Directors, Individual Directors, and Functional Committees. According to the procedures and evaluation indicators in the Rules, the performance self-evaluation of the Board of Directors is carried out every year. According to the company's operation and development requirements, the performance evaluation indicators that meet the requirements and are suitable for implementation are set and submitted to the Remuneration Committee who performs regular reviews and provides recommendations. In order to further enhance the operation effectiveness of the Board of Directors, the Rules for Performance Evaluation of the Board of Directors was revised on September 30, 2020 to specify that an external professional independent organization or an external team of experts shall be appointed to conduct the performance evaluation at least every three years. In October 2020, the external independent corporate governance evaluation organization "Taiwan Corporate Governance Association" was appointed to conduct the performance evaluation of the Board of Directors, and the performance evaluation report has been submitted to the Board of Directors Meeting and disclosed at the "Corporate Governance" area of the Company's website.

The "Taiwan Corporate Governance Association" made the following general comments in the performance evaluation report:

(1) The company invites a third-party professional independent organization to assist on the performance evaluation of the Board of Directors, which shows that the Board of Directors is proactive in implementing the corporate governance system and improving the effectiveness of the Board of Directors, and seeks opportunities for improvement through independent and objective evaluation.
(2) The company has established the "Rules for Performance Evaluation of Internal Audit Manager," and, based on the evaluation indicators, the Audit Committee conducts annual performance evaluation of the audit manager, which shows the company's intention to pursue the independence of the internal audit unit and its function effectiveness.
(3) The Company highly values information transparency and disclosure. The Company replies and discloses the queries raised by investors at the Investor FAQs Area on the Company's website on a daily basis, which shows how the Company respects and treats all shareholders equally.
(4) Ahead of the law, the Company voluntarily provides the ESG report in September 2020, demonstrating its emphasis on CSR and sustainability.

The Association recommended that the Company follows the "Corporate Governance 3.0-Sustainable Development Roadmap" issued by the Financial Supervisory Commission and draws up a preemptive action plan for corporate governance enhancement based on the Company's phased development strategies. The Company will implement corporate governance and carry out corporate sustainability-related work according to the recommendations in the evaluation report.

An internal performance evaluation of the Board of Directors was completed in 2021, with the evaluation score of 5 out of 5, and presented to the 5th Meeting of the 7th Board of Directors.

In order to effectively manage risks and increase the willingness of professional talents to serve as Directors, Oneness Biotech obtains directors liability insurance for the Directors so that they can exercise their duties without concerns. At the same time, this will reduce and mitigate risks of significant damages to the Company and shareholders resulting from mistakes or negligence of the Directors.

To help the Directors better respond to issues related to regulatory compliance and governance practices during their corporate management, the Company has actively encouraged the Directors to take related professional courses. In 2021, the Directors received a total of 59 hours of education. In the future, the Company may also arrange professional courses related to corporate social responsibility for the Directors. Under the leadership of the Board of Directors who are dedicated to ethical governance and have extensive industrial experience, we believe that the Company's business will thrive in a sustainable way.

Note: For details regarding the operations of the Board of Directors, please refer to page 57 of the 2021 Annual Report.

Functional Committees

To develop supervisory functions and enhance the competitiveness of the Company, the Board of Directors has set up Audit Committee and Remuneration Committee to complete the Board's operations. In addition to independently exercising their functions and powers in accordance with laws and regulations, functional committees shall be responsible to the Board of Directors and submit their proposals to the Board of Directors for approval.

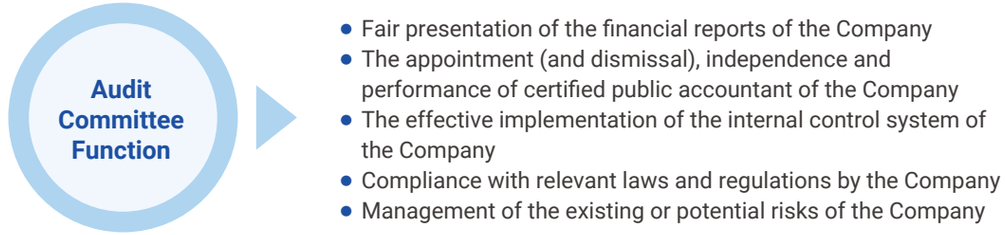
The Audit Committee

The Audit Committee of Oneness Biotech is composed of all of the Independent Directors and helps the Board of Directors monitor the quality of the Company's execution of accounting, auditing, financial reporting procedures, and financial controls. The Audit Committee also submits evaluation results to the Board of Directors for discussion and recognition. The Board of Directors of Oneness Biotech has passed the "Audit Committee Charter" and established the Audit Committee which is composed of all the Independent Directors. One of Committee member serves as the convener and at least one of them shall have accounting or financial expertise. The Audit Committee Meeting shall be held at least once per quarter. In 2021, a total of 9 Audit Committee Meetings were held.

Members of the Audit Committee of Oneness Biotech Co., Ltd.

Title	Name	Attendance	Remark
Independent Director	Li, Kun-Ta	100%	Discharged on August 18, 2021
Independent Director	Huang, San-Gui	100%	Newly appointed on August 18, 2021
Independent Director	Wu, Rey-Yuh	100%	Newly appointed on August 18, 2021
Independent Director	Lu, Suei	100%	
Independent Director	Huang, Jui-Wen	100%	

Note: For details regarding the operations of the Audit Committee, please refer to page 62 of the 2021 Annual Report.



Oneness Biotech has established communication channels among the Audit Committee, CPAs, and internal audit manager. The internal audit manager submits a written summary report to the independent directors for further review and approval for the inspected deficiencies of the previous month, corresponding improvement and correction measures taken, and the follow-up audit results. The audit manager also regularly attends the quarterly Audit Committee Meeting to provide Independent Directors the audit operations, results, and the follow-up of deficiency audited. The audit manager also attends the quarterly Board Meetings to report on the internal audit related matters. In addition, in the quarterly Audit Committee Meetings, the CPA explains and discusses with the Independent Directors on the process, scope, and matters of auditing or reviewing the company's financial statements, as well as the latest updates on relevant laws and regulations. Finally, Independent Directors can communicate with the internal audit manager and CPAs through emails, meeting arrangements, and telephone calls as needed. The overall communication practices is smooth and effective.

Remuneration Committee

In order to provide a sound remuneration system for the Directors and managerial officers, Oneness Biotech evaluates the management performance of the Directors and managerial officers and whether the remuneration they receive is fair and reasonable. To this end, the Board of Directors has approved the "Remuneration Committee Charter" and established the Remuneration Committee under the Board. All the members of the Remuneration Committee are Independent Directors, and Remuneration Committee Meeting shall be held at least twice a year. In 2021, a total of 5 Meetings were held.

Members of the Remuneration Committee of Oneness Biotech Co., Ltd.

Title	Name	Attendance	Remark
Convener	Li, Kun-Ta	100%	Discharged on August 18, 2021
Convener	Huang, San-Gui	100%	Newly appointed on August 18, 2021
Member	Wu, Rey-Yuh	100%	Newly appointed on August 18, 2021
Member	Lu, Suei	100%	
Member	Huang, Jui-Wen	100%	

Note: For details regarding the operations of the Remuneration Committee, please refer to page 82 of the 2021 Annual Report.

The Remuneration Committee shall comprehensively consider the following principles when conducting evaluation. Ensuring that the remuneration arrangements of the Company comply with applicable laws and regulations and are sufficient to recruit outstanding talents. Performance evaluations and remuneration levels of Directors and managerial officers shall take into account the general payroll levels in the industry, the individual performance evaluation results, the time spent and responsibilities taken by the individual, the extent of goal achievement, the performance in other positions, the remuneration paid to employees holding equivalent positions in recent years, the achievement of short-term and long-term business goals and the financial position of the company, and the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure There shall be no incentive for the Directors or managerial officers to pursue remuneration by engaging in activities that exceed the tolerable risk level of the Company. For Directors and managerial officers, the percentage of remuneration to be distributed based on their short-term performance and the timing for payment of any variable remuneration shall be decided with regard to the characteristics of the industry and the nature of the Company's business.

Under actual operation, the Remuneration Committee should exercise the due care of a good administrator by faithfully implementing and regularly reviewing the policies, systems, standards and structures of Directors and managers' performance evaluation and corresponding remuneration. The Remuneration Committee should also regularly evaluate and determine the remuneration and duties of Directors and managerial officers, and submit the suggestions to the Board of Directors for discussion.

Regularly evaluate the performance of Board of Directors and executives in corporate governance and business operations.

Ensure that the personal remuneration is in proportion to the performance of Board of Directors and managerial officers.

Future goals
The Company's sustainability performance will incorporated in the remuneration evaluation.

Risk Management Committee

In order to improve the Company's risk management and to strengthen the functions of the Board of Directors, Oneness Biotech established the Risk Management Committee on September 30, 2020. All 4 members of the Committee appointed by a resolution of the Board of Directors are Independent Directors. The main responsibilities of the Risk Management Committee are:

- Regularly listen to the report from the risk management team and oversee the implementation of risk management of the Company and its important subsidiaries.
- Provide suggestions for improving the design of risk management policies and procedures.
- Review the proposal submitted by the risk management team to the Board of Directors for discussion.

The Risk Management Committee meets at least once a year, and two meetings have been held in 2021, with the most recent meeting date on November 5, 2021

Members of the Risk Management Committee of Oneness Biotech Co., Ltd.

Title	Name	Attendance
Convener	Huang, San-Gui	100%
Member	Lu, Suei	100%
Member	Huang, Jui-Wen	100%
Member	Wu, Rey-Yuh	100%

Note 1: The convener is San-Gui Huang, an Independent Director with ample industrial and academia experience and professional risk management capabilities.

Note 2: Please refer to page 76 to 77 of the 2021 Annual Report for the operation of the Risk Management Committee.

4.2 Ethical Management

Oneness Biotech values ethical corporate management, upholds compliance with laws and regulations, and formulates the "Ethical Corporate Management Best Practice Principles," "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct," and other relevant internal regulations for directors, managers and all employees to follow and implement the ethical corporate management philosophy. The above ethical corporate management related internal rules and regulations shall be approved firstly by more than half of all members of the Audit Committee and then by the Board of Directors before they take effect. They shall also be reported in the Shareholders' Meeting. At the same time, we also disclose the "Ethical Corporate Management Best Practice Principles," "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" on the company's official website for stakeholders' easy reference, and set up multiple communication and reporting channels for stakeholders when needed.

In 2020, the Company appointed the "Human Resource Department" as the unit of ethical management. The department is responsible for the formulation and implementation supervision of the ethical management policy and the related preventive solutions. It shall provide education and training courses regarding ethical management and the prevention of corruption and insider trading. It shall, at least once a year, report to the Board of Directors about how the ethical management policy and solutions for preventing unethical conduct have been executed in that year.

On September 30, 2020, the Board of Directors approved that Chih-Hui Cheng, the current General Manager of Oneness Biotech and former Deputy General Manager of the Company's Finance Department, serves as the Corporate Governance Officer, who is responsible for affairs related to corporate governance, safeguarding shareholders' rights and interests, and strengthening the functions of the Board of Directors. The Corporate Governance Office shall also propagate the Ethical Corporate Management Best Practice Principles and the related regulations to the members of the Board of Directors.

Report on the Implementation of the Ethical Management Policy

- Based on the "Ethical Corporate Management Best Practice Principles" and the "Codes of Ethical Conduct", all members of the Company, including the Board of Directors and the managers, are required to implement the ethical management policy actively.
- To ensure the legitimacy of collaborating agents, suppliers, customers, or other counterparties, and that none of them engage in unethical conduct, the related reviews shall be performed before signing the contracts. If any unethical conduct is found after the contract is signed, the contract shall be terminated or rescinded at once. In 2021, there was no corruption or unethical conduct, and the Company made no political donation.

1. Arranged by the Finance Department, Directors took part in forums related to corporate governance during August and September 2021 in order to expand their professional views on sustainable development of the Company and ethical management.
2. When getting onboard, for duty, new recruits receive education and training on the Ethical Corporate Management Best Practice Principles. Policies related to ethical management are announced as early as new employee orientation in order for employees to understand the Company's Ethical Management Policy and the related regulations.
3. Education and training on the Ethical Management Policy are conducted annually. In 2021, education and training were carried out to all employees in August on the topic "Employees' IP concept and the protection of trade secrets", and in September on the topic "Ethical management, corporate governance, and corporate social responsibility: a case study of the three major principles". During the courses, actual cases were used to strengthen the concept of ethical management, to encourage the management and prevention of unethical conduct, and to emphasize the obligation of confidentiality concerning the Company's intellectual property. To ensure that all the employees know and follow the related laws and regulations, an examination was applied to all. Only those with a score of 80 or above were deemed as passing the examination. A total of 274 employees were trained, with the total training hours of 403 hours.
4. The contents of the education and training course on the Ethical Management Policy are available on the internal training website for employees to receive make-up training or be retrained at any time, so the related concepts and matters that must follow can be propagated and emphasized to employees.

Prevention of Insider Trading

Oneness Biotech has established the "Regulations for Prevention of Insider Trading", which specifies the scope of application, the people and matters being regulated, and the related operating procedures. The regulation is intended to prevent Directors, managerial officers, and other insiders from violating regulations related to insider trading either accidentally due to ignorance of such regulations or intentionally, in order to protect investors' and the Company's rights and interests.

Oneness Biotech has also adopted the "Whistleblowing Regulations". According to the above, a whistleblower may report to the Company through reporting channels such as email (ONENESS_Audit@onenessbio.com.tw) and regular mail. The regulation further specifies the reporting process, protection of the reported data, punitive measures, and an award system for whistleblowers. Ethical related policies, explanations, and operating results are periodically disclosed in the ESG Report and on the Company's website.

Marketing and Sales Code of Conduct

Regarding the marketing and sales activities of medicinal drugs, Oneness Biotech has formulated the "Marketing and Sales Code of Conduct" based on the WHO Ethical criteria for medicinal drug promotion. It is required that marketing and sales personnel must comply with relevant laws and regulations and recognize ethical standards of the pharmaceutical industry. All marketing and sales activities must comply with the "Pharmaceutical Affairs Act," "Pharmaceutical Affairs Act Enforcement Rules" and other drug and medical-related regulations, and shall be conducted in an ethical and responsible manner. All marketing and sales personnel must complete the training on the "Marketing and Sales Code of Conduct."

- All marketing and sales activities must comply with relevant laws, regulations and ethical standards.
- Marketing and sales personnel shall not provide personal benefits to medical personnel.
- The interaction with healthcare and other related personnel shall be based on patient welfare and appropriate medical treatment to ensure proper interaction.
- The content of product marketing is based on scientific evidence and is presented truthfully and clearly, and should not mislead healthcare personnel.
- Drug labeling, packaging, information, marketing documents, etc. must be consistent with the indications and package inserts approved by the Ministry of Health and Welfare.
- The Company regularly organizes education and training to educate relevant personnel to sell medicines properly; and shares share medical information with medical providers and patients in an open, transparent, and timely manner to avoid information asymmetry.
- The Company conducts Ethics Audit, and the internal audit unit regularly reports the inspection results to the Audit Committee and the Board of Directors. Major violation cases should be reported immediately to the members of the Audit Committee and transparently disclosed in the ESG report. There was no violation in 2021.

Oneness Biotech continues to adhere to the company's operating principles and uphold good business integrity. From top management to the entry level employees, from the operation management to the daily business processing, all employees are held to highest standards of ethical self-management and regulation. In 2021, there was no incidents of corruption, bribery or endangering of customer privacy.

Keys to Ethical Corporate Management Best Practice Principles

- Forbidden for any person of the company to provide, promise, request, or accept improper benefits in the course of their duties or to commit a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.
- Conflicts of interest are strictly prohibited. A specific reporting system shall be established and effective implementation shall be ensured.
- Abide by the operational philosophies of honesty, transparency, and responsibility, base policies on the principles of good faith, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.
- Specify the Company's Ethical Management Policy in the Articles of Incorporation and external documents. Furthermore, implement the commitments of the Ethical Management Policy, which shall also be adhered to in internal management and business activities.
- Take into consideration the legality of their trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved. Moreover, include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the company may at any time terminate or rescind the contracts.
- Abide by all laws and regulations to put ethical corporate management into practice.

Keys to Codes of Ethical Conduct

- Prohibit management to use the Company's property, information, or their position for personal gains or to compete with the Company
- Prohibit conflict of interest between person and the Company.
- Directors and managerial officers are obligated treat all information of the Company or customers as strictly confidential.
- Fairly treat customers, competitors and employees. Improper benefits through manipulation, concealment, misuse of information obtained in the course of duties, misrepresentation of material matters or other unfair trading means are prohibited.
- Protect the Company's assets and ensure they are used effectively and legally for the Company's affairs.
- Abide by all laws and regulations as well as the Company's relevant polices and rules.
- Reinforce ethical concepts and encourage employees to report to the responsible unit on any suspected or discovered violations of laws and regulations or the Guidelines for the Adoption of Codes of Ethical Conduct. Whistleblowers are also protected from retaliation.
- Implement relevant disciplinary measures according to the Codes of Ethical Conduct for any violations. If the relevant staff have objections to the company's decision, they can file a complaint with detailed reasons in writing.

