PharmaEssentia

ESG Sustainability Report 2025

Catalog

PharmaEssentia · **ESG Sustainable Report 2025**

Better Science
Better Lives

Disclaimer: This information is provided for reference purposes only and does not constitute a complete description of the Company's operations. To the extent that this information contains forward-looking statements, the Company cautions that such statements may not fully reflect the Company's future corporate governance standards, operating performance, or financial condition.

Foreword

About This Report

This Report is the seventh Sustainability Report released by PharmaEssentia Corporation (hereinafter PharmaEssentia, we, or the Company), and discloses PharmaEssentia's commitments and actions towards sustainable development on the aspects of corporate governance, access to medicine, environmental protection, employee care, and social participation.

Reporting Boundary

The reporting boundary encompasses PharmaEssentia's Taipei Office and Taichung Plant in Taiwan, which are collectively known as PharmaEssentia (Taiwan); our subsidiary Panco Healthcare (hereinafter Panco); PharmaEssentia USA; and PharmaEssentia Japan. All of the companies listed above belong to the biotechnology industry. As our subsidiaries are at different stages of development, additional notes are provided for inconsistencies in reporting boundaries. Some operational data only encompass PharmaEssentia (Taiwan) and some highlights only include information from PharmaEssentia USA, our PharmaEssentia Innovation Research Center (PIRC) in the US, and PharmaEssentia Japan. Other information may be provided in future based on our operational status.

Reporting Principles and Information Compilation

This Report was prepared in accordance with the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed and Over-the-Counter Companies and the Global Reporting Initiative (GRI) GRI Standards 2021, and references the Sustainability Accounting Standards Board (SASB) Biotechnology & Pharmaceuticals Standards and Task Force on Climate-related Financial Disclosures (TCFD) framework. Relevant indexes have been provided as appendices for stakeholder reference and review. PharmaEssentia also referenced the Access to Medicine Index (ATMI) when disclosing information relating to drug quality & safety management and access to medicine management.

Restatements of Information

Independent Assurance

The content in this Report was consolidated and compiled by PharmaEssentia's Executive Center for Corporate Sustainability, reviewed by all functional teams and the Company, approved by management executives before presentation to the Board, and was verified by international third-party institute AFNOR Asia Ltd. in accordance with AA1000 AS v3 standards, providing Type 1 Moderate level assurance that our 2025 Sustainability Report complies with GRI principles and AA1000 AccountAbility Principles (2018). The Statement of Independent Assurance Opinion is included as an Appendix. All financial data in this Report were taken from annual financial reports audited by Ernst & Young. Greenhouse gas inventory information for 2025 have been verified by AFNOR Asia Ltd. in accordance with ISO 14064-1:2018 standards.

Reporting Period, Publication Frequency, and Contact Information

The information in this Report mainly encompasses the period from January 1, 2025 to December 31, 2025. To ensure information integrity and comparability, some information from 2023 and 2024, as well as statements on future strategies, have been included. PharmaEssentia publishes sustainability reports on an annual basis. This Report was released in August 2026 and the next report is scheduled to be released in August 2027.

PharmaEssentia welcomes your suggestions and thoughts on this Report. Please feel free to contact us at:

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Message from the Management Team

A Message from the Chairperson

Chairperson Ching-Leou Teng

At PharmaEssentia, we uphold our founding mission by proactively investing in development of new drugs to meet patient needs. We work closely with our business partners to ensure the quality and safety of our drugs. Thanks to continued growth of Ropeginterferon alfa-2b (Ropeg) sales in the US and global markets, our revenue for 2025 rose significantly, and consolidated Group revenue reached NT$15.634 billion, increasing by 60.61% compared to 2024. Our operating profit reached NT$4.928 billion, net profit reached NT$5.045 billion, and our EPS was NT$13.64. Our operating profit, net profit, and EPS once again reached record heights.

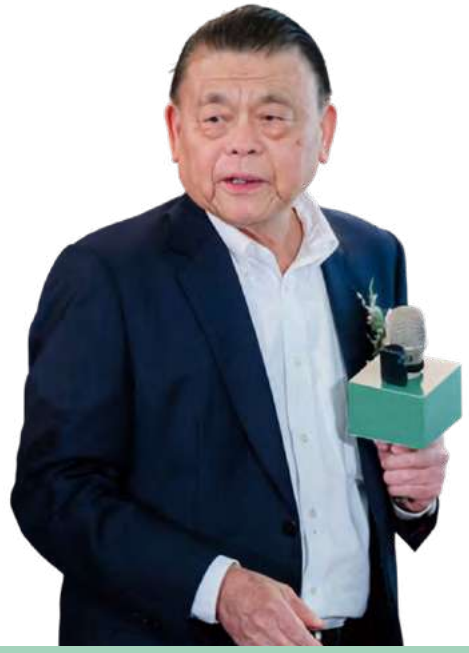
In 2025, we actively improved upon our environmental, social, and governance sustainability performance, consolidating our role as a sustainability benchmark in the biotechnology and pharmaceuticals industry.

Environment (E): We conducted greenhouse gas inventories at PharmaEssentia's Taipei Office and Taichung Plant, and obtained ISO 14064-1 verification. We continue to implement an energy management system at our Taichung Plant to enhance our energy efficiency, with the main measures being: (1) Establishing a refrigerant reclamation system to reduce compressor load and energy consumption, enable electricity savings, and lower carbon emissions; (2) Optimizing chiller flow by adding variable frequency drives to pump systems to reduce energy consumption; (3) Establishing an energy information dashboard and database to monitor, manage, and analyze energy usage. We have issued a Biodiversity and No Deforestation Commitment, and will continue to focus on environmental issues in future as we make progress toward our sustainability commitments.

Social (S): PharmaEssentia promotes access to medicine. A total of 59 patients benefited from our compassionate treatment program in 2025. We operate patient support programs in Taiwan, Japan, and the US, and also participate in international myeloproliferative neoplasms (MPN) academic exchange activities and local community MPN empowerment activities to enhance physician and patient understanding of MPN. In 2025, we continued to work with the Digital Humanitarian Association on remote health promotion projects in rural areas to provide health care for older adults in Taiwanese communities. We plan to continue contributing to MPN care and community well-being through the health care and pharmaceuticals industries.

Governance (G): PharmaEssentia continues to implement management of intellectual property rights and trademarks. We designed courses explaining how to operate our intellectual property rights management platform and launched a corporate identity mark redesign program in the fourth quarter of 2025. We also continue to enhance sustainable supply chain management. We initiated signing procedures for our Supplier Code of Conduct in 2025, and will establish on-site visits and audit report mechanisms to review supplier sustainability performance in future as we work with our value chain partners to achieve mutual sustainability benefits.

We plan to continue making progress on all sustainability performance and achievements in accordance with our Sustainable Development Roadmap as we work to become a sustainability benchmark in the biotechnology and pharmaceuticals industry.



CEO Ko-Chung Lin

A Message from the CEO

PharmaEssentia is focused on the production of self-developed interferon and PEG products. Our independently developed new drug Ropeg (P1101) has been approved for polycythemia vera (PV) treatment in nearly 50 countries around the globe, and has been recommended as a first-line treatment for both high- and low-risk PV patients by the National Comprehensive Cancer Network (NCCN) for three consecutive years. We are working to expand Ropeg indications for essential thrombocythemia (ET) and primary myelofibrosis (PMF). In early 2026, Ropeg was recommended by the NCCN as a Category 1 "preferred regimen" treatment for high-risk ET patients with poor or ineffective responses to current treatments, and we are actively working with the U.S. Food and Drug Administration (FDA) and other competent authorities to complete relevant review processes. We hope to obtain marketing authorizations in various regions starting from 2026.

PharmaEssentia sees significant market potential for Ropeg and has continually expanded production capacity in recent years. We have completed construction on the external steel structure of our Hsinchu Zhubei Plant, and the plant is officially scheduled to commence operations in 2026 after the internal facilities and offices are completed. Our Taichung Houli Plant is also under construction, and we expect future capacity will meet medication demands for more than 100,000 patients globally. This plant will support our pursuit of new business opportunities after we obtain ET and PMF marketing authorizations. Additionally, we plan to invest US$12 million in the US to establish a manufacturing facility in Puerto Rico so we can move toward a "US-Taiwan dual production base" operational model that strengthens our supply chain resilience and lowers overall manufacturing costs while expanding our global production roadmap.

