

# 2022 MESH ESG Report

2021-01-01 ~ 2021-12-31

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Reporting at M as MA

## Topic-Specific Disclosures

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201 : Economic Performance M

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416 : Customer Health and Safety M

417 : Marketing and Labeling M

M : Material Topic



# Universal Standards: GRI 100

Disclosures

Disclosure Contents

 Data Tables  Files  URLs  Business Cases

## 1. Organizational profile

<b>102-1</b> Name of the organization	Mesh Co., Ltd. 
<b>102-2</b> Activities, brands, products, and services	Medical device field <ul style="list-style-type: none"><li>• Infrared thermography, T-1000 SMART</li><li>• Cryogenic treatment device, Cryo-Master</li><li>• Cold/hot massager, ThermoREX</li><li>• Thermal imaging camera, SST-1000 BBS</li></ul> Healthcare field (to be released)
<b>102-3</b> Location of headquarters	42-10, Taejanggongdan-gil, Wonju-si, Gangwon-do, 1-104, 107,108, 2-103,203
<b>102-4</b> Location of operations	Korea, China, Japan
<b>102-5</b> Ownership and legal form	The two shareholders of Mesh Co., Ltd. are Lee Jeong-hoon (50%) and Lee Ju-seong (50%), who own 100% of the shares. We follow the principle of one vote per share. In accordance with the articles of incorporation and related laws, shareholders are guaranteed to exercise their voting rights.
<b>102-6</b> Markets served	[Medical Equipment] <ul style="list-style-type: none"><li>• Sales countries: Korea, China, Japan, India and Southeast Asia.</li><li>• Target: Medical professionals such as hospitals, clinics, physical therapy centers, and public health centers, or the general public (patients) for the purpose of alleviating/improving diseases, etc.</li></ul> [Thermal imaging camera for fever inspection] <ul style="list-style-type: none"><li>• Sales countries: Korea, USA, China, Indonesia, etc.</li><li>• Target: Where there is a need for temperature testing for a large number of people, such as government offices, public institutions, and schools.</li></ul>
<b>102-7</b> Scale of the organization	<ul style="list-style-type: none"><li>• Total number of workers: 12</li><li>• Total number of business sites: 1</li><li>• Net sales: 1.6 billion won</li></ul>
<b>102-8</b> Information on employees and other workers	
<b>102-9</b> Supply chain	Domestic - It has a regional agency system, and there is an agency and a sub-dealer network operating in each region. Overseas - There are distributors with exclusive rights for each country and product.

**102-10**

Significant changes to the organization and its supply chain

2022.07 3rd plant expansion  
 2022.02 Acquired IP management certification  
 2021.12 Venture Business Certification  
 2021.11 INNOBIZ certification  
 2021.09 Acquired BIS certification in India  
 2021.09 ISO13485:2016 certification  
 2021.09 Selected as a promising small and medium-sized business in Gangwon-do  
 2021.04 Conversion of company-affiliated research institute  
 2021.01 2nd Factory Expansion  
 2020.12 Awarded the Million Dollar Export Tower  
 2020.07 Acquired China CFDA certification  
 2020.06 Acquired FCC/IC certification  
 2020.06 CE certification acquired  
 2020.03 Permission to manufacture medical devices for animals

**102-11**

Precautionary Principle or approach

Based on the ISO14971 risk management process, we are conducting comprehensive potential risk factor analysis and risk factor management and removal efforts in the entire process from product planning and development to mass production and service.

**102-12**

External initiatives

Establishment of ESG strategy system.

**102-13**

Membership of associations



## 2. Strategy

**102-14**

Statement from senior decision-maker

- We pursue the value that the healthy life of our customers is the happiness of our society.
- We aim for only 1, not No. 1 in product performance and customer service.
- We work on the basis of conscience in action and intelligence in action.
- We comply with relevant laws such as ISO 13485:2016 and KGMP quality system and guarantee quality.

**102-15**

Key impacts, risks, and opportunities



## 3. Ethics and integrity

**102-16**

Values, principles, standards, and norms of behavior

Mesh Co., Ltd. establishes a code of ethics based on trust with customers and the attitude that the healthy life of customers is the healthy life of our society, and promises to put it into practice.

**a. Basic Ethics**

- Strive to create a healthy corporate culture based on leadership (leading attitude) and followership (organizational harmony).
- Always strive to maintain personal dignity and the company's honor with high ethical values.
- Continuously strive to meet this through continuous self-development.
- Do not engage in immoral or unethical behavior that may be condemned by society in relation to daily life and duties.

**b. Ethics related to work**

- In accordance with the principle, all positions are performed fairly based on formality and good faith.
- Comply with domestic and foreign laws and do not engage in illegal activities.
- If an illegal act is recognized, it is immediately notified to the company.
- Respect the rights to information and products developed by others.
- We faithfully fulfill our contractual obligations.
- Always listen to customers' opinions and keep promises to customers.
- Always strive to provide the best quality and best service.
- We protect the company's property and strictly observe the security of the information generated during the transaction and the company's confidential matters acquired during business.