Whistleblowing Policy and Whistleblower Protection

Oneness Biotech formulates the "Whistleblowing Mechanism" to provide a channel for internal and external personnel to report violations of the Guidelines for the Adoption of Codes of Ethical Conduct and the Ethical Corporate Management Best Practice Principles. When the Company's employees or external personnel found there's violation of the law, the Company's policies and systems, the Guidelines for the Adoption of Codes of Ethical Conduct, or misconduct that damages to the Company's rights such as fraud, misappropriation of the Company's assets, leakage of the Company's secrets, and receipt of improper benefits, the whistleblower may report by a letter or email:

- **Letter:** Whistleblowing mailbox, 11F., No. 236, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)
- **Email:** ONENESS_Audit@onenessbio.com.tw

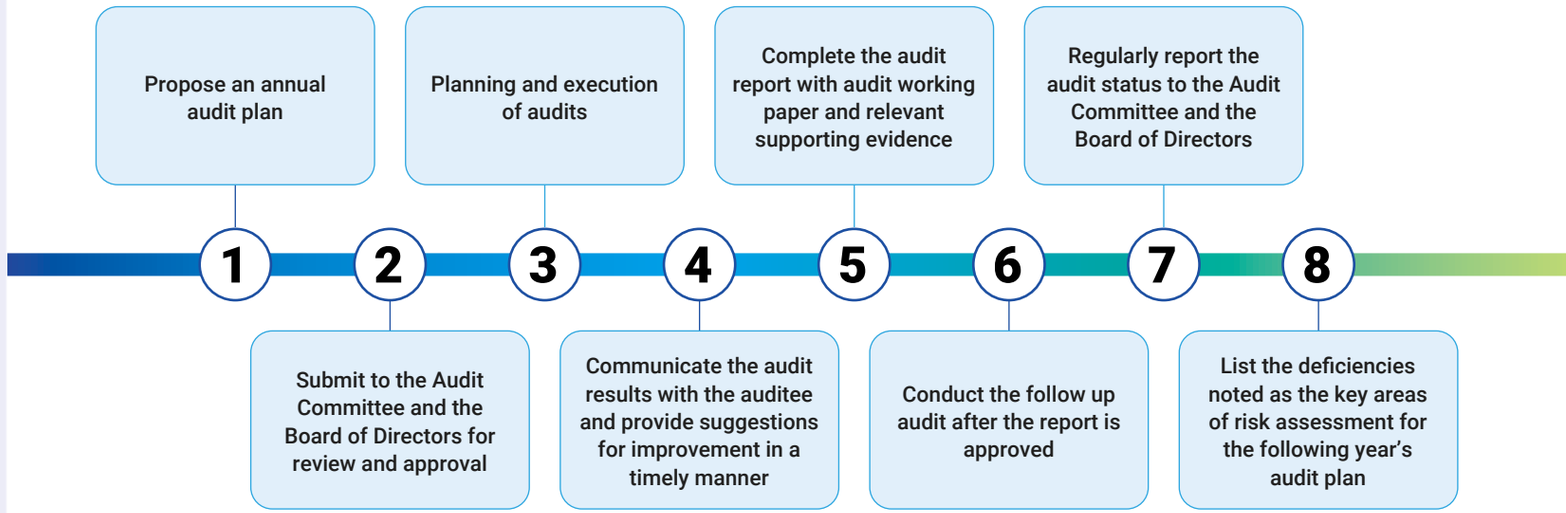
Each reported case will be handled by a specially assigned person. If a reported case involves a Director/senior managerial officer or a major violation such that the Company's reputation may be or has been seriously impaired, the Company will report to the functional committee, the "Audit Committee", under the Board of Directors, after investigation. The investigation process, the investigation result, and the related documents shall be recorded and archived. The Company conducts the investigation in accordance with the "Whistleblowing Policy", and promises to protect whistleblowers from dismissal, demotion, salary decrease, jeopardy to legal or contractual right, or any other negative sanction due to the whistleblowing case. At the same time, the Company shall keep confidential the whistleblower's identity, the subject matter of the whistleblowing case and the investigation procedure. No information identifiable of the whistleblower shall be disclosed.

In addition, the company uses its internal information platform to announce and communicate the relevant content of the Whistleblowing Regulations, and encourages employees to report improper behavior through whistleblowing channels when they suspect or discover violations of laws, regulations, or Codes of Ethical Conduct.

Internal Audit

In order to ensure that the auditors carry out the audit work in a fair and impartial manner, Oneness Biotech has set up an Audit Office under the Board of Directors as an independent audit unit and shall appoint appropriate number of qualified persons as full-time internal auditors according to its business size, business condition, management requirements, and the provisions of other applicable laws and regulations. First of all, the auditors carry out the audit work in accordance with the annual audit plan in the spirit of independence and objectivity and confirm that the execution of the company's internal business complies with laws and regulations and internal control systems. During the regular audit, if the auditee is not familiar with internal control procedures or operations, the auditors promptly guide them, deliver necessary education and training, point out the key risks and important control points, and explain how to effectively control them. The auditors also fully communicate the audit results with the auditees. If major control deficiency is found or potential negative impact to the company is noted, the auditors will disclose the facts in the audit report, regularly report the internal audit results to the Audit Committee, and review the follow-up improvement on the identified deficiencies, etc. The audit manager also regularly attends Board Meetings to provide the Board of Directors timely updates on the potential risks of business operations. Secondly, the Audit Office assists the Board of Directors and senior management to independently and objectively evaluate the completeness and effectiveness of the internal control system, provide suggestions for improvement in a timely manner, and reasonably ensure that the internal control system can be carried out continuously. Furthermore, in order to strengthen the professional capabilities of auditors, the company arranges for auditors to continue their advanced training and participate in internal auditing seminars organized by institutions designated by the Securities and Futures Bureau to improve and maintain their audit quality and effectiveness.

With auditors continuously monitoring the company's implementation of various operating systems, the company has established good governance practices and risk control mechanisms to create a sustainable business environment. In 2021, the Audit Office carried out a total of 97 audit projects, and there were no major non-conformities. All minor non-conformities have been improved within the time frame.



4.3 Risk Management

Oneness Biotech established a "Risk Management Committee" and a "Risk Management Task Force" in 2020 to manage the various risks that may be faced by the management, and developed an operation strategy as well as organizational culture emphasis on risk management. The Company has formulated "Risk Management Policies and Procedures." As the highest unit of the risk management system, the Board of Directors is responsible for approving, reviewing, and supervising the company's risk management policies to ensure its effectiveness. The Risk Management Task Force regularly reports to the Committee, which supervises the performance of risk management, and reports to the Board of Directors on the operation of risk management.

Organizational Structure of Oneness Biotech Risk Management

In order to improve the performance of risk management, the company has integrated the spirit of risk management into its business strategy, and continuously promotes internally that risk management is not only the responsibility of a specific unit but a duty that all employees should recognize and share. From the perspective of the overall business operation of the Company, the authority and responsible unit identify relevant risk factors, measure, and analyze the impact of each risk to the Company's business operations, and develop Risk Control Measures. Hence, the various risks that may be faced during the course of each business activity can be controlled within the company's level of tolerance.

Risk Management Procedure

Implementing Risk Culture

Oneness Biotech has incorporated risk criteria into the product R&D process, and take legal requirements and risk impacts into consideration when making future business plans and development strategies. Moreover, solutions to the identified risks are discussed, with detailed action plans and targets.

Risk Aspect	Risk Content	Company's Response
Legal Compliance	• Penalty for business in violations of laws and regulations, resulting in financial losses and harming the corporate image. • Biotechnology is a patent-intensive industry with unknown future prospects.	• Strengthen the functions of the Board of Directors and functional committees. Implement corporate governance and internal control systems. When onboarding new colleagues, the education and training are strengthened to promote the internal regulations of ethical corporate management and the laws and regulations that may be involved in the execution of future business. Strengthen the training of domestic and international laws and regulations for employees on the job, actively participate in professional seminars or training courses organized by the government or the industry, or recruit professionals with rich experience in new drug R&D and relevant laws & regulations to reduce the adverse impact on new drug R&D due to the violation of said laws and regulations. Through auditing, we ensure that our colleagues fully comply with laws and regulations and internal company regulations when engaging in their business. • In recent years, the government has assisted in the establishment of a well-functioned environment for clinical trials and new drug R&D, encouraged businesses to devote themselves to the execution of clinical trials, and relaxed the restrictions on the setting level of clinical trial center, synchronized the gradually maturing domestic clinical trials and other relevant standards with international standards, and provided measures such as investment tax credits for the domestic biotech pharmaceutical industry by "Act For The Development Of Biotech And New Pharmaceuticals Industry." The aforementioned advancement or regulations has progressively helped internationalize the new drug R&D industry in Taiwan. As law-intensive being one of the characteristics of the new drugs R&D industry, everything extending from the pre-clinical research, clinical trials, new drug launches, and post-market manufacturing are all subject to a high degree of regulation and management. Therefore, in addition to complying with existing regulations, the Company also keeps an eye on the latest updates of regulations and takes appropriate measures in a timely manner. Drug evaluation is still territorial and there are different national laws and regulations among different countries. With the goal of internationalization, Oneness Biotech not only actively recruits talents to build our own regulations, but also combines the experience and capabilities of regional and international technical commissions and service organizations, in order to gain access to the international market.

Risk Aspect	Risk Content	Company's Response
Market Competition	• There is a large market demand for the treatment of diabetic foot ulcers, allergic diseases, and autoimmune diseases and therefore many competitors. • Huge investment capital needed and long return period	• FESPIXON® cream, the new drug developed by the Company for diabetic foot ulcers contains a wide variety of compound ingredients and has a mechanism of action that is quite different from that of growth factors. Compared with the current wound healing protein drugs sold on the market, it is safe to use and easy to carry. It can also provide clinical benefits with lower medical costs and great competitive advantages. The monoclonal antibody drugs currently sold on the market need to be combined with other chemotherapeutic drugs to have better efficacy. By contrast, we screened out the monoclonal antibody drugs with therapeutic effect and effectively differentiated itself from others that are currently sold on market. • In addition to focusing on core technologies, we also adopt a strategic outsourcing partnership by cooperating with the professional division of the drug R&D units and contract research organizations. This way, we can maintain a greater flexibility to increase our developmental value and competitiveness. In the process of new drug research and development, in addition to making good use of our own resources, we also maintain an industry-academia collaboration so that the academic circle can provide us with support for drug research, pre-clinical trials, clinical trials, or application for clinical trials on the new drugs, etc., which not only reduces the human resources, material resources, and professional constraints required in the R&D process, but also accelerates the R&D efficiency and reduces risks. By cooperating with the external parties, we transform competition and challenges into cooperation to achieve a win-win situation.
Research and Development of New Drugs	• Unstable source of botanical medicinal material • Relative control drugs and specimens that are hard to obtain • Overly low yield of antibodies produced by cells that increases production costs • Clinical trial results are not as expected, and the new drug cannot be marketed • With limited resources, the industry chain of the new drug R&D industry in Taiwan has not yet been made complete and the entire R&D process is highly challenging.	• The company's main product FESPIXON® includes two APIs, which are the partially purified extracts of *Plectranthus amboinicus* and *Centella asiatica*. Among them, the medicinal material *Plectranthus amboinicus* has undergone DNA molecular identification to confirm its origin, while the GACP planting methods and medicinal specifications have also been developed. Standard operating procedures have been established for extraction and separation methods, while a mass production base for GACP medicinal materials has also been built to ensure a stable source of medicinal materials. On the other hand, as the *Centella asiatica* extract is easy to obtain and low in cost, Guangxi Changzhou Natural Pharmaceutical Co., Ltd. currently supplies raw materials that meet strict specifications and is used in product manufacturing after passing the Company's internal quality control inspection. Therefore, it should be sufficient to ensure the quality of FESPIXON®'s raw material source. • The Company has signed cooperation agreements with large domestic and foreign research hospitals to provide steady sourced of specimens and related control drugs, to continue screening stable and high-yield antibody-producing cell lines, and to develop the high expression vectors. • With the establishment of internally developed antibody production processes and analytical methods, the Company has the innermost core technology property rights for drug production. By outsourcing the production of large-scale trial drugs, we can save the cost of purchasing large equipment and systems to shorten the required time and production costs. Based on animal experiments and human trials, we confirm the drug safety and efficacy, and strictly control the quality of trials through a rigorous clinical inspection mechanism. • Through animal experiments and human trials, the Company is able to confirm the efficacy of the drug. Through a rigorous clinical inspection mechanism, we are also able to control the quality of trials to reduce the risk of clinical trial results that are not as expected. At the same time, we also develop new drugs for different indications and form a complete R&D product line for the purpose of risk diversification. • With a vertically integrated model, the Company makes good use of its existing resources flexibly in the research and development of its new drugs and forms a government-industry-university-institute alliance to increase the success rate and reduce the potential risks. In addition, we are also actively seeking opportunities for cooperative development or technology licensing with international pharmaceutical manufacturers to overcome the high challenges of new drug R&D.
Financial Risks	• Interest rate fluctuation • Exchange rate fluctuation • Inflation • The risks of derivatives	• We pay close attention to the trend of interest rates and use various financial tools in the capital market in a timely manner to lower the cost of funds. • We pay close attention to the trends and changes of the major currencies on the international currency market so as to monitor the trends of exchange rates and respond in a timely manner. In view of the risk of exchange rate changes, product prices will be adjusted accordingly to ensure profit. • We have foreign currency savings accounts and maintain a certain level of foreign currencies to meet the need of foreign funds. • We closely monitor market price fluctuations and maintain good interaction with customers and suppliers. Currently, inflation has a limited effect on the financial condition of the Company. • Oneness Biotech and its subsidiaries are not involved in high-risk or high-leverage investment or derivatives trading.

Risk Aspect	Risk Content	Company's Response
Intellectual Property Rights Protection	• Difficulties in acquiring new drug patents • Infringement of the patent rights of others	• Due to the inseparable relationship between breakthrough technology and patent acquisition, the new botanical drug developed by Oneness Biotech is both innovative and unique. The Company has developed internal management procedures for employees to follow and reminded employees to value trade secrets through education, training, and signing of confidentiality contracts. At the same time, employees are encouraged to apply for patents immediately if they discover new R&D technologies to ensure our competitive advantage. At present, we have obtained a number of patents in many countries, and gradually completed the global patent layout. • In the early stage of research and development and before patent application, we always conduct a detailed search and check. According to Oneness Biotech's Patent Management Charter of R&D Cycle of Internal Control System, we first conduct patent analysis and benefit evaluation to ensure that patent applications are fully searched and evaluated to avoid infringement of the intellectual property rights of others. • To enhance the management of intellectual property rights, we have introduced the TIPS intellectual property management system to create a systematic management mechanism with the professional advice and assistance from an intellectual property office. We have also passed the certification review of the Institute for Information Industry.
Cyber Security Protection	• Data leakage and damage • Cyber-attacks, computer viruses, phishing scam	• We have obtained the ISO 27001 certificate in March 2022 and implemented the related management system according to the international cyber security management standard. • Introduce the file encryption system so that the internal files cannot be opened in the external environment after being encrypted. Audit users' behavior regarding encrypted files (such as adding, modifying, deleting, and copying) from time to time. The system can set a watermark on the file, control the printing authority, and provide audit evidence afterwards. The computers are prohibited to removable media encryption. Introduce a network management system to monitor network behavior and to control the use of cloud storage. Introduce an IP management system to block external devices from gaining access to the Company's internal network. Introduce a backup system to back up important servers and files. Regularly hold damage drills for computer data recovery. • Introduce firewall and anti-virus software to block cyber-attacks and computer viruses on the internet. Introduce an anti-spam system to block email scams. Conduct information security advocacy for employees on a regular or irregular basis.
Labor Safety	• Occupational disasters	• The Company effectively manages and reduces the negative impacts of workplace hazards and related diseases, and has obtained the certificate of ISO 45001: 2018 Occupational Safety and Health Management System in September 2021. • Regularly review the latest updates of laws and regulations, evaluate the possible impact on the Company, and revise relevant internal control regulations. Organize training for new recruits and provide regular training for in-service employees. Regularly disinfect the working environment, provide workplace safety & protection equipment, and arrange regular health check-ups for employees.
Climate Change	• Extreme weather causes plants to shut down	• Oneness Biotech effectively manages and reduces the Company's negative impacts on the environment, and has obtained the ISO 14001: 2015 Certificate for Environment Management System in March 2021. • The Company develops energy-saving goals and policies and implements the related measures. During the construction phase of the Nanchou Plant, we gave priority to purchasing energy-saving, environmentally-friendly machinery, and equipment to improve energy efficiency and to reduce energy consumption effectively. • The Company does not belong to traditional energy-intensive industry and does not produce a large amount of greenhouse gas emissions from R&D to production. We develop air pollution control policies and monitor greenhouse gas emissions every year to set future reduction targets accordingly. • We set a target for the reduction of wastewater discharge to reduce the environmental pollution of wastewater. Chemical sedimentation method has been adopted for the wastewater treatment in the Nanchou Plant where wastewater is subject to wastewater treatment facilities or discharged to the sewers according to laws. As Nanchou Plant has passed the permit application of Water Pollution Control Measures Program and obtained the Water Pollution Control Permit Certificate in October 2020, we independently set up monitoring points for water discharge and monitor the quality of water discharge. • The Company promotes waste reduction from the source to employees to increase recycle rates, and requires waste to be collected and stored separately. Based on the characteristics of the waste, it will be handled by a professional and qualified waste collection and removal service providers. • An off-site production approach is adopted for the main production raw materials to reduce the risk of supply chain interruption. • Introduce the "Task Force on Climate-related Financial Disclosures (TCFD)" framework to identify the impact of climate change risks / opportunities on the Company's operations and finances, and propose corresponding strategies and plans.