In 2025, PharmaEssentia continued to focus on sustainability issues encompassing cultivation of biotechnology talents, employee care, and social participation. In terms of talent cultivation and employee care, PharmaEssentia implemented a summer internship program which gathered students from universities around the globe and shared practical knowledge on "digital empowerment" and "cross-domain perspectives." These cross-departmental internships helped interns develop the capabilities for proposing solutions to meet specific demands. In response to production line expansions, PharmaEssentia recruited and retained talent by continuing to promote employee stock purchase plans as a long-term employee incentive mechanism which allows employees to grow alongside the Company. In terms of social participation, PharmaEssentia continued to offer compassionate treatment by donating drugs to patients who required timely access to treatment. A total of 59 patients benefited from our compassionate treatment program in 2025. We also continued to sponsor local MPN patient groups and collaborate with medical teams and academic institutes to focus on MPN care and treatment issues that can benefit more patients around the world.

PharmaEssentia gained significant acclaim and recognition from domestic and foreign institutions in 2025. Our international sustainability Standard & Poor's Corporate Sustainability Assessment (S&P CSA) performance for the previous year ranked in the 2025 S&P Global Sustainability Yearbook, and we received the Industry Mover award. Our S&P CSA score for 2025 ranked in the top 10% of the global biotechnology industry. In 2025, we also received the 1.5°C Climate Certification from CommonWealth Magazine, the Taiwan Corporate Sustainability Awards (TCSA) Gold Corporate Sustainability Report Award (Health Care Category 1), and the 22nd National Innovation Award Corporate Innovation Award. Looking to the future, PharmaEssentia will continue to balance sustainability performance with business expansions to achieve mutual wins for all stakeholders.

About PharmaEssentia

Company name	PharmaEssentia Corporation
Company status	Publicly listed company
Date of establishment	May 2000
Industry category	Biotechnology and pharmaceuticals industry
Business focus	Research, development, production, and sales of new biopharmaceuticals
GICS sector	Biotechnology
Chairperson	Ching-Leou Teng
Paid-in capital	NT$3.796 billion
Consolidated turnover	NT$15.634 billion
Number of employees	712
Operational sites	PharmaEssentia Taipei Office: 2F.-5, No. 3, Yuanqu Street, Nangang District, Taipei City Taichung Plant: 3rd Floor, No. 6, Zhongke Road, Daya District, Taichung City Domestic subsidiary (wholly-owned subsidiary): Panco: No. 177-10, Zhongzun Street, Luzhu District, Taoyuan City Overseas subsidiaries (wholly-owned subsidiaries): PharmaEssentia USA/ PharmaEssentia Innovation Research Center Corporation/PharmaEssentia Japan/PharmaEssentia Korea/ PharmaEssentia Singapore/ PharmaEssentia Hong Kong/ PharmaEssentia Global Ltd. Overseas sub-subsidiaries (wholly-owned subsidiary) PharmaEssentia Beijing

Mission Statement

PharmaEssentia is focused on the research and development of new drugs. We work to expand indications, invest in research for different diseases, and actively promote access to medicine for global patients while enhancing patient health and well-being. We monitor environmental, economic, and human rights impacts from operational activities, and advance sustainable development by regularly responding to stakeholder expectations and building a comprehensive sustainable governance framework. We aim to achieve our mission of “Better Science, Better Lives” by fulfilling our corporate social responsibilities and creating long-term shared values for society while increasing revenues.

Primary Products and Developments

PharmaEssentia has long been dedicated to research in the field of blood disorders. We utilized our unique and patented PEGylation platform to independently develop BESREMi® (generic name Ropeginterferon alfa-2b, also known as Ropeg or P1101), the first long-acting interferon approved by the FDA for treating all severities of PV. We are also working to expand ET indications for Ropeg. Our last clinical trial participant completed Phase III trials in 2024 and our clinical trial reports have been completed. In 2025, we submitted applications for ET marketing authorizations in Taiwan, the US, Japan, and China to enhance medical value in the MPN field while strengthening our leadership in this domain.

Ropeg is a new-generation, innovative, long-acting interferon drug developed and produced by PharmaEssentia which has obtained marketing authorizations in over 50 countries around the world, including major markets such as the EU, the US, and Japan. We are working to increase Ropeg’s market share by strengthening collaborations with medical institutions and patient organizations. We aim to steadily increase diversification in our product lines and expand the indications of our current products into other disease domains to solve unmet patient needs. We also established the PharmaEssentia Innovation Research Center (PIRC) in Boston to attract local outstanding biotechnology talents, and we are working to expand our R&D and innovation momentum by introducing/integrating artificial intelligence (AI) and machine learning (ML) to effectively identify research targets at an early stage so we can reduce development times and costs while accelerating R&D and time to market for new drugs.

Operational Developments

Access to Medicine

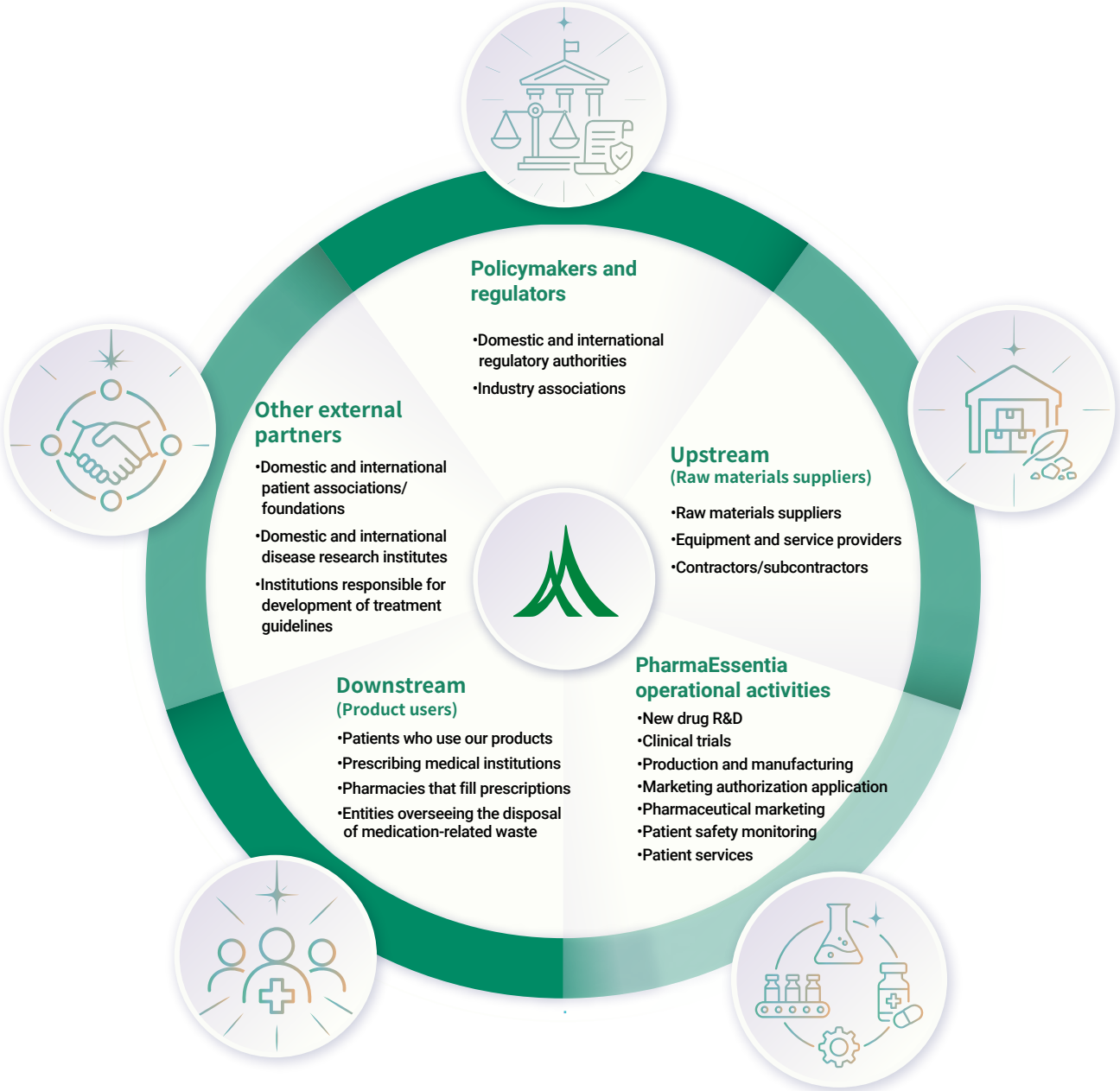
PharmaEssentia aligns with the Access to Medicine Index (ATMI) and places significant emphasis on drug accessibility, affordability, and availability. In 2017, we launched a PV patient support program and a PV education & consultation website where qualified professionals provide information on PV, self-injections, and medical expenses to help patients and their families take a proactive stance toward the disease and its treatment, ensuring treatment continuity and effectiveness. Ropeg was included in Japanese National Health Insurance coverage starting from June 2024, which enabled patients to administer self-injections and extend prescription durations. This significantly reduced the frequency of patient visits and the burden of medical expenses. Ropeg was included in Korea's social insurance coverage starting in 2025, benefiting more PV patients in Asia