**c. Ethics according to job activities**

- Prevent leakage of business by accurately recording and reporting all company business and actions in accordance with internal regulations.
- We do not take any form of financial gain from stakeholders that may impair the fairness of judgment in relation to our duties, and we do not offer gifts or entertainment beyond common sense customs.
- We do not use the company's property without permission for personal gain, and we are compensated only for reasonable expenses incurred in performing our work.
- Any act or relationship that conflicts with the interests of the company and individuals is prohibited.

**4. Governance****102-18**

Governance structure

In December 2019, Mesh Co., Ltd. expanded/reorganized the Quality Management Conference to the Sustainability Management Conference in order to approach the major issues of corporate management from a sustainable corporate and social perspective. The sustainability management meeting is a decision-making body for sustainability management of Mesh Co., Ltd., and is composed of executive directors including the CEO. In 2022, we discussed the establishment of an ESG strategy system.

[Sustainability Management Conference]

- Chairman: CEO
- Agenda: economy, society, environment, governance, quality management, market analysis, regulatory review, business area review, etc.
- Meeting frequency: if necessary

**5. Stakeholder engagement****102-40**

List of stakeholder groups

**102-41**

Collective bargaining agreements

Mesh guarantees labor rights through standard employment rules established to comply with the Korean Labor Standards Act. Labor-management representatives are negotiating the working conditions of employees and other management issues, such as making sure that all employees' opinions are collected in accordance with the collective agreement, and the participation of the labor committee is required when changing the contents of the employment rules. In addition, we are continuing cooperative labor-management relations through official and informal channels to ensure continuous and smooth communication between labor and management. Mesh is a participant in the work-life balance campaign designated by the Ministry of Employment and Labor.

**102-42**

Identifying and selecting stakeholders

Mesh defines stakeholders who have a significant influence on sustainable management activities, such as customers, employees, business partners, and government/local communities. Mesh strives to communicate on a regular basis and on a regular basis to identify major issues and issues of various stakeholders and reflect them in the business activities of Mesh, and to maintain lasting relationships by building trust.

**102-43**

Approach to stakeholder engagement



**102-44**

Key topics and concerns raised

**6. Reporting practice****102-45**

Entities included in the consolidated financial statements

doesn't exist.

**102-46**

Defining report content and topic Boundaries

- Report Overview  
Mesh is conducting social value creation activities across the economic, social and environmental sectors, and intends to publish a sustainability report from 2022 to transparently provide relevant information to stakeholders. In order to collect the opinions of stakeholders in the process of publishing the report, we conducted materiality assessments and customer feedback for stakeholders to select material reporting issues. This Sustainability Report faithfully contains the efforts and achievements of Mesh in this regard.
- reporting period  
From January 1, 2021 to December 31, 2021, we plan to update the sustainability report from time to time in critical cases outside the reporting period.
- reporting boundaries  
This report has been prepared in accordance with the core standards of the Global Reporting Initiative (GRI) Standards, a global guideline for the publication of sustainability reports. In addition, ISO26000, UN Global Compact principles, SASB information disclosure standards, and TCFD recommendations were referred to. Financial information is on a consolidated basis, and reporting standards and definitions follow K-IFRS. Both financial and non-financial information were prepared based on the fiscal year in accordance with our disclosure system, and energy use-related data and greenhouse gas emissions were prepared according to the emission verification results. If there are major changes, they are indicated separately.

**102-47**

List of material topics

Economic performance, raw materials, customer health and safety, marketing and labeling

**102-48**

Restatements of information

**102-49**

Changes in reporting

**102-50**

Reporting period

2021-01-01 ~ 2021-12-31

**102-51**

Date of most recent report

**102-52**

Reporting cycle

**102-53**

Contact point for questions regarding the report

**102-54**

Claims of reporting in accordance with the GRI Standards

This report was prepared in accordance with the Core Option of the GRI (Global Reporting Initiative) standards, which are sustainability reporting standards. In addition, indicators from the UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and SASB (Sustainability Accounting Standards Board) are reflected.

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GRI content index

this report

**102-56**

External assurance

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## Topic-Specific Disclosures: GRI 200 - Economic

### GRI 201 : Economic Performance

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**201-1**

Direct economic value generated and distributed

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**201-2**

Financial implications and other risks and opportunities due to climate change

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**201-3**

Defined benefit plan obligations and other retirement plans

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**201-4**

Financial assistance received from government

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**201-MA**

Economic Performance MA

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## Topic-Specific Disclosures: GRI 300 - Environmental

### GRI 301 : Materials

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**301-2**

Recycled input materials used

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**301-MA**

Materials MA

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## Topic-Specific Disclosures: GRI 400 - Social

### GRI 416 : Customer Health and Safety

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**416-1**

Assessment of the health and safety impacts of product and service categories

**416-2**

Incidents of non-compliance concerning the health and safety impacts of products and services

No violations in 2021

**416-MA**

Customer Health and Safety MA

**GRI 417 : Marketing and Labeling****417-1**

Requirements for product and service information and labeling

**417-2**

Incidents of non-compliance concerning product and service information and labeling

No violations in 2021

**417-3**

Incidents of non-compliance concerning marketing communications

No violations in 2021

**417-MA**

Marketing and Labeling MA

**Appendix 1. Data Tables****Appendix 2. Business Cases**