4.4 Legal Compliance

In 2021, Oneness Biotech did not violate any laws or regulations related to the environment, human rights, labor, or corporate governance.
Regulatory compliance is critical to a sustainable enterprise. Oneness Biotech continues strengthening and increasing transparency of internal control management, and enhances corporate governance and personnel management to ensure regulatory compliance.

Management Mechanism

Corporate Governance

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

Human Resource Management

Oneness Biotech creates a corporate culture that complies with laws and regulations, builds a trustworthy corporate reputation, incorporates integrity and compliance as our core spirit, develops related regulations and internal control systems in accordance with laws and regulations, and constructs good corporate governance through actual practices. According to employees' responsible business operations, we provide them corresponding education and training on corporate governance, biotechnology and pharmaceuticals, environmental protection, and labor human rights, to ensure that all employees obey related laws, regulations, and the Company's internal regulations. As part of the onboarding process, new employees are required to sign a non-disclosure agreement, which includes the need to maintain the Company's trade secrets and to ensure information security, to avoid the leakage of trade secrets and causing damage to the Company. Before signing a contract with any transaction partner, a legal review is necessary to protect the Company's rights and interests. Auditors conduct audits in accordance with major cycles and important tasks to confirm the execution status of employees' business, and effectively reduce the risk of violations. A communication channel for stakeholders is also provided on the Company's official website so that employees can respond in a timely manner if there is any breach to laws or regulations.

Evaluation Mechanism

As Oneness Biotech implements effective control measures related to legal compliance, there was no major violation of laws and regulations in corporate governance, biotechnology & pharmaceuticals, environment, and labor from 2018 to 2021. At the same time, internal audit has not found any major non-conformity, either.

Oneness Biotech's Education and Training on "Regulatory Compliance"

Year	Total Number of Employees (A)	Total Number of Training Courses (B)	Person-Time of Employee Attendance at Training Courses (C)	Completion Rate of Employee Training C/(AxB)	Total Training Hours (D)	Average Training Hours Per Person (D/A)
2021	160	3	274	57%	403	2.5
2020	134	1	87	65%	174	1.3

4.5 Cyber Security

As cyber security is crucial for trade secret protection, Oneness Biotech has formulated information security policies, and concreted protective measures to enhance cyber security. The Information Department has established a Cyber Security Team responsible for formulating cyber security policies and implementation plans, promoting implementation of the policies and plans, and reviewing the implementation for improvement. The Team reports the current status of information security management to the representative of the cyber security management committee on a quarterly basis. The Audit Office has also established an Internal Audit Team to perform audits on the implementation of cyber security policies twice a year, and to track the effectiveness of improvement plans. In 2021, the Cyber Security Team was composed of 3 people, held 3 cyber security meetings, and found no major violation in relation to cyber security.

Oneness Biotech has listed cyber security as a risk issue. Chairman serves as the convener of the Cyber Security Management Committee, and has authorized Chief Information Officer to serve as the committee representative who is responsible for promoting the management and operation of cyber security, execution of the protective measures for important information, and disaster drills and the implementation plans. Any special incident occurred will be reported to the Risk Management Committee for the review of corresponding action plan.

Oneness Biotech introduced the ISO 27001 Information Security Management System (ISMS) in 2021, and gap analysis and correction have been conducted after the verification scope was confirmed. The scope included both system-wise and management-wise. The implementation items included risk evaluation, vulnerability remediation, security protection, risk verification, asset inventory, risk evaluation, and education and training, while relevant documents were established. The Company received the certificate issued by the international certification company BSI on March 2, 2022.


bsi.
Certificate of Registration
INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013
...making excellence a habit.

Organizational Structure for Cyber Security

- Convener of the Cyber Security Management Committee (Chairman)
  - Representative of the Cyber Security Management Committee
    - Cyber Security Team
    - Internal Audit Team

Develop Management Measures

- To strengthen its cyber security management system, Oneness Biotech obtained ISO27001 certification in March 2022. The international information security standard contributes to implementing the related management system, raising employees' awareness of cyber security, and establishing 21 proper procedures and instructions for the use of computers and networks: the Cyber Security Policies, the Cyber Security Organization and Target Management Procedures, the Information Asset Management Procedure, and cyber security risk evaluation, physical security, operational safety, access control, and cyber security incident management.
- Periodic review and correction are performed to ensure the aforesaid cyber security-related regulations are in line with the global development trends of corporate governance and digital technology.

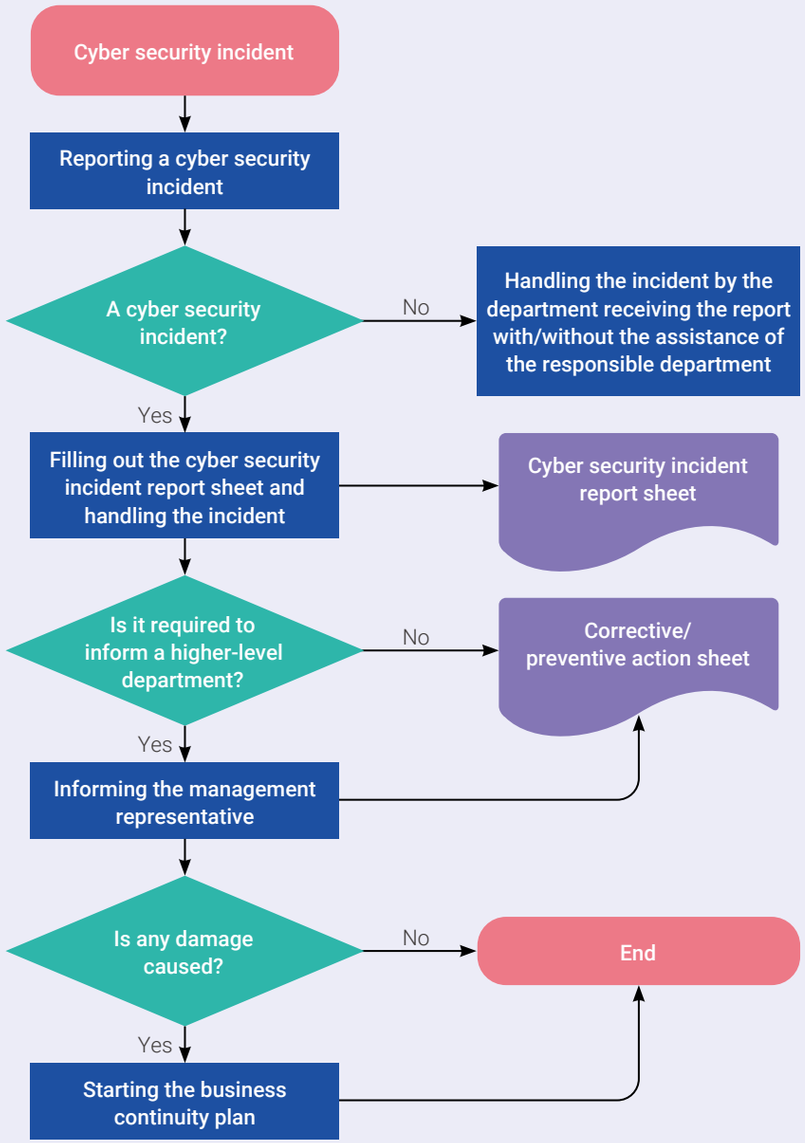
Information Technology

- Advanced software and hardware have been introduced to effectively prevent cyber security incidents. For cyber security protection, the Company has implemented multi-layer software and hardware protection has been provided, including account password complexity authentication, host- and user-end antivirus, online behavior management, protection against malicious websites, firewall-based barrier, host data backup, data encryption, network IP management, and etc.
- A variety of cyber security control technologies are used to protect the trade secrets of the Company effectively.

Promotion and Improvement

- The Company endeavors to perfect the cyber security management mechanism and strengthen employees' awareness of cyber security and self-protection. We convene cyber security management review meeting at least once a year in order to monitor and control the cyber security-related systems and incidents in that year, communicate cyber security-related information to employees at least 3 hours per year, and conduct cyber security incident reporting drill at least once a year. In 2021, a total of 3 cyber security training activities were organized (including the professional education and training provided by the Information Department), with a total of 120 participants.

Flowchart of Reporting and Responding a Cyber Security Incident



Statistics of Oneness Biotech's Education and Training on Cyber Security in 2021

Title of the Cyber Security -Related Training Course	Target Participants	Number of Actual Participants	Training Hours of the Course	Coverage Rate
Knowing Social Engineering Attacks and the Trend of Cyber Security	All the Employees (160 persons)	120 persons	3	75%
ISO 27001 Lead Auditor Training Course	Information Department (4 persons)	2 persons	40	50%

Note 1: All the employees/high-risk employees or specific departments
Note 2: coverage rate = number of actual participants / target participants

Oneness Biotech Information Security Management Result

Classification	2018	2019	2020	2021
Total Number of Information Security Breaches or Other Cyber Security Incidents	0	0	0	0
Total Number of Data Breaches	0	0	0	0
Total Number of Employees or Customers Affected by the Company's Data Breach	0	0	0	0
Total Amount of Fines/Penalties Paid in Relation to Information Security Breaches or Other Cyber Security Incidents	0	0	0	0

4.6 Intellectual Property Rights Protection

Intellectual Property Strategy and Management System

Oneness Biotech specializes in researching and developing innovative new drugs at the cutting edge of global pharmaceutical technology. These R&D achievements require sound intellectual property protection to ensure the maintenance of product values and future profitability. To ensure effective intellectual property management, to prevent infringement of the intellectual property rights of others, and to strengthen the transparency and effective management of corporate governance, the Company regularly discloses on its website the intellectual property management plans connected to the Company's operational objectives and how the plans have been executed. Related reports are submitted to the Board of Directors at least once a year.

A systematic intellectual property management mechanism and the intellectual property management system have been established, in order to optimize the protection of intellectual property and newly developed drugs and to maintain the Company's competitive and innovative edge. We have compiled an Intellectual Property Management Manual, which serves as the guiding principle for intellectual property management and relevant operating procedures in accordance with the Taiwan Intellectual Property Management System, Version 2016 (TIPS). A Plan-Do-Check-Action cycle is employed to ensure effective operations of the intellectual property management system and to realize intellectual property management policies and objectives. The Company applied for the certification of Taiwan Intellectual Property Management System (TIPS) (Grade A) in September 2021 and passed the certification review of the Institute for Information Industry on November 22, 2021. The certification is valid from the date on which the result of the certification review published till December 31, 2022.

Intellectual Property Risks, Countermeasures, and Intellectual Property Policies

Upon assessment and analysis of those internal and external issues, stakeholders, and opportunity risks that are associated with intellectual property management, relevant countermeasures have been proposed and implemented to perfect the intellectual property management mechanism, reinforce employees' concept of intellectual property, and minimize the risks of intellectual property risk (IPR) infringement or infringement accusations. These measures include adopting the TIPS management system and passing its certification, organizing employee training courses on the concept of intellectual property and trade secret protection, and scheduling training sessions on the TIPS operation system.

In consideration of internal and external issues related to stable development, an intellectual property management system and an R&D process with positive cycles have been adopted, and the following intellectual property management policies have been formulated:

1.Strengthen intellectual property portfolio, continued accumulation of IPR, and reinforcement of R&D capabilities
2.Enhance protection against the leakage of trade secrets and key technologies
3.Implement a sound intellectual property management system
4.Implement corporate governance and legal compliance to earn the trust of shareholders and customers and improve the corporate image

Patent Management

Intellectual property management is carried out in accordance with the patent rights management rules and regulations stipulated in the Intellectual Property Management Manual and the R&D cycle of the internal control system. All procedures of the R&D process are documented in detail and R&D achievements are subject to regular review. Patent search and analysis and economic benefits assessment mark the first step of the R&D and patent application stage. After patent review meeting discussions, the final decision on whether or not to apply for a patent is made. At the same time, a professional patent firm is hired to assist in reviews and submission of documents for intellectual property rights applications. In addition, employees are encouraged to patent their inventions so as to improve the quality and value of patent rights. During the R&D process, we also carry out patent searches for relevant technologies to facilitate patent portfolio development and reduce the risk of infringement. If a submitted patent application is approved after review, the employee(s) involved will be rewarded based on the evaluation result, which is also used as a reference for employee performance appraisal. The Company's R&D achievements and technological leadership position are protected and consolidated by implementing an internal review mechanism, incentive system, intellectual property education, and talent training.

Trade Secret Management

Concerning the protection of trade secrets, all employees are required to sign the "Labor Employment Contract", which clearly stipulates the ownership of intellectual property rights, confidentiality clauses, and non-competition clauses. Employees' awareness of the importance of trade secret protection is raised by relevant education and training, and all employees are reminded to protect trade secrets related to their duties and responsibilities. In terms of internal management, we have adopted confidentiality management measures to control personnel, equipment, confidential documents, and the working environment. The Company's internal documents are classified, and user authorities are strictly defined. Document access must be in conformity to the document management procedure, is subject to approval, and shall be recorded. In terms of facility access control, internal control areas are defined to control access to facilities where confidential documents may be accessed. This includes access control for office areas and data centers, and restrictions on the activity range of visitors.

Implementation Status

Intellectual property management plans are linked to the Company's operational objectives and are carried out by the corresponding R&D units under the lead of the unit heads. Intellectual property-related affairs are reported to the Board of Directors in the fourth quarter of each year. The last report took place on November 5, 2021. Patent and technical documents are stored and managed using an electronic document management system. Such documents are regularly inventoried and reviewed. We also track the progress of patent application examination in close cooperation with patent firms. In addition, intellectual property-related training is provided on a yearly basis to strengthen employees' awareness and understanding of intellectual property rights protection. A systematic intellectual property management mechanism in conformity to TIPS has been established through the adoption of an intellectual property management system in 2021.

Intellectual Property Achievements

Patents

As of April 30, 2022

- **195** patent applications were filed
- **149** applications have been approved
- **46** applications are under examination

Countries/areas where the patents are disclosed:
Taiwan, Japan, South Korea, Indonesia, Malaysia, Hong Kong, Macau, India, China, Russia, South Africa, the Europe, Mexico, the United States of America, Canada, New Zealand, Australia, South America, Germany, the Gulf Cooperation Council

Trademarks

As of April 30, 2022

- **51** trademarks were successfully registered either domestically or internationally
- **76** trademark registration applications are under examination

Figure Global Intellectual Property Achievements

Table the Status of Trademarks Application

	Taiwan	USA	Europe	Japan	Korea	China	Southeast Asia	NZ & AU	South America	Germany	Others	Total
Approved	12	1	3	2	0	8	6	2	0	0	17	51
Under Examination	2	2	0	2	4	2	19	4	3	0	38	76

5 Social Inclusion

The ESG triple bottom line approach has become the main stream in managing a corporation in capital market. S of the approach represents the corporate social performance in a wide range including human rights, labors, diversity, workplace safety and social investment. Some stakeholders have emphasized more at these social issues and expected corporations to take more social responsibilities. Facilitating social inclusion has become one of the key factors in corporate sustainable development.

Oneness Biotech's core business is developing new drugs which practically contributes to UN's Sustainable Development Goals (SDGs). Internally, we promote employees' welfare, foster a culture of diversity, equality, and inclusion, and build a happy workplace to attract more talent to join us. We also fulfill our corporate social responsibility and partner with external welfare organizations to constantly engage in social activities and promote positive development in Taiwan society.

5.1 Reliable Employer

"Strong cultivating corporate culture" and "fair performance review system" enable employees to maintain strong mental stamina in this highly competitive industry. Employees are nurtured to experience "harvest and joy" as a promising reward for their hard work. The Company commits to advancing the United Nations Sustainable Development Goals (SDGs): "SDG 3: Good Health and Well-being," "SDG5: Gender Equality," "SDG8: Decent Work and Economic Growth," by providing employees with a happy and safe working environment, actively promoting diversification and equal employment opportunities, implementing gender equality policies, and creating a friendly atmosphere of mutual respect between employees and employers. We aim to create a friendly and stimulating working environment that encourages employees to enhance their self-worth. We strongly believe that the sustainable development of corporate along with the continuous establishment and development of talent are the absolute keys to our continuous success.

As of the end of 2021, all of our 160 employees are full-time[8] workers and are fully protected under Labor Standards Act. There is no temporary, part-time, or contracted worker. We devote to partner with our employees to build the Company as a sustainable corporation.

In terms of the structure of our workforce, the average year of service of our employees is 3.8 years, and the average age is 39.2 years old. 92.5% of our employees are under50, and 78.3% of them are managers between 30 to 50. Regarding the education background, 53.2% of the employees have master or Ph.D degrees. In general, our workforce infuses a stable and productive momentum to the Company.

8. 9 employees of Cotton Field Organic Farm, our subsidiary, is not included in the report and the same as the statistics in this chapter. In Cotton Field Organic Farm, 9 of the employees are all full time, not temporary, part-time or contract.

Gender Equality

Oneness Biotech highly value gender equality and diversity in our workforce and employees' career development. Our efforts align with "SDG 5". We consider gender diversity for management candidates. When recruiting, cultivating or retaining employees, we treat everyone equally regardless of gender identification. Females account for 53% of senior positions (the managementposition2 levels below general manager), and account for 73% of middle/other management positions (the managementposition3 levels below general manager). The ratio of male to female managers is 42:58. We implement measures to achieve gender equality and provide a stable working environment and protection of all employees' rights.

A Benchmark of the Biotech Industry - Recognized in 2022 Bloomberg Gender Equality Index

Oneness Biotech is the only biotech company included in 2022 Bloomberg Gender-Equality Index (GEI). We have cultivated a friendly workplace and implemented measures to support gender equality. Females accounted for 43% of the Board of Directors, 57% of management level, and 62.5% of promoted employees in 2021. We do better than the competitors in the industry in terms of the percentage of female to total workforce and the percentage of female to total promoted employees.