Business Developments

PharmaEssentia has developed two main business models: "Establishing multinational subsidiaries" and "Authorizing collaboration alliances." The former business model encompasses carrying out marketing and sales activities at locations where our subsidiaries and sub-subsidiaries are located. The latter business model encompasses authorizing international drug manufacturer Pint-Pharma GmbH to apply for marketing authorizations and handle commercial sales in Latin America. We also signed an authorization agreement for Canada with international drug manufacturer FORUS Therapeutics Inc. in 2024 to expand our global reach. We utilized the local market resources and professional networks of our partner to accelerate and strengthen business developments in the North American market so more patients can access high-quality drugs that improve their quality of life.

Sustainable Value Chain

The impacts of PharmaEssentia's products have spread worldwide, and our important value chain partners include government agencies, suppliers, medical institutions, patients, and other research organizations.



Future Plans

Operational sites	Description	
Entire Group	**PharmaEssentia has formulated four short, medium, and long-term plans:** **1.Lead global developments in MPN treatment** Ropeg has obtained marketing authorizations for PV and been launched in many countries. Essential thrombocythemia (ET): Completed Good Clinical Practice (GCP) audits in Taiwan on November 28 and December 2, 2025; reviews are expected to be completed between April and June of 2026. FDA reviews are expected to be competed on August 30, 2026. Chronic myeloid leukemia (CML) Primary myelofibrosis (PMF) **2.Expand Ropeg indications** Other blood disorders and solid tumors. Monotherapies or combination therapies with other molecules, such as use of Ropeg + Anti-PD-1 for preventing post-surgery recurrence in Hepatocellular Carcinoma (HCC) **3.Utilize PharmaEssentia's self-developed PEG platform to develop long-acting cytokines** Develop other Best-in-Class (BiC)/First-in-Class (FiC) PEGylated cytokines such as GCSF, IL-2, or IFN-γ Target solid tumors with low response rates such as renal cancer, pancreatic cancer, or immune-mediated diseases **4.PIRC: Develop BiC/FiC therapies and actively seek out strategic partners** Use novel BiC/FiC immune checkpoint molecules for treatment of solid tumors and hematologic diseases TCR-T cell therapy: TCR-T targets cancer antigens on cell membranes as well as intracellular cancer antigens Actively explore collaboration projects to expand product lines.	
Taichung Plant	In response to continued growth in global PV markets, we established a second product line at our Taichung Plant, doubling future production capacity and meeting the medication needs of more patients.	
Panco	Panco operations have begun generating profits, and we plan to expand warehousing space and install additional equipment to ensure that all operational activities comply with Good Distribution Practice (GDP) requirements.	
PharmaEssentia USA	Conduct clinical trials in accordance with Group needs and strengthen Ropeg marketing activities.	
PharmaEssentia Japan		
Hsinchu Zhubei Plant	PharmaEssentia established the Hsinchu Zhubei Plant and Taichung Houli Plant to expand PEG and Ropeg Drug Substance (DS) production capacity. Both facilities are scheduled to be completed in 2026-2027.	Currently under construction and will be responsible for Ropeg bioprocessing and strengthening collaborations with National Taiwan University Hospital Hsin-Chu Branch to develop mid- and long-term cell therapies
Taichung Houli Plant		Currently under construction and will be responsible for carrying out Ropeg chemical processes used for producing PEG.

PD-1 is a human antibody that can block PD-1 messaging pathways

Operational Performance

Indicator (Unit: NT$ thousands)		2023	2024	2025
Direct Economic Value (A)	Operating revenue	5,105,615	9,734,814	15,634,777
Economic Value Distributed (B)	Operating costs	610,544	1,177,225	1,684,323
	Employee salaries and benefits	2,181,199	2,078,523	2,912,236
	Government tax payments (income tax)	76,872	297,902	232,887
	Payments to capital providers (interest)	34,555	2,206	6,177
	Community investments (charitable contributions)	1,565	2,308	2,743
	Total	2,904,735	3,558,164	4,838,366
Retained Economic Value (A-B)		2,200,880	6,176,650	10,796,411

Note: In 2025, PharmaEssentia made no government contributions and received NT$3,208,287 in government-funded scientific and technological research grants for P1101 ET treatment research. (Please refer to 3.1 New Drug R&D and Innovation Management for more information.)

Recognition and Honors

Received

"Corporate Innovation Award" in the biopharmaceuticals and precision medicine category at the 22nd National Innovation Award

PharmaEssentia extended clinical applications for BESREMi® (long-acting interferon) from polycythemia vera (PV) to essential thrombocythemia (ET), showcasing the drug's outstanding performance in new indications and clinical standards, enhancing our brand value and strengthening our visibility in the global biotechnology market.

Included in

2025 S&P Global Sustainability Yearbook and received Industry Mover award

Included in the S&P Global Sustainability Yearbook for two consecutive years; our score for the previous year was ranked in the top 5% of the global biotechnology industry, and we also received the Industry Mover award. We were the only Taiwanese enterprise listed in the S&P Global Sustainability Yearbook biotechnology category for the year.

Received

2025 Taiwan Corporate Sustainability Awards (TCSA) Gold Corporate Sustainability Report Award (Health Care Category 1)

PharmaEssentia has received the TCSA Corporate Sustainability Report Award for four consecutive years, demonstrating the integrity, credibility, and communication effectiveness of the information disclosed in our sustainability reports.

Recognized as

an "Outstanding Enterprise" by the Ministry of Labor Occupational Health and Safety Administration following evaluation of occupational health and safety indicators disclosed in corporate sustainability reports for 2025

PharmaEssentia ranked among the top 10% of outstanding enterprises and was awarded a certificate of commendation. In future, we plan to extend our existing system, strengthen occupational health and safety governance, and build a healthy and safe "human-oriented, safety first" workplace environment

Received

CommonWealth Magazine 1.5°C Climate Certification

PharmaEssentia's carbon reduction targets and pathways were certified as being aligned with the temperature targets of the Paris Agreement by Temperature Rising Index for Pathways (TRIPs). In recent years, PharmaEssentia has continued to improve energy efficiency, expand energy conservation benefits, and make steady progress toward a vision of sustainable development.