Employee Structure

Employee Structure			2018		2019		2020		2021	
			Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Management	Gender	Male	11	47.8%	4	30.8%	4	30.8%	6	43%
		Female	12	52.2%	9	69.2%	9	69.2%	8	57%
	Age	≤30	0	0.0%	0	0.0%	0	0.0%	0	0%
		30-50	19	82.6%	10	76.9%	10	76.9%	10	71%
		≥50	4	17.4%	3	23.1%	3	23.1%	4	29%
R&D	Gender	Male	7	58.3%	28	46.7%	34	49.3%	31	45%
		Female	5	41.7%	32	53.3%	35	50.7%	38	55%
	Age	≤30	2	16.7%	11	18.3%	12	17.4%	11	16%
		30-50	7	58.3%	44	73.3%	51	73.9%	56	81%
		≥50	3	25.0%	5	8.3%	6	8.7%	2	3%
General	Gender	Male	14	48.3%	17	47.2%	24	46.2%	30	39%
		Female	15	51.7%	19	52.8%	28	53.8%	47	61%
	Age	≤30	4	13.8%	6	16.7%	5	9.6%	13	17%
		30-50	24	82.8%	29	80.6%	44	84.6%	58	75%
		≥50	1	3.4%	1	2.8%	3	5.8%	6	8%
Total	Gender	Male	32	50.0%	49	45.0%	62	46.3%	67	42%
		Female	32	50.0%	60	55.0%	72	53.7%	93	58%
	Age	≤30	6	9.4%	17	15.6%	17	12.6%	24	15%
		30-50	50	78.1%	83	76.1%	105	78.4%	124	78%
		≥50	8	12.5%	9	8.3%	12	9.0%	12	8%
Total Workforce			**64**		**109**		**134**		**160**	

Employee Structure (by Region)		Percentage (%)			
		2018	2019	2020	2021
Nationality	Republic of China (ROC)	100	100	100	100
	Other	0	0	0	0
Area	Northern	61	78	74	71
	Southern	39	22	26	29

Note 1: The northern area of Taiwan includes Keelung, Taipei, New Taipei City, Taoyuan, Hsinchu, Yilan and Hualien.
Note 2: The southern area of Taiwan includes Chiayi, Tainan, Kaohsiung, Pingtung and Taitung.

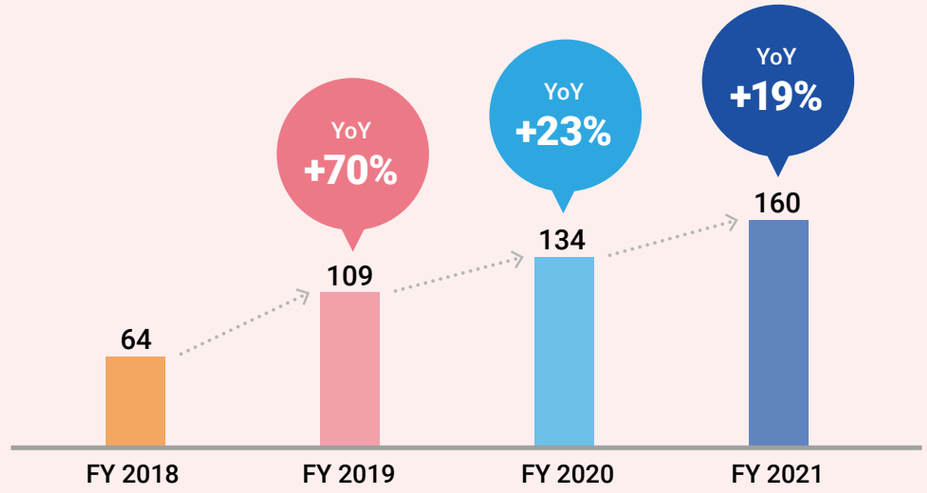
Talent Attraction, Retention, and Development

The report published by the World Economic Forum (WEF) in 2020 indicated that performance of enterprises would not only be evaluated based on the return on equity in the future, but also on how an enterprise achieves its ESG goals. For modern enterprises, the human resource is most critical to the successful fulfillment of its ESG missions.

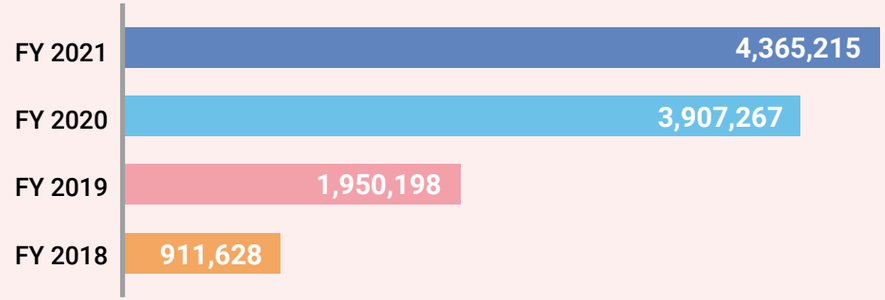
Diversified Recruitment Channels

Oneness Biotech is an international innovative drug company. In order to continue to innovate and develop new drugs, we heavily rely on human resource and recruit talent for R&D, production, marketing, and sales. The Company recruits outstanding talents that meet the needs of the Company through multiple channels such as the Raise Program of the Ministry of Science and Technology, the LIFT Program of the Ministry of Science and Technology, 104 Job Bank, LinkedIn, internal employee referrals, recruitment firms and consultants. At the same time, we closely communicate and cooperate with academic research units and teaching hospitals to ensure the innovation and marketability of drug development. In 2021, the Company invested NT$4.36 million in recruitment and successfully recruited 86 elites. In response to the organization development and expansion, the number of employees in 2021 increased by 19% compared to 2020.

Employee Growth Rate Has Increased Gradually in the Past Four Years
(number of staff)



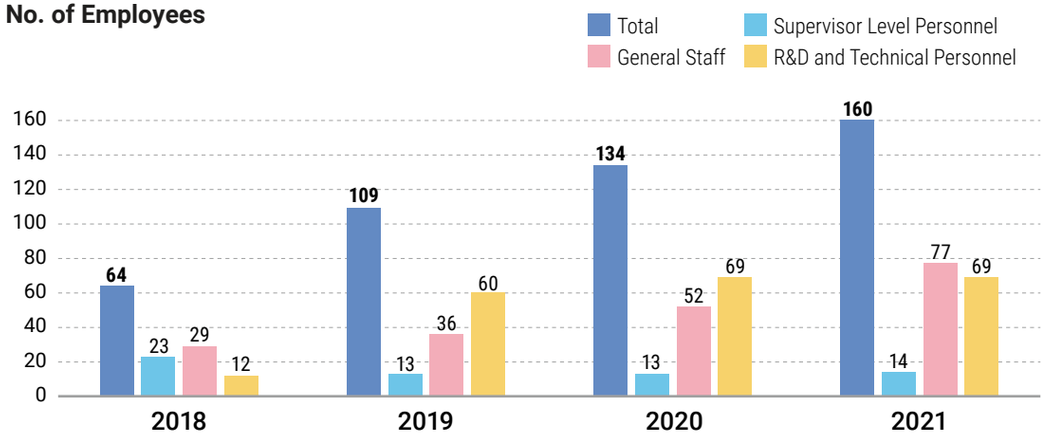
The Resources Invested for Talent Recruitment Has Constantly Increased in the Past Four Years
(NTD)



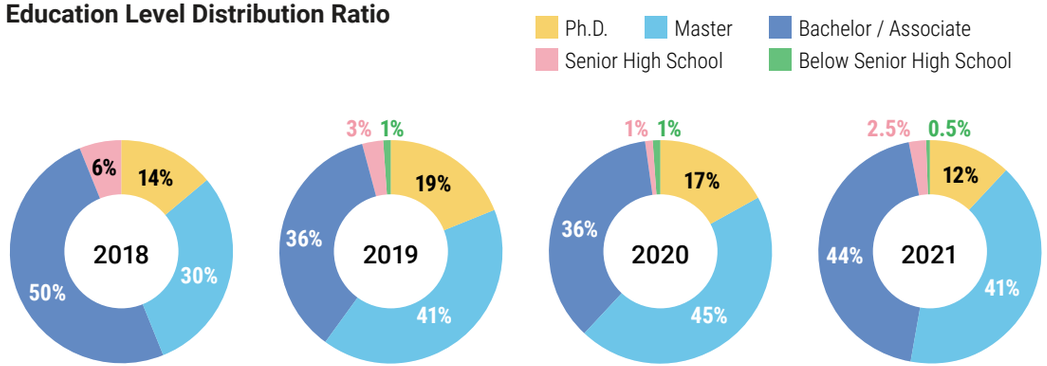
Average Age and Average Length of Service

Category		2018	2019	2020	2021
Average Age		40.3	38.6	39.2	39.2
Average Length of Service	Male	-	3.24	3.49	3.72
	Female	-	4.51	4.59	3.83
	Total	2.38	3.94	4.08	3.79

No. of Employees



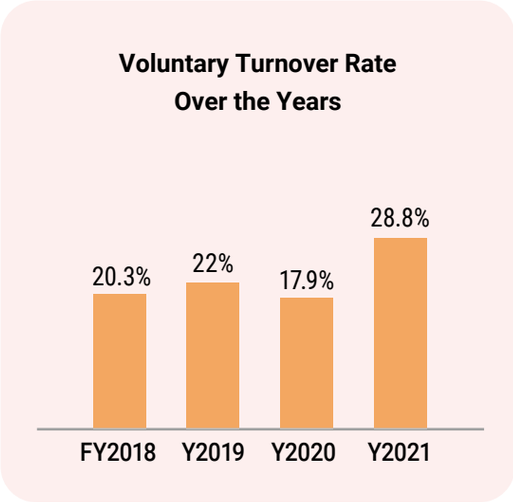
Education Level Distribution Ratio



2021 Hire Rate and Turnover Rate

Category		New Employees		Voluntary Turnover Rate		Involuntary Turnover Rate	
		Total Number	Ratio[15]	Total Number	Ratio[16]	Total Number	Ratio
		86	54%	46	28.8%	0	0
By Age	≤30	14	9%	8	5.0%	0	0
	30-50	68	43%	37	23.1%	0	0
	≥50	4	3%	1	0.6%	0	0
By Gender	Male	31	19%	18	11.3%	0	0
	Female	55	34%	28	17.5%	0	0
By Level	Executives/Senior Managers[9]	1	1%	0	0.0%	0	0
	Midlevel Managers[10]	17	11%	12	7.5%	0	0
	Professionals[11]	13	8%	10	6.3%	0	0
	All Others[12]	55	34%	24	15.0%	0	0
By Area	Northern[13]	69	43%	40	25.0%	0	0
	Southern[14]	17	11%	6	3.8%	0	0

9. Definition of executives/senior managers: 2 levels below general manager (general manager not included)
10. Definition of mid-level managers: 3-5 levels below general manager (general manager not included)
11. Definition of professionals: RD related staff
12. Others: Employees not mentioned in the above 3 categories
13. The northern area of Taiwan includes Keelung, Taipei, New Taipei City, Taoyuan, Hsinchu, Yilan, and Hualien.
14. The southern area of Taiwan includes Chiayi, Tainan, Kaohsiung, Pingtung, and Taitung.
15. Hire Rate = (Total number of new hires in the current year) / (total number of employees at the end of the current year)
16. Turnover Rate = (Total number of resignations for the current year) / (Total number of employees at the end of the current year)



Establishment of Talent Pool

Oneness Biotech began developing and analyzing our human capital talent in2020 and initiated a Talent Pool and database. The HR department evaluates our employees' education background, working experience, and expertise in order to integrate our workforce across departments to produce synergistic results, facilitate our sustainable development, and promote the development of new drugs for Taiwan.

▲ Snapshot of Oneness talents pool/ database with employees' personal information protected.

Creation of the Counselor System

Oneness Biotech created the "New Employee Counselor System" in July, 2021. The Company designates a manager or senior employee to be a mentor to help new employees become more familiar with the corporate business, department operation, and job functions.

5.2 Talent Development and Cultivation

Oneness Biotech actively invests resources in talent cultivation and builds a "learning organization" to enhance professionalism and general ESG functions. In order to enable new employees to quickly understand the company culture and integrate into the team, Oneness Biotech has developed a mentor program to assist new employees through diverse approaches by the cooperation between the mentor and the unit supervisor. The following are the results of our employee career development plans and learning activities:

2021 Training Indicators

Organize ESG Internalization Activities

► Promote Ethical Management

Enhance the concept of ethical management of employees, add and plan education and training related to ethical management policies, and encourage all employees to participate in:

- Conduct education and training on Ethical Corporate Management Best Practice Principles when new employees get onboard, and implement ethical management policies when new employees undergo job training.
- Conduct education and training on ethical management policies every year. In 2021, education and training were carried out in August on the topic "Employees' IP concept and the protection of trade secrets" and in September on the topic "Ethical management, corporate governance, and corporate social responsibility: the three major principles and a case study", both targeted at all the employees. During the courses, real case studies were used to strengthen the concept of ethical management, to encourage the management and prevention of unethical conduct, and to emphasize the obligation of confidentiality concerning the Company's intellectual property. To ensure that each employee fully understands and abides by the regulations, taking the examination with score over 80 after the course is required. A total of 274 employees participated in the training with total 403 hours.

► Promote the Concept of Corporate Social Responsibility

In 2021, the Company invited consultants to provide corporate social responsibility (CSR) related guidance and training to help employees of all levels to better understand CSR in order to integrate the concepts and practices into our organization and culture.

► Succession Plan

1. Oneness Biotech incorporates successor plan into our human capital management plan. In addition to the abilities of operation management, professional skills, and excellent performance, potential successors for various roles must have the values and core competence that correspond to the Company's, including integrity, honesty, proactivity, responsibility and pursuit of innovation.
2. The executives at the level of manager and above form the key management level. Clearly formulated job descriptions and planning are in place for each executive position. Designated substitutes are trained and cultivated. The Company utilizes its existing performance appraisal system to assess and review suitable success or candidates and facilitate future development and implementation. The HR unit is responsible for formulating and executing such plans and regularly reporting to the Chairman.
3. "Innovation" and "Successful Experience Replication" are fundamental for successor plan in the biotech industry. Concrete methods and implementation status are described as below:
   - 3.1 Strategic management meetings for senior executives: Top executives regularly communicate with senior executives of various functions on strategy formulation and execution results to ensure that the Company's goals are achieved.
   - 3.2 Special projects: Cooperation among departments is critical for successful operations. For example, the R&D center worked with the International Department to complete the largest new drug authorization project while the Finance Department cooperated with several units to accomplish the largest-ever overseas fundraising by a Company in Taiwan's biotech industry.
   - 3.3 Cultivate operational and decision-making capability: Ongoing projects of organization re-engineering. Top executives and consultants observe the abilities of every candidate through convening such meetings.
   - 3.4 Diversified learning organization: Weekly R&D meetings chaired by top executives aim to share new knowledge, technologies, or commercial opportunities in pharmaceutical fields within the scope of responsibility of project managers.
   - 3.5 Meetings directed by external consultants such as academic cooperation projects with numerous hospitals to provide R&D executives with practical clinical experience and ESG consulting projects to develop executives' corporate sustainability and social responsibility competence in 2021.
   - 3.6 Participating external evaluation: Oneness Biotech continues to make progress through third-party evaluations. We received PIC/S certification as well as ISO14001, 45001, and 9001 certifications, and the Class A certification of Taiwan Intellectual Property Management System (TIPS) in 2021.
   - 3.7 Conduct annual inventory of candidates for supervisor and deputy to maintain a sufficient talent pool for success or plan.

2021 Education and Training

Item	Number of Trainees	Total Hours	Average Hours	Fee
Specific Functional Training	160	1,563	9.77	95,772
General Training	160	561.5	3.51	20,000
Total	160	2,796	17.5	115,772

Reference: page 198, 2021 Onenessbio Annual Report.

Employee Training over the years

(average hour)

Category		2018	2019	2020	2021
Per Employee		9.58	3.59	20.4	17.5
By Gender	Female	7.69	10.55	13.5	15.4
	Male	11.46	5.24	28.5	20.2
By Position	Management	8.39	8.69	8.7	13.8
	R&D	15.91	10.54	11.3	13.7
	General	7.91	4.01	35.5	21.5

Note: The position of supervisor is defined as the supervisor above the manager level of each department. R&D employees are defined as R&D center personnel.

Performance Evaluation System

We respect professionalism and care about the career development of each employee. With corporate culture as the core, we provide diversified development and learning channels so that employees can perform their professionalism and feel accomplished.

Open and transparent performance management system (target management and functional management) assist employees in formulating the direction of learning and the development of career.

1. **New employee education and training + mentor program:** After the orientation, the mentor and the unit supervisor will provide timely feedback and assistance in line with employees' performance and conduct a three-month probation.
2. **Performance management:** Two appraisals are carried out in accordance with the Performance Management Measures every year with 70% based on the key performance index (KPI) and 30% based on general competency. The results are used as the basis for promotion, salary adjustments, and various bonus or incentives.
3. **Performance evaluation mechanism:** The KPI are established through performance review, and constructive feedbackis offered throughout the process.

Probation for New Employees

Purpose
Objectively evaluate the performance and suitability of new employees

Implementation Status
The evaluation pass rate is 100%. (The retention rate of new employees is 81%)

Target Group
Employees under probation

Performance Evaluation

Purpose
To achieve company goals and enhance performance, objectively and fairly evaluate the performance of employee

Implementation Status
100% participation

Target Group
All employees

Compensation and Benefits

The human resource management of Oneness Biotech follows the three main frameworks of "recruitment, cultivation, and retention." To retain talent, the Company takes industry characteristics, market conditions, and future development as reference for formulating the remuneration system. In accordance with the Company's operational achievements and performance evaluation results of departments and employees, the Company provides appropriate rewards to employees. In addition, employee stock options and other incentive plans are used to align employees with the Company's goals to create business performance and long-term value.

The compensation is based on employee's job scope and duties and does not differ due to the employee's gender. In 2021, as for non-management level employees, the difference between male and female compensation was less than 2%.Female management level employees have higher compensation than male. The company shares operating results and profits with employees. In 2021, both the annual average and annual median salary of full-time employees in non-management positions have increased significantly.

Salary Information for Full-time Employees Who Are Not in Supervisory Positions

(NTD thousand)

Year	Total Salary	Average Salary	Median Salary
2018	28,186	762	--
2019	29,790	745	611
2020	84,192	868	638
2021	106,070	947	685

Note: The number of full-time employees who are not in management positions: 37 people in 2018, 40 people in 2019, 97 people in 2020, and 112 people in 2021.

Remuneration Ratio by Gender and Position in 2021 (Including Monthly Salary and Bonus)

Level	Male	Female
Management Level (Assistant Manager or Above)	1	1.21
Non- Management Level	1	0.98

Remuneration Ratio by Gender in 2021 (Male to Female)

Category	Average	Median
Salary	1 : 0.78	1 : 0.83
Bonus	1 : 1.49	1 : 1

Note: based on monthly salary and bonus

Employee Benefits

In addition to the various benefits provided by laws and regulations, Oneness also offers the following employee benefits:

Cash Benefits	Provide year-end bonus, performance bonus, project bonus, Dragon Boat Festival cash gift, Mid-Autumn Festival cash gift, birthday and birthday party cash gift, weddings, funerals, and various cash subsidies, and children's education subsidy (0-18 years old, NT$2,000 subsidy per month).
Employee Stock Option Plan	Oneness Biotech provides employee stock option certificate plans.Till now, 10 employee stock option certificate plans have been issued. The details are disclosed in Oneness Biotech's Annual Report (Refer to 2021 Annual Report). There were 104 employees at the time of the latest employee stock option certificate issuance, 74% of them have received the certificate at least once.
Flexible Working Hours	Provide some employees with flexible working hours, and provide leave benefits superior to the Labor Standards Act.
Networking Events	Department meals, weekly club activities (basketball club, aerobic dance club, etc.), annual employee travel, Christmas and year-end activities, set up a comfortable rest area for employees, so that employees have a dedicated space to take a break from the tight pace of work and promote communication and exchanges between teams.
Overall Staff Care	Setting up breastfeeding rooms, providing stress relief massage services, regular employee health check-ups, employee restaurants providing free organic healthy meals, parking spaces or parking subsidies, monthly employee purchase discounts, and dedicated spaces providing free organic coffee, milk, snacks, and health foods.
Learning Improvement	We regularly purchase different themes of new books and magazines and offer NT$10,000 external training grants to every employee each year for advanced development and life-long learning.
Parental Leave Without Pay	When an employee needs to take maternity or paternity leave, in order to take care of work and family, he/she can apply for parental leave without pay, and apply for reinstatement after the expiration of the period.
Insurance and Retirement Policy	In addition to labor insurance and health insurance, employee group insurance and employee travel insurance are provided to improve the job security of employees. In terms of retirement protection, Labor Retirement Measures is formulated in accordance with the law, and a Supervisory Committee of Labor Retirement Reserve has been established. The previous system regularly allocated 2% of the total salary as retirement reserves deposited in a specific bank account at Bank of Taiwan every month to protect labor rights. The new system allocates 6% of the total salaries of employees to the employee's individual retirement pension account.

Employee Professional Development

To encourage the professional development of employees, Oneness Biotech has established On-The-Job Training Management Procedures to fully subsidize employees to obtain professional certificates. The total cost of certifications is covered by the Company. For example, at Oneness Biotech's Nanchou Plant, we have subsidized employees to earn 16 professional certificates in 2021 as described below:

Fully Subsidy Employees to Obtain Professional Certificates

Certificate	Number of Cases in 2021
Organic Solvent Safety	2
Specific Chemical Safety Supervisor	1
Hypoxic Operations	2
Forklift Operation	3
EMDS on-the-job Training	1
Level A of Occupational Safety and Health Affair Managers	1
Level 1 Technician for Operating Pressure Container	2
Emergency Response of Toxic Substances - General	2
Fixed Hoist Operator	1
Hanging Works (Director)	1

5.3 Labor Rights

Oneness Biotech protects the basic human rights of all employees, customers and stakeholders. We follow the "United Nations Universal Declaration of Human Rights", the "United Nations Guiding Principles on Business and Human Rights", the "United Nations Global Compact" and the "ILO Declaration on Fundamental Principles and Rights at Work", respect internationally recognized basic human rights, abide by the labor laws and regulations of the place of operation, and formulate human rights policies and specific management plans. For details, please refer to the human rights policy on Oneness Biotech's official website.

- Diversity inclusion and equal opportunity
- Prohibit forced labor and child labor
- Provide fair and reasonable compensation and working conditions
- Provide a safe, hygienic and healthy working environment
- Although Oneness Biotech does not have labor union, we hold labor-management meeting in accordance with regulations and respect employees' freedom of association. Employees are also free to join external labor organizations.

Measures of Sexual Harassment Prevention, Complaint, and Punishment

To protect gender equality and prevent employees from sexual harassment in the workplace, the Company not only formulated the "Measures of Sexual Harassment Prevention, Complaint and Punishment", but also established a hotline and an email account for sexual harassment complaint in order to take necessary action in a timely manner.

There was no event for sexual harassment in 2021.

- **Hotline:** 02-2703-1098 ext. 172
- **Email:** hr.onenessbio@onenessbio.com.tw

Communication Feedback and Complaints Channel

The Company appreciates opinions and ideas from different parties, and provides open and transparent communication channels. We have established a hotline and email for complaints, hold labor-management meetings quarterly and conduct interviews with new employees at end of probation or employees who intend to leave. The employees are free to report various issues regarding the organizational system and working environment. No complaints were reported in 2021. An online platform has been established on our website to allow investors, customers, employees, suppliers, communities, and the press to express opinions. In "Investor FAQs", all communication and feedback since 2020 are disclosed in detail by date and category as part of our commitment to transparency and respecting the views of our various stakeholders. The Company upholds the core culture of constant advancement and ongoing improvement.

- **Complaint Email:** hr.onenessbio@onenessbio.com.tw

Human Rights Due Diligence

We refer to relevant international standards and practices to conduct the Company's human rights due diligence through the process of identifying potential human rights risk objects and issues, identifying responsible parties, and reviewing the Company's current implementation of relevant measures to reduce human rights risks. This year, employees are our main focus of human rights.

People Under Potential Human Rights Risk: Employees		
Human Right Issue	**Achievement in 2021**	**Management and Mitigation Measures**
Health and Safe Working Environment; Value the Mental and Physical Health of Employees	• Zero occupational accident and zero compliant	• The ISO 45001 occupational health and safety management system has been implemented • Implement Occupational Health and Safety Plan. • Set up a staff lounge • Encourage the establishment of basketball, yoga, and other fitness clubs, and health activities
Fair and Reasonable Compensation Conditions	• 74% of employees received employee stock options • The annual voluntary turnover rate of R&D staff is only 6.3%	• Continuously adjust salary every year in accordance with the overall economic environment and the performance of employees • Refer to the salary adjustment provided by advisory company, Willis Towers Watson, for the pharmaceutical industry, set the salary scale, and evaluate the salary level for recruitment • Provide group insurance for all employees and travel insurance for employees on business trips
Promote Gender Equality	• Employee ratio of male to female was 42:58 • New employee ratio of male to female was 36:64	• Adhere to our human rights policy in the process of selection, recruitment, training and retaining employees, without gender bias
No Sexual Harassment	• No sexual harassment incidences	• Implement "Measures of Prevention, Correction, Complaint, and Punishment of Sexual Harassment" • Establish sexual harassment complaints channel
Protect Employee Privacy	• No employee personal information leakage	• All employee information is kept confidential and managed by dedicated personnel • When applying for intra-unit information access, approval must be obtained in accordance with the authority
Prohibit Child Labor and Forced Labor (Excessive Working Hours)	• No child labor • Zero compliant	• Comply with local laws and regulations on the minimum age, and do not hire child labor. • Check the overtime working hours of each department every month and give reminders. • The human resources unit regularly communicates with employees

5.4 Healthy and Safe Working Environment

Build a Safe Workplace

Oneness Biotech maintains strict standards for workplace safety, formulates "Occupational Health and Safety Plan", establishes the workplace safety management system, and creates a safe workplace. No occupational accidents have occurred from2018 to 2021. The Company identifies, evaluates, and manages hazards in workplace to reduce potential threats while generating teaching materials with reference to common occupational accidents to educate our employees and to strengthen their safety awareness in order to prevent accidents.

Moreover and ahead of the law requirement, Oneness Biotech's Nanchou Plant implemented ISO45001:2018 at the end of 2020 and was certified by third-party in September 2021. We will continue to exercise vigilance and promote a safe, healthy, and sustainable work environment so as to demonstrate our social responsibility.

Provide Healthy Working Environment

Oneness Biotech actively implements a smoke-free policy in the workplace to build a healthy working environment and improve productivity of employees. In 2020, the Company was awarded the Badge of Accredited Healthy Workplace issued by the Ministry of Health and Welfare.

Oneness Biotech promoted the occupational safety and health-related measures in 2021, including working environment hazard identification and risk assessment, the establishment of an "Occupational Disaster Prevention Database," the promotion of the "Badge of Accredited Healthy Workplace-Oneness Biotech New Life Movement," and etc., to strengthen the management mechanism of occupational safety. In order to promote healthier lifestyles, Oneness Biotech also offers fund subsidies to employees' clubs.

Advocate Healthier Lifestyle	Encourage to take the stairs more often and engage in more physical activities. Employees in the Nanchou Plant have also organized activities to beautify the stairs to encourage employees to use them more often.
Regular Health Check-Ups	Conduct annual health check-ups for employees, and provide physician-recommended dietary advice.
Healthy Diet	Set up staff restaurants, provide meals with low oil, low salt, and plenty of fruit and vegetables. Take into account taste and balanced nutrition.

Oneness New Life Movement Statistics of Occupational Accidents and Occupational Safety and Health Management

Management Indicator	2018	2019	2020	2021
Lost-Time Injury Frequency (LTIFR)	0	0	0	0
Disabling Injury Frequency Rate (DIFR)	0	0	0	0
Disabling Injury Severity Rate (DISR)	0	0	0	0
Occupational Disease Rate (ODR)	0	0	0	0
Ratio of Death Caused by Occupational Injury	0	0	0	0
Ratio of Severe Occupational Injury	0	0	0	0
Ratio of Recordable Occupational Injury	0	0	0	0
Total Number of Fatal Accidents	**0**	**0**	**0**	**0**

Note: The calculation is as follows:
LTIFR = (number of cases of occupational injury/total working hours) × 10^6.
DIFR = (Total number of disabling injuries / Total working hours) × 10^6.
DISR = (Total number of lost days of disabling injuries / Total working hours) × 10^6.
ODR = (number of cases of occupational disease identified in the year of interest/total working hours) × 10^6.
Ratio of death caused by occupational injury = (number of deaths caused by occupational injury/ total working hours)× 10^6.
Ratio of severe occupational injury = (number of cases of severe occupational injury (minus the number of deaths)/total working hours) × 10^6.
Ratio of recordable occupational injury = (number of cases of recordable occupational injury/ total working hours) × 10^6.

Anti-COVID-19 Measures During the COVID-19 Pandemic

In response to the COVID-19 pandemic, Oneness Biotech has created instant messaging internal communication groups named “Epidemic Response” and “Epidemic Commander Group” to ensure immediate and widespread communication to employees. We address new situations promptly and organize response meetings every week while complying with the instructions of Central Epidemic Command Center (CECC) to formulate precautionary measures and response plans. We also care for our employees’ physical and psychological health and make every endeavor to create a safe and secure working environment.

Measures and Plan

- The employees take turns to come to the office based on the schedule of A and B groups while some work from home.
- A flexible working schedule is applicable to all employees to choose to come to the office during 7:00~09:30 to avoid rush hour.
- All interviews are conducted over online meetings to reduce physical contact with outside visitors.
- A minimum of 8,000 masks are provided every month to all employees for free, as well as safety goggles and sanitizer.
- Both the daily health report mechanism and employee groups are built so that employees can report in the group immediately if necessary.
- Free test kits and PCR test are available.
- Comply with the rules and provide disease prevention childcare leaves.
- Hand sanitizers are available at every entrance of the building and in the meeting rooms.
- Sanitize the whole office area twice per week.

Occupational Safety and Health Training

Oneness Biotech actively creates a “safety first” working environment, regularly organizes occupational safety and health related education and training every year, and invites occupational safety and health consultants to serve as lecturers. The course features topics such as work safety, emergency response, machinery operation, health lectures and occupational disease promotion. It is aimed at enhancing the employee awareness towards occupational safety, hygiene and health. Contractors and dispatched workers must be warned of potential hazards and receive safety-related education and training before entering the factory, in order to ensure their and the related personnel’s operational safety. The personnel responsible for environmental protection, occupational safety, fire protection, and machinery operation in Nanchou Plant are all equipped with relevant professional licenses. They are required to attend training provided by external institutions regularly. In 2021, occupational safety education and training reached 377 person-times.

Internal Training	External Training	Orientation	Training for Contractors/ Subcontractors	Response Drill
46	9	80	212	30

Total: 377 person-time

2021 Safety Drill

▲ Evacuation of entire factory (evacuation guidance and head count)

▲ Fire emergency response, putting out fires by the handling team

▲ External supportive fire team training, simulating firefighters coming to help

5.5 Social Engagement

Oneness actively fulfills the duties of corporate citizens. Aside from pursuing corporate development and improving the interests of shareholders, partners and employees, the Company considers the community as one of our key stakeholders. Through the core business of the biotech industry, we support the sustainable goals, including "SDG 1: No Poverty", "SDG 2: Zero Hunger", "SDG 3: Good Health and Well-being", "SDG 4: Quality Education", "SDG 11: Sustainable Cities and Communities" and "SDG 12: Responsible Consumption and Production". We work with academia, associations, unions and social welfare organizations to take care of disadvantaged and vulnerable groups to put the idea of "giving back to society in a spirit of gratitude" into practice and foster mutual prosperity.

Access to Medicine Strategy and Action

The issue of access-to-medicine has received more and more attention from WHO and international NPOs. Access to Medicine Foundation, an NPO established by a Dutch entrepreneur, has been issuing Access to Medicine Index every 2 years since 2008. Governance of access, research and development, and product delivery are the three major factors in evaluating the actions and performance of top 20 pharmaceutical companies in making medicine more easily accessible, affordable, and acceptable.

Our ultimate goal is to allow patients fairly and easily access to the medicine they need at a reasonable and affordable price. Oneness Biotech has entrusted an international consulting company to cope with the pricing of prescription drugs. The optimal global price will be determined through evaluation of the recommendation of insurance companies in major markets and medical professionals. Once the new drug is launched in the market, we establish appropriate local pricing based on the GDP and income of the target country.

Access to Medicine Strategy- Donation Plan

Oneness Biotech has published a "Low-income Diabetic Medical Aid Plan" to provide FESPIXON® cream to low-income diabetic for free to help them treat diabetic foot ulcer.

Access to Medicine Strategy

After FESPIXON® cream was launched in Taiwan, Oneness Biotech has cooperated with an international consulting company to initiate the Early Access Program for FESPIXON® cream in Europe, the UK, Latin America, the Middle East and North Africa (MENA) where FESPIXON® cream is not yet commercially available.

We partner with pharmacies near major medical centers to set up the DFU Care Network in order to provide the guidelines for care of diabetic foot ulcers, V.I.P.D.F., and the latest medical information. As of March 2022, there were 498 cooperative pharmacies.

DFU Care Network: www.dfu.com.tw

Social Welfare Video for Health Education

Through cooperating with Taiwan Society for Burn Injuries and Wound Healing, Taiwan Society for Wound Care, and Taiwan Society of Plastic Surgery, Oneness Biotech produces the social welfare videos: "What is Diabetic Foot Ulcer", "Spreading Care and Love for Feet", and "Diabetic Foot Ulcer Management." These videos are aimed to draw more attention from the public and patients to diabetic foot ulcers, and to encourage them to check their feet frequently and receive medical aid timely if ulcer occurs. We intend to expand the influence in the society, increase the health knowledge of patients, and protect the patients' right to access medicine.

Oneness Social Welfare Video:
www.onenessbio.com/en/esg-page.php

DFU Public Service Announcement

Watch Video

Educational Video - What is DFU

Watch Video

Patient Education for DFU

Watch Video

Participation in External Associations

The research and development of new drugs is a highly regulated and supervised industry characterized by dramatic changes and uncertainties. In addition to its business operations, Oneness Biotech actively participates in external associations in order to gain better understanding of the latest industry trends, legal developments, and positive interactions with competitors in the same industry.