01

Sustainable Governance

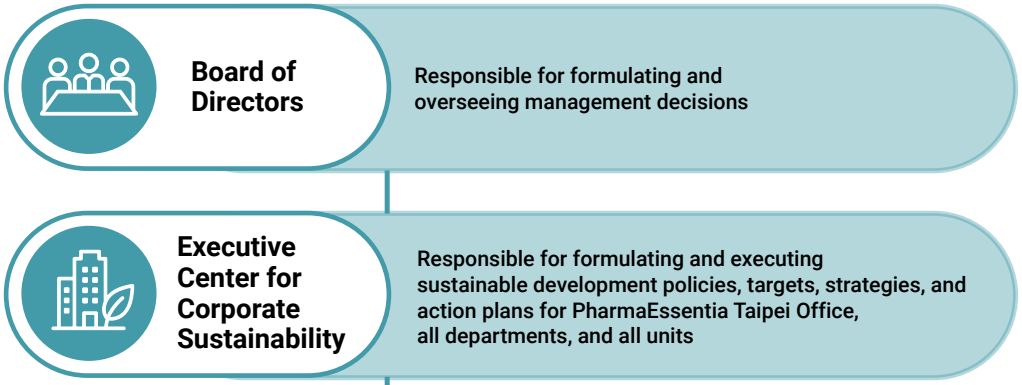
1.1 Sustainable Development Goals and Blueprint

PharmaEssentia formulated a five-year sustainable development blueprint based on biotechnology industry characteristics, sustainable development trends, and stakeholder expectations, and strives to optimize environmental, social, and governance actions to exert positive corporate impacts.

Aspect	Achievements in 2025	Blueprint		
		Short-term (1–2 years)	Mid-term (3–5 years)	Long-term (6–10 years)
 **Environmental (E)**	• Conducted greenhouse gas inventories for all PharmaEssentia parent company operational sites	• Disclose greenhouse gas inventory information for all PharmaEssentia parent company operational sites • Conduct consolidated greenhouse gas inventories • Incorporate TNFD framework and disclose preliminary information	• Formulate SBTi-based annual greenhouse gas reduction targets, strategies, and specific action plans • Disclose greenhouse gas inventory and assurance information for all PharmaEssentia parent company operational sites • Disclose consolidated greenhouse gas inventory information • Join Carbon Disclosure Project (CDP) initiative	• Disclose greenhouse gas inventory and assurance information for all PharmaEssentia parent company operational sites • Disclose consolidated greenhouse gas inventory and assurance information • Strengthen TNFD disclosures
 **Social (S)**	• Introduced human rights management framework for employees and Tier 1 suppliers • Launched sustainable supply chain program to strengthen supply chain management	• Promote social participation plans and projects that leverage PharmaEssentia's core expertise, and incorporate impact measurement and management frameworks • Establish comprehensive talent cultivation system and strengthen talent training at all levels and in all departments	• Incorporate Taskforce on Inequality and Social-related Financial Disclosures (TISFD) framework, and disclose inequality and social-related financial information • Incorporate CSDDD framework and conduct due diligence on activity chain • Strengthen social participation projects and issue impact reports	• Continue to implement TISFD framework • Continue to conduct human rights due diligence • Continue to issue impact reports
 **Governance (G)**	• Obtained top 10% S&P Global CSA Score	• Expand sustainability report disclosure boundary to encompass 100% of consolidated operational sites • Improve ranking in ESG Evaluations and achieve 6–20% ranking • Improve S&P Global CSA Score to obtain top 5% ranking and be selected as a constituent of the Dow Jones Best-in-Class Index (DJBIC) • Link director and senior executive salaries and remuneration with ESG performance indicators	• Raise ESG Evaluation ranking to top 5% • Maintain top 5% S&P Global CSA Score and be selected as a constituent of the Dow Jones Best-in-Class Index (DJBIC) • Participate in FTSE Russell ESG Score evaluations and raise score to 3.0 • Participate in Taiwan Corporate Sustainability Awards (TCSA) Best Sustainability Practice Awards • Disclose 2028 IFRS Sustainability Disclosure Standards information in annual report, and apply to join the Pharmaceutical Supply Chain Initiative (PSCI) to promote sustainable supply chains in the biotechnology and pharmaceuticals industry • Raise ratio of female directors to 1/3 of board members	• Maintain top 5% ESG Evaluation ranking • Improve S&P Global CSA Score to obtain top 1% ranking and be selected as a constituent of the Dow Jones Best-in-Class Index (DJBIC) • Raise FTSE Russell ESG Score to 3.5

1.2 Sustainable Governance Organizational Structure

The Board of Directors is the highest sustainability governance unit at PharmaEssentia, and is responsible for formulating and overseeing management decisions. In 2019, we established the Executive Center for Corporate Sustainability and five functional teams to formulate and execute sustainable development projects. Relevant achievements are reported directly to the general manager, who is responsible for management of sustainability impacts. Project progress and achievements are reported to the board every quarter, and sustainability reports are also presented to the board every year. Please refer to 2.1 Corporate Governance Structure for the Sustainability Governance Structure Chart.



Environmentally Friendly Team

Identifies and manages possible environmental impacts during product lifecycle stages, including energy usage, water usage, greenhouse gas emissions, medical waste, and chemical substances

Associated Material Topics

- Energy and Waste Managemen

Employee Wellbeing Team

Manages all issues that emerge during human resource cycles, including recruitment, appointment, compensation, incentives, training, performance appraisals, employee assistance, occupational health and safety, resignation, and retirement

Associated Material Topics

- Human Capital Management and Development

Product Ethics & Safety Team

Manages R&D, clinical, production and manufacturing, and sales stages during product lifecycles, as well as safety, efficacy, and ethics issues

Associated Material Topics

- New Drug R&D Management and Clinical Trials
- Drug Quality and Safety

Access to Health Care Team

Ensures patients have access to medicines; assists patients in obtaining required medications through policy participation, innovative technologies, and competency development; and formulates related action plans to exert social impacts within the medical domain.

Associated Material Topics

- Access to Medicine
- Doctor-Patient Relationships and Local Empowerment

Corporate Governance Team

Facilitates effective board management by:

- Ensuring legal compliance and ethical management
- Monitoring operational risks
- Improving transparency and timeliness of public information
- Maintaining sound financial performance
- Protecting patient privacy and data security
- Formulating complete intellectual property rights application, acquisition, management, and utilization procedures

Associated Material Topics

- Business Integrity and Ethical Management
- Information Security and Privacy Protection

Sustainability Achievements in 2025

G Governance	• Board meeting attendance rates reached 100% • Audit Committee and Remuneration Committee meeting attendance rates reached 100% • Created the new position of Chief Information Security Officer • Conducted information security training, introduced information security awareness training, and implemented phishing simulation training; a total of 643 people participated in these training courses over 554.5 training hours • Implemented document management systems for all departments and categorized departmental information by confidentiality levels to effectively assist new personnel in learning new information and communicating with senior employees • A total of 70 people participated in PharmaEssentia Japan's cybersecurity training • Established digital system of record and integrated intellectual property docketing procedures, improving accuracy rates to 100% and reducing administrative handling time by 30% • 243 valid patents • 185 valid trademarks • Achieved 100% Supplier Code of Conduct signing rate • Implemented "Four Phase Precision Identification Strategy" for supplier sustainability self-assessment analysis • Added 80 suppliers and contractors, including 68 local suppliers • Launched Sustainable Preferred Supplier Initiative • Increased R&D investments to facilitate a total of 14 R&D product lines • Continued to expand Ropeg indications, completed Phase III ET trials, and submitted marketing authorization applications in multiple countries • Zero product recalls, regulatory violations, and fatalities throughout the year • Taichung Plant secured Good Manufacturing Practice (GMP) certifications across multiple countries, activated second production line, and doubled production capacity • 100% marketing and labeling compliance, with zero marketing and labeling violations over the past five years
E Environmental	• Taichung Plant Energy Efficiency Leadership Program reduced electricity usage by 354,649 kWh (approximately 168.1 tCO_2e) in 2025 • Recycled water volumes for 2025 reached 10.05 million liters, an increase of 3.31% compared to the previous year (9.728 million liters of water were recycled in 2024) • Waste intensity for 2025 was reduced by 12.5% compared to 2024; our water intensity has been trending downward for the past three years • PharmaEssentia Taipei Office and Taichung Plant obtained ISO 14064-1 verifications in 2025 • Formulated "PharmaEssentia Biodiversity and No Deforestation Commitment" • Taichung Plant introduced energy management system and incorporated other low-carbon equipment (such as by replacing motors in chillers with variable frequency motors) to enhance energy efficiency and reduce carbon emissions
S Social	• PharmaEssentia (Taiwan) achieved executive retention rate that surpassed 95% • PharmaEssentia (Taiwan) and Panco achieved turnover rates lower than 10% • PharmaEssentia (Taiwan) and Panco employee welfare expenditures increased by 45% • PharmaEssentia (Taiwan) and Panco launched a digital learning platform with more than 3,000 courses and achieved an employee usage rate of 70%; total training hours amounted to 2,314 hours • No occupational accidents or occupational diseases within the Group • Obtained PV marketing authorizations in Hong Kong, Brazil, and Argentina in 2025; we cumulatively hold marketing authorizations in more than 50 countries • New drug technology and patents licensing in 20 countries • Enrolled a total of 1,317 clinical trial participants worldwide • 59 patients benefited from compassionate treatment in 2025 • PharmaEssentia Taipei Office and Panco jointly hosted 30 seminars for healthcare professionals and patients • Hosted the 8th MPN Asia in Beijing, China, an event attended by 100 important stakeholders from around the globe • PharmaEssentia Japan's MPN health education videos reached 480,000 viewers • Social Return on Investment (SROI) assessments revealed that the remote health promotion for elders in rural areas program created NT$12.27 of social value for every NT$1 of investment in 2025 • Arts and culture sponsorships exceeded NT$3 million