Institute for Biotechnology and Medicine Industry	Member
Taiwan Parenteral Drug Association	Member
Taiwan Pharmaceutical Manufacture's Association	Member
Taiwan Bio Industry Organization	Member

Public Welfare Activities

Oneness Biotech Integrates Community Care Investment into the Core Business

Cooperative Unit	Investment Amount	Our Actions	Fulfilling SDG Goals
Oneness Foundation	NT$5,000,000	Through promotion of the physical, mental and spiritual education of "health, happiness, love" with specific actions, online and physical courses have helped tens of thousands of people in need, so that they are able to take on a positive attitude towards life by cleansing their body, mind, and spirit.	SDG 3: Good Health and Well-Being
BOYO Social Welfare Foundation	NT$600,000	Adhering to the concept of "don't let poor children fall into eternal poverty," we have assisted in cultivating community teachers and developing learning materials, so that rural children have sufficient learning resources and opportunities to help enhance their future competitiveness.	SDG 1: No Poverty SDG 2: Zero Hunger SDG 3: Good Health and Well-Being SDG 4: Quality Education
Medical Excellence TAIWAN	NT$3,000,000	Assist the Taiwan government to promote global medical and healthcare policies and international assistance, promote and market Taiwan's specialty medical services, integrate Taiwan's medical and health industry chain, and assist Taiwan's high-quality medical services to develop toward Asian market.	SDG 3: Good Health and Well-Being SDG 4: Quality Education
Cotton Field Organic Farm	NT$50,000	1. With the theme of "Organic Lohas," the Company cooperates with the subsidiary Cotton Field Organic Farm to promote organic agriculture, to intensively cultivate food and agriculture education, to respond to green consumption, and to take root in local environmental education. 2. ● In 2021, two organic planting promotion courses were held with a total of 20 people participated, and three good neighbor activities were held with a total of 30 people participated. ● Man-hours invested inorganic farming programs: 20 people × 5 hours=100man-hours. Man-hours invested in the three good neighbor activities: 30 people × 3 hours=90 man-hours. Total 190 man-hours.	SDG 3: Good Health and Well-Being SDG 4: Quality Education SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production

Interaction with Communities

Cotton Field Organic Farm organizes community activities to provide opportunities for children to know local agricultural specialties. Children can closely observe plants and learn through interesting activities. The food and farming concept is deeply rooted in their minds.

Political Donation

"Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" are established and published in our website (www.onenessbio.com/tc/investor3_15_0_0.htm). The details are described as below:

- Any illegal political donation or contribution is prohibited (Article 7 of "Ethical Corporate Management Best Practice Principles").
- When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managerial officers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and the relevant internal procedures, and shall not make such donations in exchange for commercial gains or business advantages. (Article 11 of "Ethical Corporate Management Best Practice Principles"). Any political donation shall be offered in accordance with regulations (Article 21 of "Ethical Corporate Management Best Practice Principles").
- Any personnel of the Company is prohibited from, in the course of their duties, directly or indirectly providing any "benefits", which include any money, endowment, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name to public servants, political candidates, party members in exchange for interest gains or protection (Article 3 and 4 of "Procedures for Ethical Management and Guidelines for Conduct").

Political Donation in 2021

	2018	2019	2020	2021
Lobbying Interest Representation	0	0	0	0
Donation to Local, Regional or National Political Campaigns	0	0	0	0
Donation to Tax-Exempt Groups Such ss Trade Associations or Political Think Tanks	0	0	0	0
Donation to Ballot Measures or Referendums Related Activities	0	0	0	0

6

Environmental Protection

According to a 2021 research from GlobalData, 43% of pharmaceutical industry professionals see environment as the most important issue of sustainability ESG development for pharmaceutical industry. Among environmental issues, climate change, pollution prevention, and resource conservation attract most attention. Based on the corporate mission of the "Developing New Drugs and Caring for Life," as Oneness Biotech pursues corporate growth by innovating and developing drugs, the Company also constantly seeks out innovative methods to reduce its environmental impact, to move towards sustainable business operations, to create healthy lifestyles for the human beings, and to maintain a sustainable environment for future generations.

6.1 Climate Actions

According to The Global Risks Report 2022 issued by World Economic Forum, enterprises, governmental organizations, and civil leaders interviewed consider climate action failure and extreme weather as the top 2 most severe risks of the top 10 global risks over the next 10 years. Mitigating climate change has become the world's most urgent problem that should be solved.

Implementing ESG strategies and promoting low-carbon operations has become a global development trend, and the pharmaceutical industry must also take initiative to reduce emissions in our operations. Found by a research published in the 2019 *Journal of Cleaner Production*[17], since pharma manufacturing requires higher standards at temperature controlling, humidity controlling, and sanitization, and is in small size batches, it generates 55% more greenhouse gas emissions per unit of revenue than the automotive industry does. This also means that the pharmaceutical industry needs to be more proactive in improving energy efficiency and reducing its carbon footprint.

Oneness Biotech recognizes the enormous impact of climate change on the economy, society, and the environment. As one of the leading biotech pharmaceutical companies in Taiwan, we must heed our corporate social responsibility and respond to the challenges brought forth by climate change. In 2021, the Oneness Biotech Risk Management Committee identified climate change as one of the potential risks. To measure and analyze the impact of climate-related risks and to formulate control measures, we adopted the framework from the Task Force on Climate-related Financial Disclosure (TCFD) issued by the Financial Stability Board (FSB). Based on the framework, we disclosed our governance, strategies, risk management and metrics, and targets to help investors and stakeholders understand Oneness Biotech's climate actions.

17. Carbon footprint of the global pharmaceutical industry and relative impact of its major players, 2019

Governance

The Board of Directors of Oneness Biotech is the highest governance unit to drive sustainable development. Based on the principle of integrity governance and protecting shareholders' rights, the Board of Directors oversees a wide range of environmental risks and opportunities, including climate change-related impacts. In 2020, the Board of Directors resolved to set up a Risk Management Committee to assist in fulfilling its supervision and guidance responsibilities. The members of the Committee were Independent Directors who regularly listened to the reports from the risk management team, supervised the execution of risk management by the Company and its important subsidiaries, reviewed major environmental issues, and submitted them to the Board of Directors for discussion.

In order to implement sustainable measures, the Board of Directors approved the "Corporate Social Responsibility Best Practice Principles," and established a Corporate Sustainable Development Committee with the Company's General Manager as the chairman to carry out various sustainability actions. In terms of climate action, the committee acts as a platform for horizontal connection and vertical integration. Each team, based on its responsibilities, evaluates potential climate-related risks and opportunities, formulates countermeasures, plans, executes, and discloses greenhouse gas inventory, and regularly tracks carbon reduction performance.

In view of the official publication of Carbon Border Adjustment Mechanism (CBAM) by EU in 2021, the Board of Directors assigned the responsible department to analyze the potential impact of the carbon tax and carbon trading systems to the Company. Since CBAM initially applies to the emission-intensive products, there is no immediate and direct impact to Oneness Biotech. We will pay attention to the development of this issue.

Strategy

Oneness Biotech had held multiple workshops participated by dedicated specialists and senior managers from various departments who had intensive discussions with external third-party professional teams to analyze short-term, intermediate, and long-term potential physical and transition risks as well as related business opportunities. The Company then formulated mitigation and adaptation strategies to enhance corporate climate resilience and support the goals of SDGs 13 Climate Action.

Physical Risk

1. Increase of severity and frequency of extreme climate events
2. Extreme rainfall and droughts
3. Long-term rainfall patterns and changes in climate patterns
4. Long-term rise in sea level
5. Long-term rise in average temperature

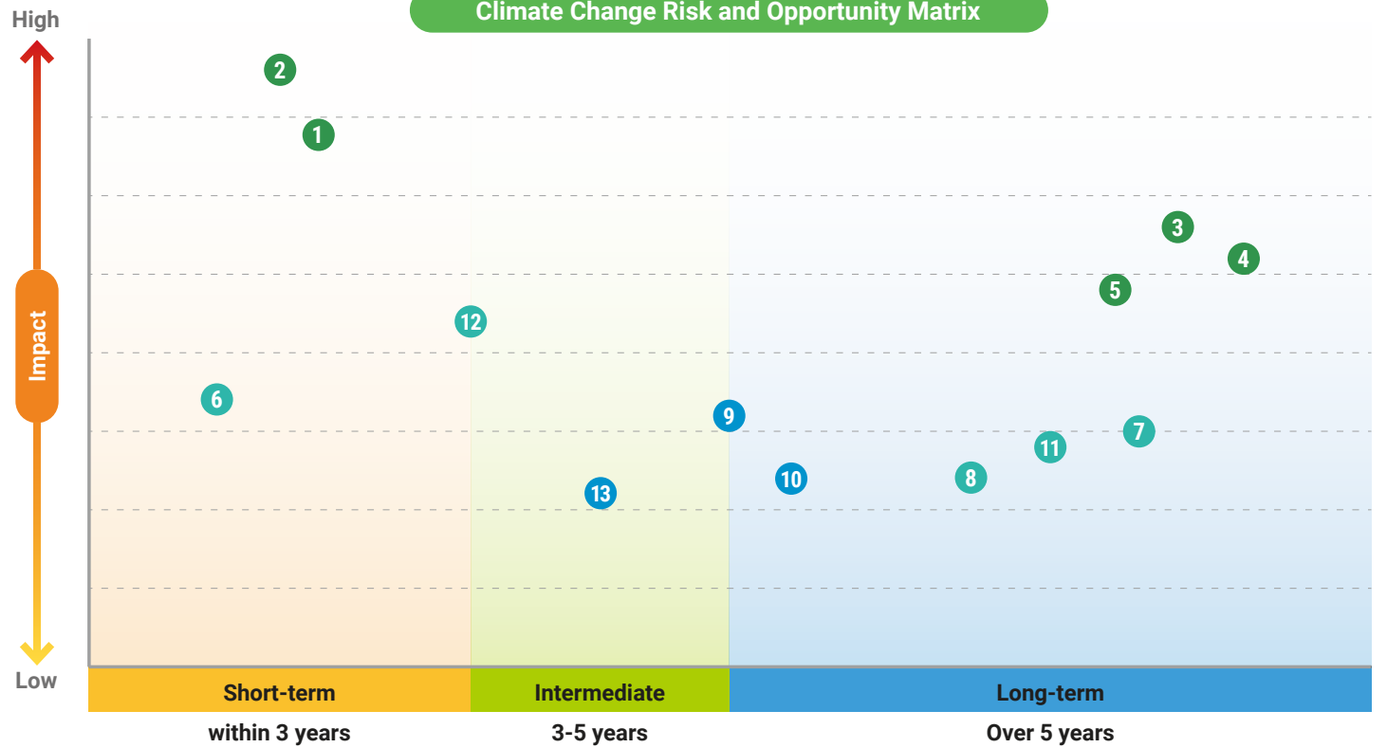
Transition Risk

6. Obligation to disclose climate information
7. Market uncertainty
8. Changes in consumer behavior
11. Violating the climate change act
12. International agreements or national policies

Climate Opportunity

9. Attract capital investment
10. Low-carbon technology transition
13. Impact on company image and reputation

Climate Change Risk and Opportunity Matrix



According to the impact level and the urgency of the risks, Oneness Biotech identified "increase of severity and frequency of extreme climate events" and "extreme rainfall and drought" as the major climate-related risks. Therefore, we take priority to set the relevant strategies as well as executing mitigation and adaptation actions to enhance climate resilience.

Risk Factor	Description of Impact	Response Strategies
Increase of severity and frequency of extreme climate events	Damage to equipment or personnel at operating sites, increase in operating costs	Assess the drought/flood risk in the plant area and formulate an adaptation strategy
	Increasing probability of disruptions of raw material production or supply, decrease in revenue	Diversify production sources and increase material preparation to enhance resilience of supply chains
Extreme rainfall and drought	Impact on crop yields, resulting in difficulties in obtaining raw materials and increased costs	Diversify production sources and increase material preparation to enhance resilience of supply chains
	Water resources affect the quality of experimental culture medium and the progress of research and development	Increase the proportion of recycled and reused water resources, and add water purification equipment to ensure stable water quality and quantity

In order to enhance climate resilience, the workshops not only mitigate risks, but also identify potential opportunities in response to climate change.

Chance Factor	Description of Impact	Response Strategies
Long-term rise in average temperature	Study shows rising average climate will trigger allergies and increase demand for medication	Invest in R&D momentum for potential markets
Low-carbon technology transition	Low-carbon technology production reduces carbon footprint, reduces operating costs, and improves corporate reputation	Improve energy efficiency, plan the use of renewable energy, enhance ESG performance, and enhance competitiveness

Scenarios for Resilience

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

Physical Risk

The disaster potential map of the National Science and Technology Center for Disaster Reduction marked risk of flood disasters of each area in Taiwan in the most severe scenario (RCP 8.5). Placing the area of potential flooding caused by extreme rainfall, a daily rainfall exceeding 650 mm, with the Nanchou Plant area (figure 1), it shows that the Nanchou Plant is not in the potential flooding area under the extreme rainfall scenarios. In order to prevent floods with high standards, the height of the Nanchou Plant was increased by 85 cm during the planning of the construction and a comprehensive drainage system was set up to effectively reduce the impact.

The subsidiary Cotton Field Organic Farm is also one of the suppliers for FESPIXON® cream's plant-based raw materials and is in an area of potential flooding caused by extreme rainfall with a daily rainfall exceeding 650 mm (figure 2).

In order to avoid the impact of extreme rainfall, the government has built a retarding basin with an area of approximately 10 hectares in the local area. Cotton Field Organic Farm not only has added facilities such as its own retarding basin, water gates, and water pumps in the area, but also conducted drainage cleanings every year, so that it is expected to effectively reduce the risk of flooding. On the other hand, Oneness Biotech has established inventory principles to avoid interruption of supply caused by flooding. The raw materials have a safe inventory amount ranging from three months to one year in response to the delivery duration to ensure that the inventory can be replenished at any time. *Plectranthus amboinicus*is planned to be grown off-site to avoid the climate impact of a single region.

▲ Figure 1, Flood risk for Nanchou Plant

▲ Figure 2, Flood risk for Cotton Field Organic Farm

Transition Risk

Oneness Biotech is not an energy-intensive company and based on the risk identification procedure, transition risks will not have a significant impact on its operations. We still pay close attention to global climate-related measures and analyze the financial impact of the transition risks based on the carbon reduction scenario of IPCC AR6 SSP1-1.9.

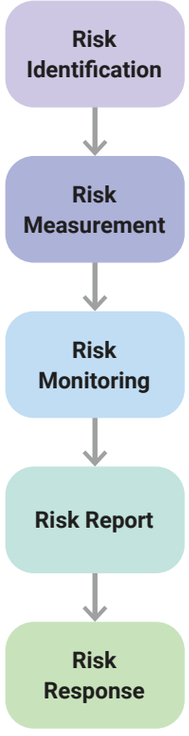
Facing the challenge of the Taiwanese government's 2050 net zero goal, Oneness Biotech simulated the need to use renewable energy in accordance with the law and its result in an increase of operating costs. In order to reduce the impact of the transition risks, we have completed the carbon footprint inspection of the product FESPIXON® cream, continued to promote various energy-conservation measures, planned the feasibility of using renewable energy in advance, and sought various possible carbon reduction opportunities.

Risk Management

In order to enhance the Company's corporate governance, establish an effective risk management mechanism, assess and supervise the risk-taking ability and the current risk management situation, the Oneness Biotech Board of Directors approved the "Risk Management Policies and Procedures" in 2020 as the Company's highest guiding principle of risk management. Trough the policies and procedures, the Company integrates and manages various potential strategic, operational, financial and hazardous (climate change, legal compliance, market competition) risks that may affect operations and profitability, carries out risk warnings and takes appropriate preventive measures, or maintains operational activities in the event of an accident.

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

In the second Risk Management Committee Meeting in 2021, it monitored extreme climate risks and formulated relevant countermeasures including insurance coverage and compensation mechanism, raw material inventory and future production responses, and etc.



Metrics and Goals

Oneness Biotech develops new drugs based on scientific innovation to meet the world's unmet medical needs, is committed to green production, and takes mitigation and adaptation measures to work towards sustainable development of the Company.

Mitigation Measures

"80% of the environmental impact of a product is determined at the design phase." In order to take into account the health of human beings and the environment, FESPIXON® cream is made using natural herbs as the main raw material. Compared to using chemical raw materials as the source, natural ingredients can reduce greenhouse gas emissions and environmental impact. In order to further reduce carbon, Oneness Biotech checked the carbon footprint of the product FESPIXON® cream in 2021 and obtained a third-party certification from SGS in April 2022. As the first step of carbon reduction, product carbon footprint inventory enables Oneness Biotech to understand the emission hotspots in product life cycles and take effective improvement measures.

According to the analysis on carbon footprints, the emission hotspots of Oneness Biotech are in the electricity usage at the production phase. Therefore, we take energy efficiency improvement as the key factor in reducing carbon footprint. In the future, we will gradually promote energy conservation measures such as making improvements to air conditioners, water recycling, and air compressors. Meanwhile, in response to the development of global renewable energy sources, the Company has also begun to evaluate setting up solar power generation devices to meet the increasing energy demand due to the increasing production capacities in the future.

ISO 14067
Product Carbon Footprint
Verification Statement

Adaptation Measures

In the face of increasing extreme weather phenomenon and events, resilience against climate disasters is an important part of business operations.

Property Insurance	Avoiding Flooding	Response to Supply Disruptions
All Oneness Biotech locations are insured with the relevant insurance, and the total insurance amount exceeds NT$800 million.	• During the construction and planning of Nanchou Plant, the height of the plant was elevated by 85 cm and a comprehensive drainage system was set up to effectively reduce the impact from flooding. • Cotton Field Organic Farm adopts drainage measures such as retarding basins and water gates to reduce the impact of floods.	The raw materials have a safety inventory amount ranging from three months to one year according to the delivery period to ensure that the inventory can be replenished at any time, and *plectranthus amboinicus* is grown off-site to avoid the climate impacting a single region.

Energy Consumption Analysis

Changes in Oneness Biotech's energy analysis in 2021 comparing to previous years include:

1. **Electricity:** the electricity consumption of the subsidiary Cotton Field Organic Farm was included for the first time.
2. **Fossil Fuels:** the of fossil fuels consumption of the Company was included for the first time. Considering the lack of data of Cotton Field Organic Farm, its consumption was not included this year.

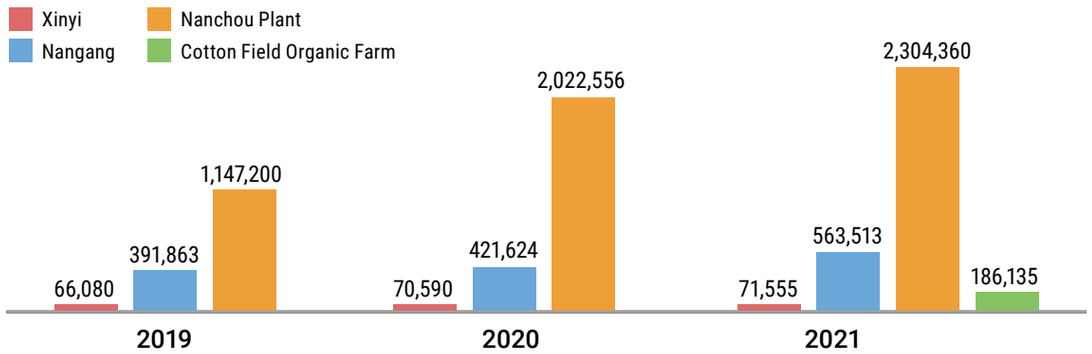
Statistics show that the energy consumption of Oneness Biotech is primarily electricity which accounts for approximately 95% of all energy sources. The remaining energy sources are fuels (including emergency generators, kitchens, boilers, and vehicles). Meanwhile, electricity consumption in the past three years has shown an upward trend due to the expansion of the Company's operating scale.

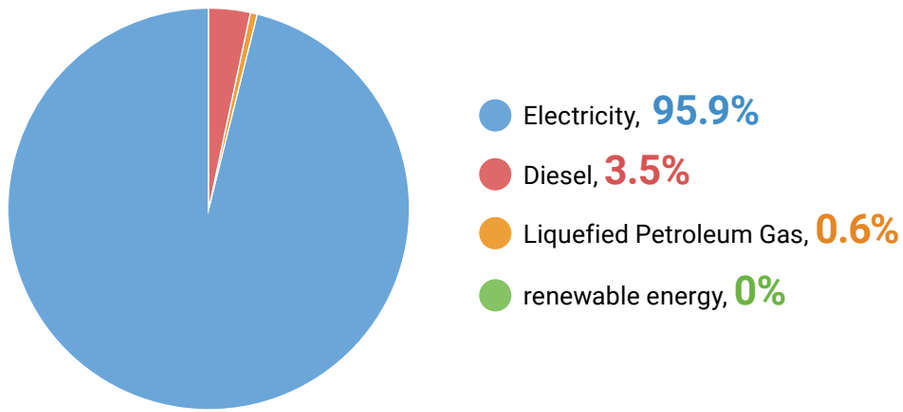
Past electricity consumption of Oneness Biotech's operating sites (unit: kWh)

Location	2019	2020	2021
Xinyi	66,080	70,590	71,555
Nangang	391,863	421,624	563,513
Nanchou Plant	1,147,200	2,022,556	2,304,360
Cotton Field Organic Farm	--	--	186,135
Total	**1,605,143**	**2,514,770**	**3,125,563**

2021 Energy Consumption Analysis

Item	Intensity of Activity	Energy Equivalent (MWh)	Energy Equivalent (MJ)
Electricity	3,125,563 (kWh)	3,126	11,252,026
Diesel	11,766 (L)	115	413,813
Liquefied Petroleum Gas	2,500 (L)	19	70,704
Total		**3,271**	**11,736,542**





Note: The Nangang Laboratory is leased from the Incubation Center affiliated with the Genome Research Center of the Academia Sinica. There are no direct electricity consumption statistics and the annual electricity price in 2019 is NT$2.619/kWh, the electricity price in 2020 is NT$2.5986/kWh, and the electricity price in 2021 is NT$2.6253/kWh.

Carbon Emission Analysis

Changes in Oneness Biotech's Carbon Emissions analysis in 2021 comparing to previous years include:

1. **Scope 1:** Identify Scope 1 emission sources for the first time and tally statistics
2. **Scope 2:** Include of the subsidiary Cotton Field Organic for the first time
3. **Scope 3:** First Statistics

Scope 1 Direct Emission

Use the four types of emission sources in stationary, mobile emissions, air-conditioning effusion, and wastewater treatment, and use IPCC AR5 Global Warming Potential (GWP) to tally statistics.

Emission Source Category

Stationary Emission Sources	LPG (restaurants), diesel (emergency generators, steam boilers), carbon dioxide (firefighting)
Mobile Emission Source	Diesel (trucks)
Air Conditioning Effusion	F-GHG (refrigeration, air conditioning equipment)
Wastewater Treatment	Methane (septic tank treatment, anaerobic treatment of wastewater)

Carbon Emission

Emission Source Category	$KgCO_2$	$KgCH_4$	KgN_2O	KgF-GHG	$TonCO_2e$
Stationary Emission Sources	34,924	1	0.3	0	**35**
Mobile Emission Source	122	0.005	0.001	0	**0.12**
Air Conditioning Effusion	0	0	0	Refer to the table below	**72**
Wastewater Treatment	0	596	0	0	**17**
Total					**124**

Type	Kg F-GHG	GWP	$KgCO_2e$
R134a	53.931	1,300	70,110
R32	0.132	677	89
R404a	0.165	3,943	651
R410a	0.448	1,924	861
R600a	0.0004	3	0.00108

Note: GWP: R600a refers to eurossigeno, the rest refer to IPCC AR5

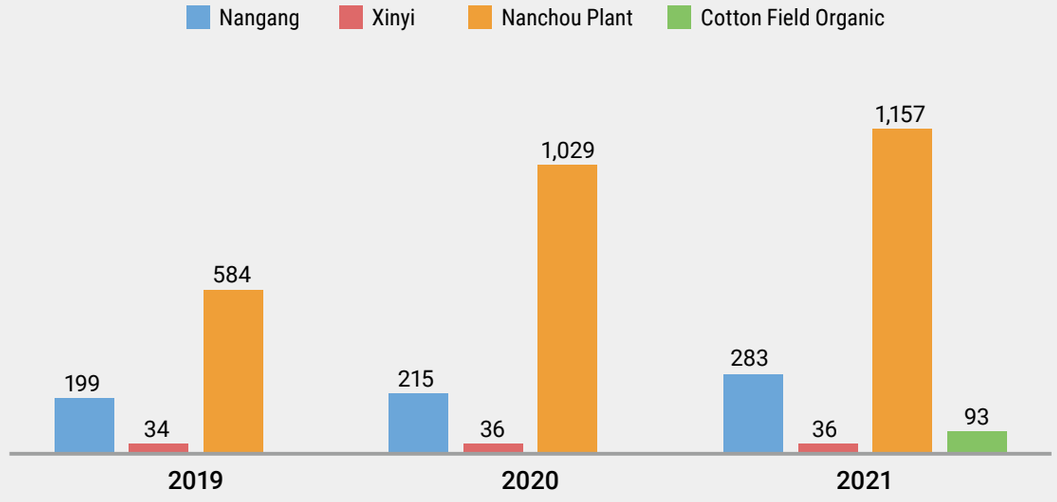
Scope 2 Indirect Energy Emissions

The data of each location is based on the electricity consumption and the conversion of the carbon emission factor announced by the Bureau of EnergyNote. The total emissions are as follows:

(unit: $TonCO_2e$)

Location	2019	2020	2021
Nangang	199	215	283
Xinyi	34	36	36
Nanchou Plant	584	1,029	1,157
Cotton Field Organic	-	-	93
Total	**817**	**1,280**	**1,569**

Note: Electricity carbon emission coefficient ($kgCO_2e/kwh$): citing the announcement by the Bureau Energy of the Ministry of Economic Affairs, 0.502 in 2021 and 0.509 in 2020/2019



Scope 3 Other Indirect Emissions

Based on the ISO 14067 carbon footprint analysis, the emissions at the raw material phase (including the purchase of products and services, and upstream transportation and distribution) account for 22.8% of the product life cycle, only second to the production phase as the most important indirect source of emissions.

Scope 3 Categories	$TonCO_2e$
Purchase of Products and Services	456
Upstream Transportation and Distribution	25
Business Travels	59

Carbon Removal

Research indicates that organic farms sequester 26% more soil carbon fixation than non-organic farms[18]. Cotton Field Organic Farm uses organic farming method that not only avoids indirect emissions from the use of chemical fertilizers, but also reduces nitrous oxide (N_2O) emissions from synthetic nitrogen sources, and increases the soil's organic carbon content and achieve carbon sinks. Although there currently is no credible quantitative measurement method for the calculation of carbon sinks in the world, Oneness Biotech will include that in future evaluations.

18. Cooper, J.M., et al. 2016. Shallow Non-Inversion Tillage in Organic Farming Maintains Crop Yields and Increases Soil C Stocks: A Meta Analysis. Agronomy for Sustainable Development

Carbon Reduction

In order to gradually move towards Oneness Biotech's carbon reduction goal, we will complete the first ISO 14064 audit and the third-party verification in 2022. Based on the inspection results, we will review and improve the energy efficiency of the equipment, and assess the feasibility of renewable energy to meet the rising demand for electricity in the future and to reduce environmental impact. Please refer to Waste Management of this section for the current scope3 carbon reduction measures.

6.2 Water Resources

The annual average rainfall in Taiwan is approximately 2,500 mm, which is 2.6 times of the world average. However, due to terrain and population density, the annual allocated rainfall per person is only 1/5 of the world average. Therefore, Taiwan has a high risk of water shortage.

Usage of Water Resources

Water is an indispensable key factor for Oneness Biotech's operations, from the planting of raw materials, water usage for the production process, to R&D experiments, which all require stable water resources. After taking inventory, the Oneness Biotech locations are all located in the low water supply risk areas, and there is no immediate risk of water shortage. In order to tackle the potential water shortage challenges in the future and make a substantial contribution to SDG 6 "Ensureavailability and sustainable management of water and sanitation for all," we are committed to promoting excellent water resource management. This includes water recycling and strict drainage water treatment measures.

Water Consumption Volume (unit: M^3)

Locations	Water Source	2019	2020	2021
Xinyi	Municipal Water Supply	485	529	507
Nanchou Plant	Groundwater	9,545	11,340	10,948
Total		**10,030**	**11,869**	**11,455**

Nanchou Plant started trial operations in 2019, and entered into mass production in 2020, resulting in the increase in water consumption. In order to further improve the efficiency of water usage, Oneness Biotech plans to introduce a water resource recycling project that is expected to recycle the wastewater generated by the reverse osmosis (RO) system and effectively reduce water consumption. The building management unit of Nangang Laboratory was unable to provide information on water charges, and Cotton Field Organic Farm uses groundwater which has not been tallied the consumption. Both were not included in the statistics.

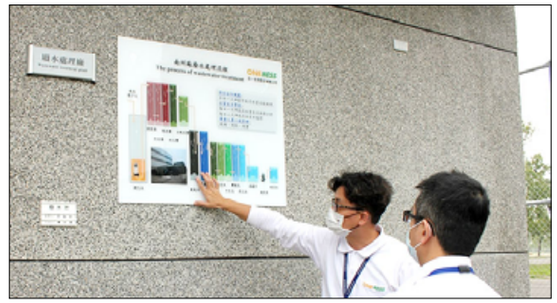
Water Pollution Prevention and Control

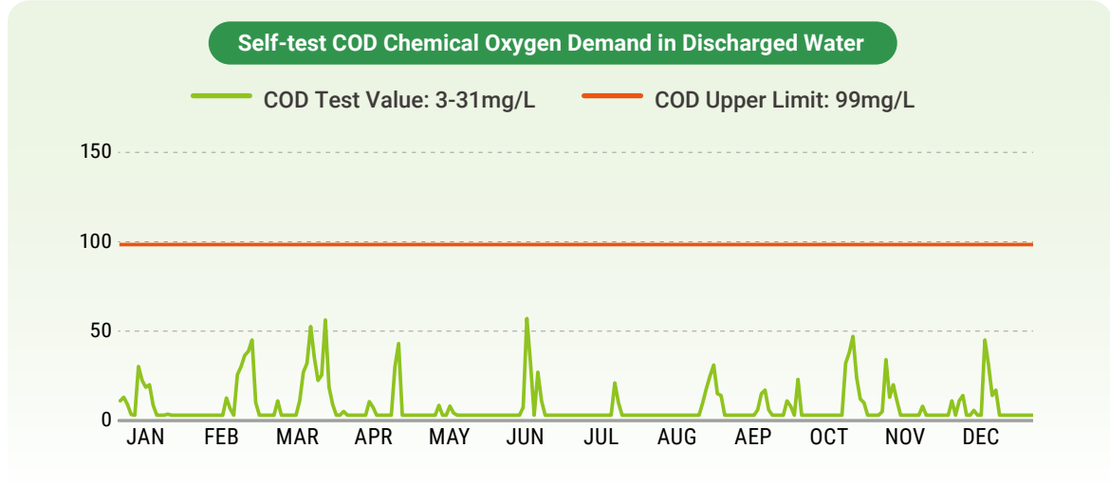
In order to mitigate the potential environmental impact of the operations, the wastewater treatment of Oneness Biotech complies with the requirements of environmental laws and regulations. Wastewater from the Xinyi and Nangang locations is discharged into municipal sewages for treatment, and Cotton Field Organic Farm's wastewater is discharged into local channels. Nanchou Plant operates in a higher standard than the legal requirements, and a third-party impartial unit is commissioned to test whether the discharged water meets the legal discharge standards every 6 months. Meanwhile, Oneness Biotech understands that the area around Nanchou Plant contains a large amount of farmland. In order to let stakeholders understand the quality of the discharged water, Oneness Biotech actively conducts sampling and analysis of the discharged water quality on a "daily" basis. The data obtained is all in line with the discharged water standards and is publicly disclosed on the official website of Oneness Biotech.

Wastewater Volume (unit: M^3)

Locations	Waste Water Receiver	2019	2020 (Sep. to Dec.)	2021
Nanchou Plant	Donggang River	(Undeclared)	2,387	10,738

The Nanchou Plant implements daily self-testing of the COD (chemical oxygen demand) of effluent. The water quality test values were lower than the upper limit of the COD test value (99mg/L) in the regulation, and were in line with environmental laws and regulations as well as fulfilling corporate social responsibilities.





Water Resources and Biodiversity

Oneness Biotech's Nanchou Plant is not located in an environmentally sensitive area, approximately 6 kilometers away from the national scenic spot of Dapeng Bay Lagoon. Therefore, it will not have a direct impact on biodiversity. More, Oneness Biotech recognizes that water and biodiversity are closely related and are also necessary factors for the ecosystem. Since the Nanchou Plant discharges water into the receiving water body - Donggang River, Oneness Biotech conducts water resource management as a priority measure to avoid indirectly impacting the ecology of Donggang River and maintain biodiversity around the plant.

Oneness Biotech conducts waste and sewage treatment in high standards. The FESPIXON® cream produced by the Nanchou Plant is herbal drug, and no heavy metals or harmful chemical substances are included in the production process. Pollutants are prevented from entering the discharged water from the source. The use of the Upflow anaerobic sludge bed treatment (UASB) and the BioNET systems developed and designed by ITRI allows wastewater to be treated by biological methods to reduce the use of chemicals, and achieves the goal of zero impact on natural water bodies.

Cotton Field Organic Farm uses environmentally friendly organic farming methods to preserve local biodiversity.






6.3 Waste Management

In the past, the industry adopted a linear economic model of "exploiting raw materials, manufacturing products, use and discard," resulting in the over-the-limit development and usage of natural resources while also generating waste problems. Waste that is not properly disposed of causes financial burdens to companies and governments, and causes environmental impacts on society.

Oneness Biotech is committed to create a sustainable environment for the next generation, and we support the concept of a circular economy as we maximize the efficiency of resource usage through methods such as waste reduction and recycling. In addition to monitoring various environmental indicators of the plant to ensure compliance with all environmental regulations, a dedicated team of environmental safety and health professionals continuously promotes improvement plans to minimize environmental impact and progress towards the goal of "zero pollution."

Oneness Biotech's waste is divided into three categories: domestic waste of business employees, general industrial waste, and hazardous industrial waste. The domestic waste of business employees generated by business activities and production processes includes general waste such as fallen leaves collected around the plant that is cleaned and transported by the municipal unit of Pingtung County. General industrial waste includes waste paper, kitchen waste, and general waste from business activities, which can only be removed by approved transportation and disposal companies. In addition to promoting waste sorting through employee environmental education to increase the rate of recycling, we also reduce waste from the source. The staff restaurant at Nanchou Plant uses 304 stainless steel tableware. Calculating the emission factors by 0.48 $kgCO_2e$ per disposable tableware and 0.02 $kgCO_2e$ per disposable chopsticks, Nanchou Plant can reduce carbon emissions for 4.25 tons per year, which is equivalent to the carbon emissions of 390 Taiwan High Speed Rail trips from Taipei to Zuoying for one passenger.