1.3 Stakeholder Engagement

PharmaEssentia referenced the five attributes of the AA1000 Stakeholder Engagement Standard (Accountability, Influence, Tension, Diverse Perspectives, and Dependency) to select ten stakeholder categories as primary communication targets: patients, employees, healthcare professionals, commissioned research/experiment units, suppliers and business partners, shareholders/investors, local communities, governments and competent authorities, the media, and NPOs/NGOs. In 2025, our senior executives filled out stakeholder weighting surveys to jointly determine the levels of significance for these ten stakeholder categories. We collected a total of 23 surveys for analysis. Stakeholder significance to PharmaEssentia and corresponding pharmaceutical lifecycle stages are shown in the table below.

Stakeholder Category	Significance to PharmaEssentia	Corresponding Pharmaceutical Lifecycle Stage						
		New drug R&D	Clinical trials	Production and manufacturing	Drug registration	Marketing and sales	Patient services	Drug disposal
1 Patients	Direct benefits from drug efficacy						●	
2 Employees	Responsible for managing and implementing PharmaEssentia operational activities	●	●	●	●	●	○	○
3 Healthcare Professionals	Responsible for overseeing clinical trials and assisting patients with frontline medication usage	○	●				●	
4 Commissioned Research/ Experiment Units	Industry-academia collaborations and joint development of new drugs	●	●					
5 Suppliers and Business Partners	Provide raw materials/equipment/services and undertake contract projects	●	●	●				●
6 Shareholders/Investors	Provide capital and own shares in PharmaEssentia	○	○	○	○	○	○	○
7 Local Communities	Direct environmental and social/human rights impacts on residents and communities surrounding PharmaEssentia production sites			●				●
8 Government and Competent Authorities	Formulate drug quality/production/marketing regulations Determine drug indications and prices Determine environmental and social indicators and standards for production processes	○	●	●	●	●	●	●
9 Media	Review and promote PharmaEssentia achievements					○	○	
10 NPO/NGOs	Joint promotion of various initiatives and health education activities					●	●	

● represents direct impacts and ○ represents indirect impacts

In 2025, PharmaEssentia continued to respond to stakeholder concerns toward sustainability issues through diverse stakeholder communication channels:

	1 Patients	2 Employees	3 Healthcare Professionals	4 Commissioned Research/ Experiment Units	5 Shareholders and Investors
Sustainability Issues of Concern	· Drug Quality and Safety · Access to Medicine · New Drug R&D Management and Clinical Trials · Pharmaceutical Marketing and Labeling · Business Integrity and Ethical Management · Information Security and Privacy Protection · Doctor-Patient Relationships and Local Empowerment	· Business Integrity and Ethical Management · Information Security and Privacy Protection · Doctor-Patient Relationships and Local Empowerment · Occupational Health and Safety · Human Capital Management and Development	· Drug Quality and Safety · Access to Medicine · New Drug R&D Management and Clinical Trials · Information Security and Privacy Protection · Doctor-Patient Relationships and Local Empowerment	· Drug Quality and Safety · Access to Medicine · New Drug R&D Management and Clinical Trials · Business Integrity and Ethical Management	· Access to Medicine · New Drug R&D Management and Clinical Trials · Business Integrity and Ethical Management · Human Capital Management and Development
Communication Channels and Frequencies in 2025	· Corporate website: At any time · Phone calls or emails: At any time · Visits or video conferences: As needed · Seminars: On an ad hoc basis	· Employee welfare committee meetings: Quarterly · Labor-management meetings: Quarterly · Employee performance appraisals: Every six months · On-site medical services: Monthly · Health promotion services: Annually · Phone calls or interviews: As needed · Internal website: At any time · Grievance reporting website and mailbox: At any time · Corporate website: At any time · Chinese and English sustainability reports: Annually	· Official correspondences: As needed · Seminars: On an ad hoc basis · Phone calls or emails: At any time · Video conferences: As needed	· Official correspondences: As needed · Seminars: On an ad hoc basis · Phone calls or emails: At any time · Video conferences: As needed · Commissioned R&D contracts: As needed	· Shareholders general meetings: Annually · Extraordinary general meetings: On an ad hoc basis · Board meetings: Quarterly · Extraordinary board meetings: On an ad hoc basis · Investor conferences: At least once every quarter · Press conferences: As needed · Spokesperson statements: At any time · Corporate website: At any time · Market Observation Post System: As needed · Chinese and English sustainability reports: Annually
Communication Achievements in 2025	Please refer to 3. Drug Development, Quality, and Safety; 6.1 Access to Medicine; and 6.2 Patient Care and Global Health Empowerment	Please refer to 5. Employee Well-Being.	Please refer to 3. Drug Development, Quality, and Safety; 6.1 Access to Medicine; and 6.2 Patient Care and Global Health Empowerment.	Please refer to 3. Drug Development, Quality, and Safety.	Please refer to 2. Corporate Governance and 3. Drug Development, Quality, and Safety.

	6  Suppliers and Business Partners	7  Local Communities	8  Government and Competent Authorities	9  Media	10  NPOs/NGOs
Sustainability Issues of Concern	· Drug Quality and Safety · New Drug R&D Management and Clinical Trials · Business Integrity and Ethical · Sustainable Supply Chain Management · Information Security and Privacy Protection · Occupational Health and Safety	· Access to Medicine · Business Integrity and Ethical Management · Energy and Waste Management · Climate Change Responses · Biodiversity · Doctor-Patient Relationships and Local Empowerment	· Drug Quality and Safety · Pharmaceutical Marketing and Labeling · Information Security and Privacy Protection · Business Integrity and Ethical Management · Energy and Waste Management · Climate Change Responses · Biodiversity · Doctor-Patient Relationships and Local Empowerment · Occupational Health and Safety	· Drug Quality and Safety · Business Integrity and Ethical Management · Energy and Waste Management · Climate Change Responses · Biodiversity · Doctor-Patient Relationships and Local Empowerment	· Access to Medicine · Drug Quality and Safety · Business Integrity and Ethical Management · Energy and Waste Management · Doctor-Patient Relationships and Local Empowerment
Communication Channels and Frequencies in 2025	· Production and sales meetings: Biweekly · Visits: As needed · On-site audits: Annually · Phone calls or emails: At any time · Video conferences: As needed · Corporate website: At any time	· Official correspondences: As needed · Seminars and lectures: On an ad hoc basis · Phone calls or emails: At any time · Video conferences, charity activities, or cooperative education collaborations: As needed · Corporate website: At any time · Market Observation Post System: As needed	· Official correspondences: As needed · Seminars: On an ad hoc basis · Phone calls or emails: At any time · Video conferences, charity activities, or cooperative education collaborations: As needed · Corporate website: At any time · Market Observation Post System: As needed · Chinese and English sustainability reports: Annually	· Media banquets: Annually · Press conferences: As needed · Press releases: On an ad hoc basis · Interviews: As needed · Spokesperson statements: At any time · Corporate website: At any time · Market Observation Post System: As needed · Chinese and English sustainability reports: Annually	· Official correspondences: As needed · Seminars: On an ad hoc basis · Phone calls or emails: At any time · Video conferences: As needed
Communication Achievements in 2025	Please refer to 2.6 Sustainable Supply Chain Management.	Please refer to 6. Social Contributions.	Please refer to 2. Corporate Governance.	Please refer to 2. Corporate Governance and 6. Social Contributions.	Please refer to 6. Social Contributions.

1.4 Materiality Assessment

PharmaEssentia referenced GRI 3: Material Topics 2021 of the GRI Universal Standards 2021 and double materiality concepts to identify and analyze material topics for 2025 as well as potential positive and negative environmental, economic, and social (including human rights) impacts. Corresponding management strategies and engagement actions were formulated to respond to stakeholder expectations regarding sustainable development. We adhered to the following assessment process:

Step 1: Clarify organizational context

Identify sustainability topics

PharmaEssentia clarified organizational context by combining strategic focuses and stakeholder topics of concern while referencing disclosure requirements listed in GRI standards, SASB standards, and international sustainability ratings (S&P CSA, MSCI), as well as sustainability topics disclosed by domestic and foreign peers. In 2025, we compiled 13 sustainability topics encompassing product, governance, social, and environmental aspects.

Product	Governance	Environmental	Social
Drug Quality and Safety	Business Integrity and Ethical Management	Energy and Waste Management	Doctor-Patient Relationships and Local Empowerment
Access to Medicine	Sustainable Supply Chain Management	Climate Change Responses	Occupational Health and Safety
New Drug R&D Management and Clinical Trials	Information Security and Privacy Protection	Biodiversity	Human Capital Management and Development
Pharmaceutical Marketing and Labeling			

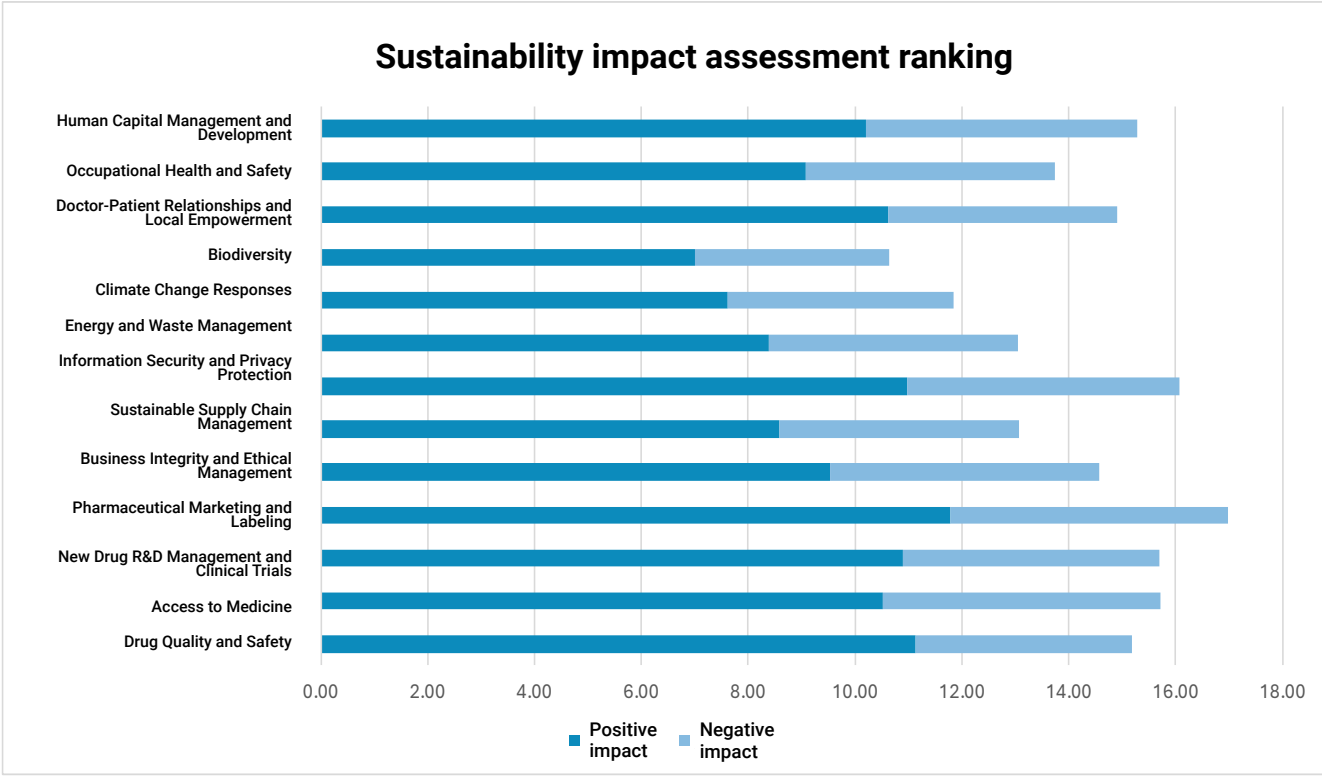
Step 2: Identify actual and potential impacts

PharmaEssentia distributed external sustainability impact assessment surveys to the ten types of stakeholders and senior executives to assess potential positive and negative environmental, economic, and social impacts from sustainability topics, as well as likelihoods of occurrence. We collected a total of 193 completed surveys. PharmaEssentia senior executives also filled out internal operational impact assessment surveys to assess potential positive and negative operational impacts from sustainability topics, as well as likelihoods of occurrence. We collected a total of 23 completed surveys.

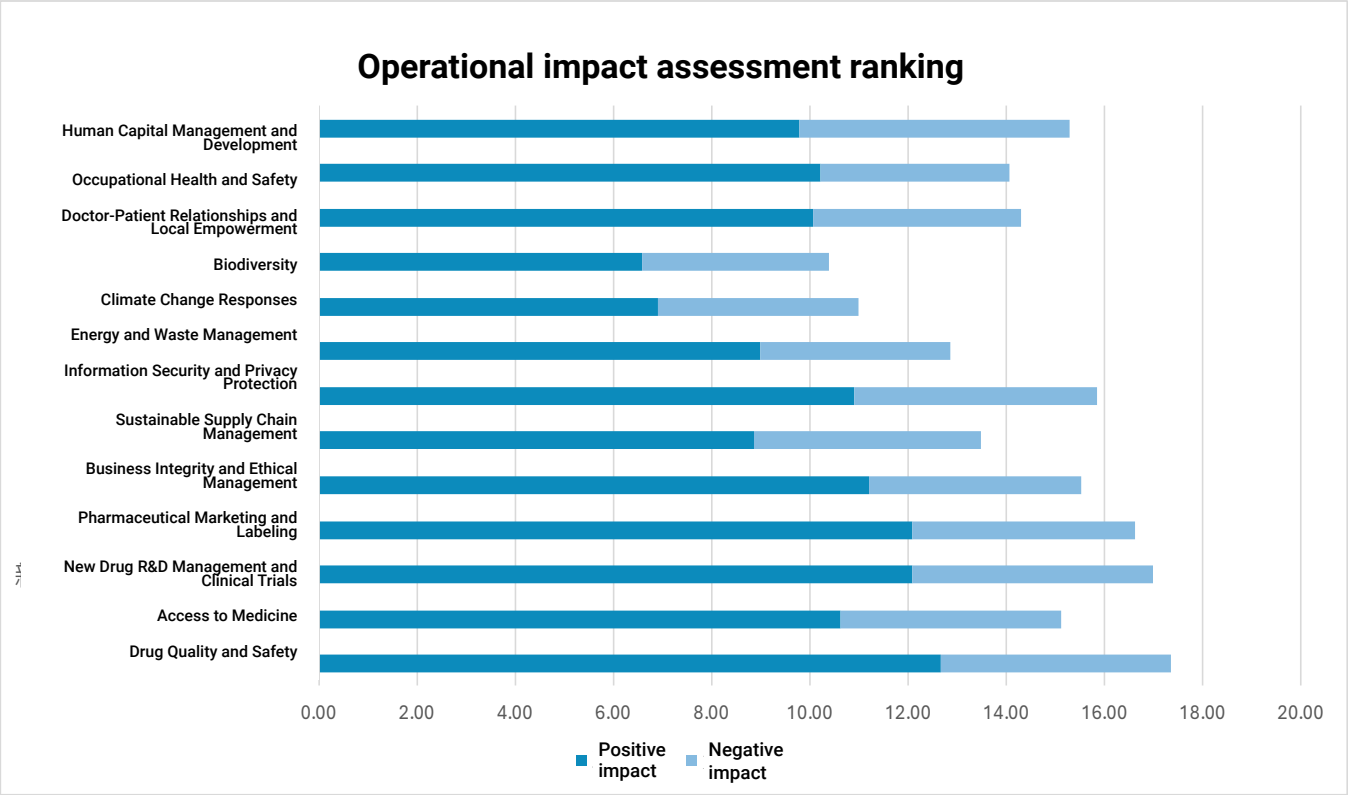
Step 3:
Identify impacts and assess significance