GHG Reduction by Using Reusable Foodware:

34 people × (0.48+0.02)$kgCO_2e$ / day × 250 working days = 4,250 $kgCO_2e$

The emission of the Taiwan High Speed Rail trip from Taipei to Zuoying is 10.88 $kgCO_2e$ / person

Hazardous industrial waste is mainly composed of infectious waste mixtures and flammable industrial waste. Infectious waste is produced in the laboratory. It is sterilized by high temperatures, and then handed over to qualified operators for incineration. Flammable industrial waste is the solvent used during the production process, which was handed over to qualified waste treFatment companies for incineration in the past. In order to move towards circular economy, the treatment of waste solvents was changed to physical recycling since September 2020. Nanchou Plant estimated that each batch of production can recover 6.5 tons of waste solvent. By recycling instead of incineration, it is estimated that each ton of waste solvent can reduce carbon emissions by 2.5 metric tons of carbon emission. After conversions, each batch of production can reduce carbon emissions by 16.25 metric tons.

Type and Weight of Waste (unit: Tons)

Locations	Type of Waste	2019	2020	2021
Nangang	Hazardous Industrial Waste	3.05	4.52	3.59
Nanchou Plant	General Waste	28.8	28.8	28.8
	General Industrial Waste	-	0.61	4.92
	Hazardous Industrial Waste	19	62.28	145.29

Note: Since the general wastes generated from Xinyi Office and Nangang Laboratory are disposed by the administration office in the building, there are no relevant statistics available.

Oneness Biotech conducts annual audit on the recycling company to ensure that waste is not being processed or disposed of illegally.

6.4 Green Procurement

Products with environmental protection labels have low environmental impact, and are regarded as one of the ways to realize a circular economy. For example, the environmental protection label defined by ISO 14024 requires that products must meet its life cycle requirements and be verified by third-party units. Only 25% of products on the market meet this high environmental performance requirement.

Oneness Biotech supports green procurement, and prioritizes buying products with environmental protection labels. For two consecutive years in 2020 and 2021, the Company passed the certification of the Pingtung County Government as an outstanding private enterprise in green procurement. The amount of green procurement by Oneness Biotech exceeded NT$ 2 million per year which demonstrated that the Company has been promoting the development of green industries through practical actions.

7

Appendix

Appendix A

Global Reporting Initiative (GRI) Content Index

★The material topics of the year.

Topics	Disclosure	Content	Chapter		Page	Note
GRI 102: General Disclosures						
Organizational Profile	102-1	Name of the Organization	2 ESG Overview	• About Oneness Biotech	2-1	
	102-2	Activities, brands, products, and services	2 ESG Overview	• About Oneness Biotech	2-1	
	102-3	Location of headquarters	2 ESG Overview	• About Oneness Biotech	2-1	
	102-4	Location of operations	2 ESG Overview	• About Oneness Biotech	2-1	
	102-5	Ownership and legal form	2 ESG Overview	• About Oneness Biotech	2-1	
	102-6	Markets served	2 ESG Overview	• About Oneness Biotech	2-1	
	102-7	Scale of the organization	2 ESG Overview	• About Oneness Biotech	2-1	
	102-8	Information on employees and other workers	5 Social Inclusion	• Reliable Employer	5-1	
	102-9	Supply chain	3 Research & Development	• Pharmaceutical Industry Chain	3-14	
	102-10	Significant changes to the organization and its supply chain	2 ESG Overview	• About Oneness Biotech	2-1	2019, Merged with Fountain BioPharma Inc 2021, No significant change
	102-11	Precautionary principles or approach	4 Corporate Governance	• Risk Management	4-10	
	102-12	External initiatives	N/A		N/A	Without participating in external initiatives
	102-13	Membership of associations	5 Social Inclusion	• Social Engagement	5-13	
Strategy	102-14	Statement from senior decision-maker	Message from the Chairman		iii	

Topics	Disclosure	Content	Chapter		Page	Note
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	4 Corporate Governance	• Ethical Management	4-7	
	102-17	Mechanisms for advice and concerns about ethics	4 Corporate Governance	• Ethical Management	4-7	
Governance	102-18	Governance structure	4 Corporate Governance	• Governance Practice	4-2	
			2 ESG Overview	• Sustainable Management Structure	2-2	
	102-19	Delegating authority	2 ESG Overview	• Sustainable Management Structure	2-2	
	102-20	Executive-level responsibility for economic, environmental, and social topics	2 ESG Overview	• Sustainable Management Structure	2-2	
	102-21	Consulting stakeholders on economic, environmental, and social topics	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-22	Composition of the highest governance body and its committees	4 Corporate Governance	• Governance Practice	4-2	
	102-25	Conflicts of interest	4 Corporate Governance	• Governance Practice	4-2	
	102-36	Process for determining remuneration	4 Corporate Governance	• Governance Practice	4-2	
Shareholder Engagement	102-40	List of stakeholder groups	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-41	Collective bargaining agreements	N/A		N/A	No unions were established, and no collective bargaining agreements were signed
	102-42	Identifying and selecting stakeholders	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-43	Approach to stakeholder engagement	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-44	Key topics and concerns raised	2 ESG Overview	• Stakeholders Engagement	2-4	
Reporting Practice	102-45	Entities included in the consolidated financial statements	About this Report	• Duration and Boundary	ii	
	102-46	Defining report content and topic boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-47	List of material topics	2 ESG Overview	• Stakeholders Engagement	2-4	
	102-48	Restatement of information	N/A		N/A	No Restatement of information
	102-49	Changes in reporting	N/A		N/A	No Changes in reporting

Topics	Disclosure	Content	Chapter		Page	Note
Reporting Practice	102-50	Reporting period	About this Report	• Duration and Boundary	ii	
	102-51	Date of most recent report	N/A		N/A	2021/9/30
	102-52	Reporting cycle	About this Report	• Publication Frequency	ii	
	102-53	Contact person for questions regarding the report	About this Report	• Contact Oneness	ii	
	102-54	Claims of reporting in accordance with the GRI Standards	About this Report	• Report Structure Principles and Verification	ii	
	102-55	GRI content index	Appendix	• Appendix A	ii	
	102-56	External assurance	About this Report		ii	
			Appendix	• Assurance Statement	7-10	
Economic Aspect						
★ Economic Performance						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	103-2	The management approach and its components	2 ESG Overview	• Business Philosophy	2-2	
			Annual Report 2021	• Financial Overview	133	
	103-3	Evaluation of the management approach	Annual Report 2021	• Financial Overview	133	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Annual Report 2021	• Financial Overview	133	
Environmental Aspect						
★ Energy						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	103-2	The management approach and its components	6 Environmental Protection	• Climate Actions	6-1	
	103-3	Evaluation of the management approach	6 Environmental Protection	• Climate Actions	6-1	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	6 Environmental Protection	• Climate Actions	6-1	No renewable Energy Used.
Water and Effluents						
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	6 Environmental Protection	• Water Resources	6-8	

Topics	Disclosure	Content	Chapter		Page	Note
★ Emissions						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	103-2	The management approach and its components	6 Environmental Protection	• Climate Actions	6-1	
	103-3	Evaluation of the management approach	6 Environmental Protection	• Climate Actions	6-1	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	6 Environmental Protection	• Climate Actions	6-1	
	305-2	Energy indirect (Scope 2) GHG emissions	6 Environmental Protection	• Climate Actions	6-1	
	305-3	Other indirect (Scope 3) GHG emissions	6 Environmental Protection	• Climate Actions	6-1	
	305-5	Reduction of GHG emissions	6 Environmental Protection	• Waste Management	6-10	GHG Reduction in Scope 3
Waste						
GRI 306: Waste 2020	306-2	Management of significant wasterelated impacts	6 Environmental Protection	• Waste Management	6-10	
★ Environmental Compliance						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	103-2	The management approach and its components	4 Corporate Governance	• Legal Compliance	4-13	
	103-3	Evaluation of the management approach	4 Corporate Governance	• Legal Compliance	4-13	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	4 Corporate Governance	• Legal Compliance	4-13	
Social Aspect						
★ Employment						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	• Stakeholders Engagement	2-4	
	103-2	The management approach and its components	5 Social Inclusion	• Reliable Employer	5-1	
	103-3	Evaluation of the management approach	5 Social Inclusion	• Reliable Employer	5-1	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	5 Social Inclusion	• Reliable Employer	5-1	

Topics	Disclosure	Content	Chapter		Page	Note
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5 Social Inclusion	● Reliable Employer	5-1	
		Information about the number, average salary and median salary of full-time employees who are not in a managerial position. And the information compared to previous year.	5 Social Inclusion	● Reliable Employer	5-1	
Occupational Safety and Health						
GRI 403: Occupational Safety and Health 2018	403-1	Occupational safety and health management system	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
	403-5	Worker training on occupational health and safety	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
	403-6	Promotion of worker health	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
	403-9	Work-related injuries	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
	403-10	Work-related ill health	5 Social Inclusion	● Healthy and Safe Working Environment	5-10	
★ Training and Education						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	5 Social Inclusion	● Reliable Employer	5-1	
	103-3	Evaluation of the management approach	5 Social Inclusion	● Reliable Employer	5-1	
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	5 Social Inclusion	● Reliable Employer	5-1	
★ Diversity and Equal Opportunity						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	5 Social Inclusion	● Reliable Employer	5-1	
	103-3	Evaluation of the management approach	5 Social Inclusion	● Reliable Employer	5-1	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4 Corporate Governance	● Governance Practice	4-2	
			5 Social Inclusion	● Reliable Employer	5-1	

Topics	Disclosure	Content	Chapter		Page	Note
★ Customer Health and Safety						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	3 Research & Development	● Pharmacovigilance	3-13	
	103-3	Evaluation of the management approach	3 Research & Development	● Pharmacovigilance	3-13	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3 Research & Development	● Pharmacovigilance	3-13	All of drugs passed the assessment of the health and safety impacts
		Incidents of non-compliance concerning the health and safety impacts of products and services	3 Research & Development	● Pharmacovigilance	3-13	
★ Socioeconomic Compliance						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	4 Corporate Governance	● Legal Compliance	4-13	
	103-3	Evaluation of the management approach	4 Corporate Governance	● Legal Compliance	4-13	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	4 Corporate Governance	● Legal Compliance	4-13	
★ Cyber Security						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	4 Corporate Governance	● Cyber Security	4-14	
	103-3	Evaluation of the management approach	4 Corporate Governance	● Cyber Security	4-14	
Cyber Security	N/A	Number of breaches to Cyber Security	4 Corporate Governance	● Cyber Security	4-14	
★ Intellectual Property Rights Protection						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	2 ESG Overview	● Stakeholders Engagement	2-4	
	103-2	The management approach and its components	4 Corporate Governance	● Intellectual Property Rights Protection	4-16	
	103-3	Evaluation of the management approach	4 Corporate Governance	● Intellectual Property Rights Protection	4-16	
Intellectual Property Rights Protection	N/A	Accumulated number of patent applications	4 Corporate Governance	● Intellectual Property Rights Protection	4-16	

Appendix B

Sustainability Accounting Standards Board (SASB) Content Index

Code	Accounting Metric	Category	Disclosure	Chapters		Page
			Safety of Clinical Trial Participants			
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Discussion and Analysis	Oneness has established the "Management Procedure for Clinical Trials". To safeguard the rights and benefits of human subjects, clinical trials shall be examined by a third-party Institutional Review Board (IRB).	3 Research & Development	● R&D Progress and Results	3-2
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	Quantitative	Zero (No VAI or OAI occurred during the reporting period.)			
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Quantitative	Zero (No such losses during the reporting period.)			
			Access to Medicines			
HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Discussion and Analysis	Oneness provides FESPIXON® cream for free to low-income DFU patients in Taiwan. In addition, Oneness cooperates an international consulting company to initiate an early access program for FESPIXON® cream in Europe, the UK, Latin America, the Middle East and North Africa (MENA) where FESPIXON® cream is not commercially available.	5 Social Inclusion	● Access to Medicine Strategy and Action	5-12
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Discussion and Analysis	Oneness has no such products during the reporting period.			
			Affordability & Pricing			
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Quantitative	Zero (No such events occurred during the reporting period.)			
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	Quantitative	Not applicable (No drug is available in U.S. market during the reporting period.)			

Code	Accounting Metric	Category	Disclosure	Chapters	Page
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Quantitative	Oneness has appointed an international consulting company to perform the analysis of drug pricing. The FESPIXON® cream launched on May 16th 2021 in Taiwan and the price is 9,800 NTD.	5 Social Inclusion • Access to Medicine Strategy and Action	5-12
			Drug Safety		
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	Discussion and Analysis	Oneness has no products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database during the reporting period.		
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Quantitative	Zero (No such cases occurred during the reporting period.)		
HC-BP-250a.3	Number of recalls issued, total units recalled	Quantitative	Zero (No such cases occurred during the reporting period.)		
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Quantitative	Zero (No such cases occurred during the reporting period.)		
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Quantitative	Zero (No such cases occurred during the reporting period.)		
			Counterfeit Drugs		
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	Discussion and Analysis	The lot numbers/product serial numbers are given to each batch of products. The records of receiving inspection, production and examination are saved to maintain traceability and to prevent counterfeiting.	3 Research & Development • Drug Quality Management	3-9
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	Discussion and Analysis	If there is a suspected case of counterfeit drugs, customers, sales channels or business partners shall notice Oneness immediately. The Oneness QA personnel will then initiate the investigation procedure. If there is no such recall event happened, the Quality Assurance Center is responsible to conduct a simulation audit at least once every to mitigate the relevant risks.	3 Research & Development • Drug Quality Management	3-9
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	Quantitative	Zero (No such cases occurred during the reporting period.)		
			Ethical Marketing		
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Quantitative	Zero (No such cases occurred during the reporting period.)		

Code	Accounting Metric	Category	Disclosure	Chapters		Page
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	Discussion and Analysis	Oneness established the "Codes of Ethical Conduct" and "Marketing and Sales Code of Conduct" and comply with the regulations, including WHO's requirements, the Pharmaceutical Affairs Act, the Pharmaceutical Affairs Act Enforcement Rules and other drug and medical-related regulations. Oneness holds internal trainings to ensure the compliance with regulations.	4 Corporate Governance	• Ethical Management	4-7
Employee Recruitment, Development & Retention						
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Discussion and Analysis	Oneness builds a happy and safe workplace, and promotes equality, diversity and inclusion, to attract talents to join us.	5 Social Inclusion	• Reliable Employer	5-1
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	Quantitative	Oneness discloses relevant information according to the index. Please refer to the section 'Reliable Employer' in the ESG Report for details.	5 Social Inclusion	• Reliable Employer	5-1
Supply Chain Management						
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent thirdparty audit programs for integrity of supply chain and ingredients	Quantitative	Oneness established "Supplier Management Procedure" to specify the procedure for the examination, evaluation and approval of raw material suppliers. Ensure raw materials are purchased from qualified suppliers and the qualified raw materials are used in the drug production process.	3 Research & Development	• Supply Chain Management	3-15
Business Ethics						
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Quantitative	Zero (No such losses occurred during the reporting period.)			
HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	Discussion and Analysis	Zero (No such losses occurred during the reporting period.)			
Activity Metric						
HC-BP-000.A	Number of patients treated	Quantitative	Oneness's product, FESPIXON® cream, launched in 2021 in Taiwan. As of March 30th, 2022, we has partnered with 498 pharmacies and hospitals to set up the DFU Care Network to provide V.I.P.D.F. and the latest medical information for DFU patients.	5 Social Inclusion	• Access to Medicine Strategy and Action	5-12
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	Quantitative	section 'R&D Progress and Results' in the ESG Report.	3 Research & Development	• R&D Progress and Results	3-2

Assurance Statement

SGS ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE ONENESS BIOTECH CO., LTD.'s ESG REPORT FOR 2021

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by ONENESS BIOTECH CO., LTD. (hereinafter referred to as Oneness) to conduct an independent assurance of the ESG Report for 2021 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification (2022/04/13~2022/05/26). SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all Oneness's Stakeholders.

RESPONSIBILITIES
The information in the Report and its presentation are the responsibility of the directors or governing body (as applicable) and management of Oneness. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all Oneness's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options and Level of Assurance	
A.	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B.	AA1000ASv3 Type 1 Moderate Level (AA1000AP Evaluation only)

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SCOPE OF ASSURANCE AND REPORTING CRITERIA
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1.	GRI Standards (Core)
2.	AA1000 Accountability Principles (2018)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. In response to COVID-19 pandemic situation the assurance process was conducted via Teams.

LIMITATIONS AND MITIGATION
Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Oneness, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

VERIFICATION/ ASSURANCE OPINION
On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

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AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity
Oneness has demonstrated a commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, suppliers, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, Oneness may proactively consider having more direct two-ways involvement of stakeholders during future engagement.
Materiality
Oneness has established processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.
Responsiveness
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.
Impact
Oneness has demonstrated a process on identify and represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, Oneness's ESG Report of 2021, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, improving the reproducibility of quantified performance and moderate evidence preservation of key performance is encouraged. Collection of direct opinion from stakeholders is another issue to take into consideration.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000 Licensed Report 000-8/V3-9FDGN

Stephen Pao
Knowledge Deputy General Manager
Taipei, Taiwan
25 October, 2022
WWW.SGS.COM

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