Topics were ranked by “Level of economic, environmental, and social impacts (sustainability impact assessment ranking),” “Level of operational impacts (operational impact assessment ranking),” and positive and negative impacts based on survey results.

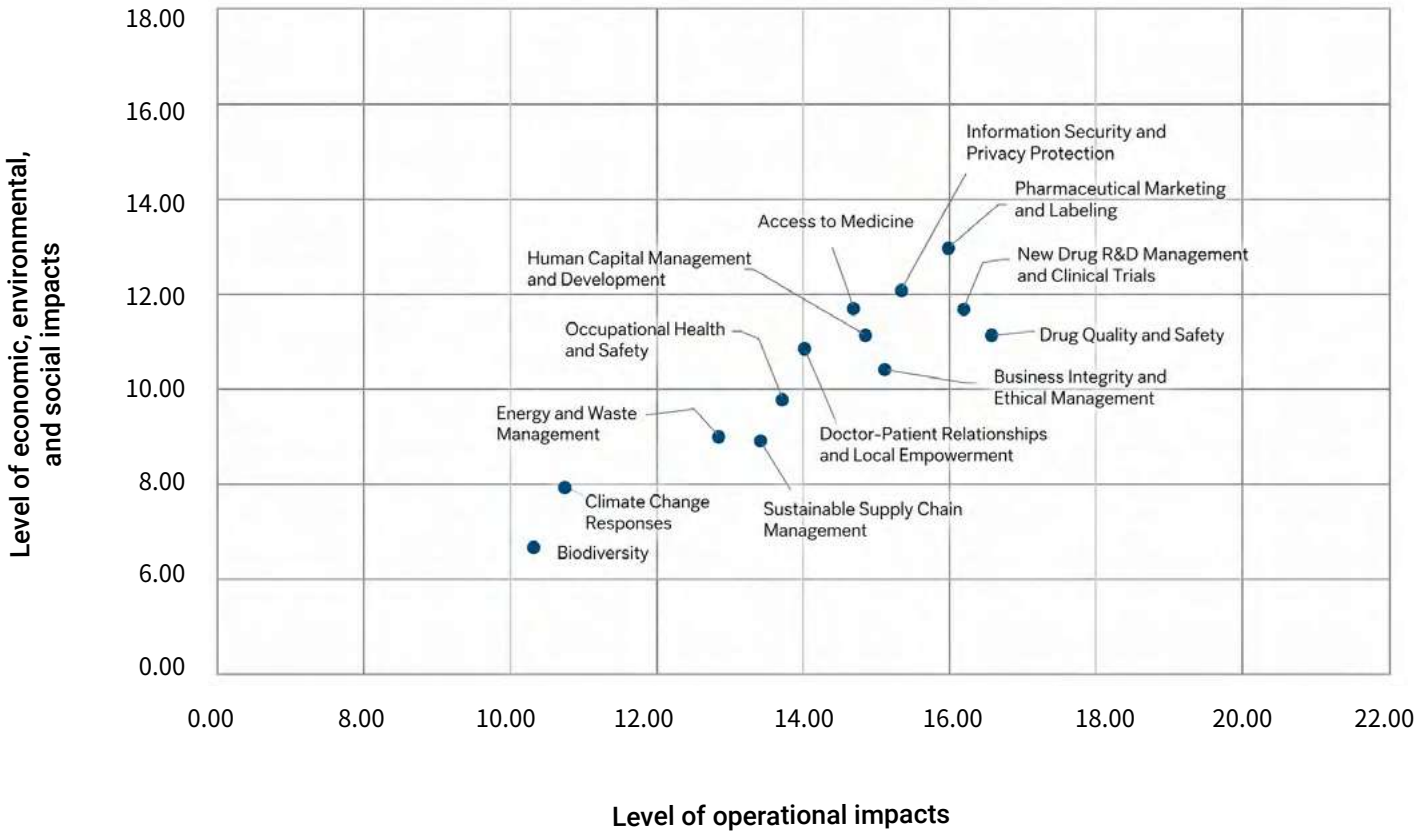
Sustainability impact assessment ranking



Operational impact assessment ranking



Combined positive and negative impacts



Step 4:
Identify impacts and assess significance

Combined sustainability impact and operational impact assessment ranking results were discussed by the Executive Center for Corporate Sustainability and management personnel. Based on stakeholder weights and perspectives, a total of 9 material topics were determined and were reported to the board. Material topic rankings and comparisons with topic rankings for the previous year are shown below:

Ranking	Material Topics for 2025	Aspect	Comparisons with Previous Year	Material Topics for 2024
1	Pharmaceutical Marketing and Labeling	Product	Maintained (originally incorporated into Business Integrity and Ethical Management)	Drug Quality and Safety Management
2	New Drug R&D Management and Clinical Trials	Product	Maintained (originally titled New Drug R&D and Innovation Management)	Talent Attraction and Retention
3	Drug Quality and Safety	Product	Maintained (originally titled Drug Quality and Safety Management)	Business Integrity and Ethical Management
4	Information Security and Privacy Protection	Governance	New topic	Talent Cultivation and Career Progression
5	Access to Medicine	Social	Maintained	Access to Medicine
6	Human Capital Management and Development	Social	Maintained (merged Talent Attraction and Retention with Talent Cultivation and Career Progression)	New Drug Research & Development and Innovation Management
7	Business Integrity and Ethical Management	Governance	Maintained	Doctor-Patient Relationships and Local Empowerment
8	Doctor-Patient Relationships and Local Empowerment	Social	Maintained	Evaluation of Environmental Impacts from Drug Production Processes
9	Energy and Waste Management	Environmental	Maintained (originally titled Evaluation of Environmental Impacts from Drug Production Processes)	

Step 5:
Compile list of material topics

PharmaEssentia formulated management metrics and targets for all 9 material topics. We review progress on all metrics/targets each year to facilitate timely tracking and management of our sustainability performance, and also clearly define the responsible units for each metric to ensure effective target implementation.

Aspect	Material Topics	Corresponding GRI Standards	Corresponding SASB Standards	Operational Impacts for PharmaEssentia	External Impacts	Short, Medium, Long Term Targets and Management Policies
Product	**Pharmaceutical Marketing and Labeling**	• GRI 417: Marketing and Labeling 2016	• HC-BP-270a.1 • HC-BP-270a.2	• Positive: Complying with local marketing, advertising, and labeling regulatory requirements can prevent counterfeit drugs, inferior drugs, and mislabeled drugs from entering the market, and maintain our brand reputation. • Negative: Violations of local marketing, advertising, and labeling regulatory requirements may affect our brand reputation and result in penalties, marketing-related settlements, damage compensation, and other financial losses.	• Positive: Complying with local marketing and labeling regulatory requirements can prevent mislabeled drugs from entering the market, ensuring that the medical sector and patients can receive accurate medication information. • Negative: Regulatory violations or release of mislabeled drugs may jeopardize patient safety and undermine public trust in the healthcare system.	3.3 Pharmaceutical Marketing Ethics and Labeling
	New Drug R&D Management and Clinical Trials	• Self-defined topic: R&D expenditures as a percentage of revenue	• HC-BP-210a.1、 • HC-BP-210a.2、 • HC-BP-210a.3	• Positive: Applying innovative R&D to multiple indications while ensuring the safety and quality of clinical trials can enhance patient trust, increase revenues, and strengthen competitiveness. • Negative: High innovative R&D costs and possible risks of regulatory violations, fines, and damage to brand image if clinical trial audit procedures are not properly established.	• Positive: Innovative R&D and clinical trials help satisfy unmet medical needs, enhance industrial R&D capabilities, and improve patient well-being. • Negative: Improper management of R&D achievements may lead to counterfeiting, fake drugs entering the market, and unintentional infringement, damaging our brand image and lowering trust in the healthcare system. Lack of comprehensive trial audit procedures may also jeopardize the safety of trial participants.	3.1 New Drug R&D Management and Clinical Trials
	Drug Quality and Safety	• GRI 416: Customer Health and Safety 2016	• HC-BP-250a.1、 • HC-BP-250a.2、 • HC-BP-250a.3、 • HC-BP-250a.4、 • HC-BP-250a.5	• Positive: Compliance with quality and safety laws, local registration standards, and other regulatory standards help reduce product recalls and counterfeit drugs, lowering compensation and litigation costs and risks. • Negative: Failure to meet quality and registration standards may lead to product recalls, damage our brand image, and result in fines, claims, and lawsuits.	• Positive: Quality and risk management of raw materials, production, and transportation ensures compliance with regulations and registration standards, lowering risks of product recalls and improving patient care. • Negative: Drugs that fail to meet quality and registration standards may endanger patient safety and undermine trust in the industry.	3.2 Drug Quality and Safety
Goverance	**Information Security and Privacy Protection**	• GRI 418: Customer Privacy 2016	-	• Positive: Established information security and personal information protection mechanisms, paired with periodic strengthening of systemic and employee information security awareness, help to reduce risks from information security incidents. • Negative: Lack of effective information security and personal information protection systems may result in data breaches, damage to corporate assets and corporate reputation, and lead to penalties or lawsuits.	• Positive: Establishing comprehensive information security and personal information protection mechanisms ensure privacy for employees, healthcare professionals, collaborating units, trial participants, and other stakeholders. • Negative: Failure to establish effective information security and personal information protection systems may damage stakeholder interests if information security incidents occur, or if personal information is leaked.	2.4 Data Security and Privacy Protection

Aspect	Material Topics	Corresponding GRI Standards	Corresponding SASB Standards	Operational Impacts for PharmaEssentia	External Impacts	Short, Medium, Long Term Targets and Management Policies
Social	Access to Medicine	• Self-defined topic: Number of patients and obtained marketing authorizations	• HC-BP-240a.1、 • HC-BP-240a.2 • HC-BP-240b.2、 • HC-BP-240b.3	• Positive: Patient support programs, reasonable prices, expedited acquisition of marketing authorizations, and active application for inclusion in national social insurance programs help meet patient needs and enhance drug accessibility, leading to increases in growth and innovation opportunities, collaborations, and shareholder value. • Negative: Overpriced drugs or low accessibility may weaken product competitiveness, increase patient burdens, and generate regulatory, revenue, and reputational risks.	• Positive: Patient support programs, reasonable prices, and expedited acquisition of marketing authorizations lower patient burdens and improve drug accessibility. • Negative: Lack of patient support programs and insufficient social insurance may lead to excessively high drug prices, increasing medication costs for patients.	6.1 Access to Medicine
	Human Capital Management and Development	• GRI 401: Employment 2016 • GRI 402: Labor/ Management Relations 2016 • GRI 404: Training and Education 2016	• HC-BP-330a.1、 • HC-BP-330a.2	• Positive: Competitive remuneration and career plans provide stability for core team members, reduce loss of technological knowhow, strengthen long-term competitiveness, and increase shareholder value. • Negative: Inability to retain talent or maintain employee engagement may lead to loss of professional expertise and knowledge gaps, weakening the stability of R&D systems, reducing innovation capabilities, and impacting long-term competitiveness	• Positive: Diverse recruitment, inclusive workplace culture, competitive remuneration and benefits, talent cultivation, career planning, and performance systems all enhance employee engagement and retention rates. • Negative: Lack of clear hiring and retention measures, and remuneration and appraisal systems that lack competitiveness may lower employee engagement, innovation momentum, and retention rates.	5.3 Talent Cultivation and Career Progression
Goverance	Business Integrity and Ethical Management	• GRI 205: Anti-Corruption 2016 • GRI 206: Anti-Competitive Behavior 2016 • GRI 415: Public Policy 2016	• HC-BP-510a.1、 • HC-BP-510a.2	• Positive: Ethical regulations, legal compliance, and internal training can prevent unethical behaviors and maintain operational stability. • Negative: Unethical behaviors within a company or value chain may result in penalties and lawsuits, undermining the trust of investors and stakeholders, and impacting funding and business opportunities.	• Positive: Formulation of business conduct regulations and ethical guidelines, and implementing anti-corruption, anti-bribery, and anti-competitive management mechanisms help to establish a culture of integrity in the industry and protect stakeholder interests. • Negative: Corruption, bribery, or other unethical behaviors within a company or value chain may harm stakeholder interests and undermine industrial legal compliance practices.	2.2 Business Integrity and Legal Compliance
Social	Doctor-Patient Relationships and Local Empowerment	• Self-defined topic: Organization of health education activities	-	• Positive: Clinical trials and medical knowledge sharing activities strengthen doctor-patient relationships, enhancing brand reputation, revenues, and shareholder value. • Negative: Lack of medical knowledge sharing activities may lead to insufficient understanding of drug characteristics, negatively impacting revenues and brand reputation.	• Positive: Clinical trials, medical knowledge sharing activities, and patient support programs improve knowledge of healthcare professionals and industrial development capabilities, help patients use medications appropriately, and strengthen doctor-patient relationships. • Negative: Lack of knowledge sharing activities and empowerment for healthcare professionals may result in patients being unable to receive comprehensive care and stable treatment quality.	6.2 Patient Care and Global Health Empowerment
Environmental	Energy and Waste Management	• GRI 302: Energy 2016 • GRI 303: Water and Effluents 2018 • GRI 306: Waste 2020	-	• Positive: Formulation and regular tracking of resource and waste management strategies complies with external regulations and responds to stakeholder expectations while creating low-carbon transition business opportunities. • Negative: Improper management of energy resources, waste, air pollutants, toxic substances, and other environmental indicators may result in non-compliance of external requirements, leading to penalties, increased operational costs, and reputational damage.	• Positive: Development and regular tracking of management strategies for environmental indicators reduces external costs and maintains quality of life for local communities. • Negative: Improper management of energy, waste, air pollutants, and toxic substances may increase pollution and environmental burdens, endangering the health of community residents.	4.2 Energy Management 4.4 Waste and Pollution Management

Value Chain Boundaries for Material Topics

Material Topics	Value Chain Boundaries										Impact of Sustainability Issues on Value Chain		
	Employees	Patients	Health care Professionals	Commissioned Research/ Experiment Units	Suppliers and Business Partners	Shareholders/ Investors	Local Communities	Government and Competent Authorities	Media	NPO/ NGOs	Upstream	PharmaEssentia	Downstream
Pharmaceutical Marketing and Labeling		●						●				●	●
New Drug R&D Management and Clinical Trials		●	●	●	●	●					●	●	
Drug Quality and Safety		●	●	●	●			●	●	●	●	●	●
Information Security and Privacy Protection	●	●	●	●	●			●				●	
Access to Medicine		●	●	●		●	●			●	●	●	●
Human Capital Management and Development	●					●						●	
Business Integrity and Ethical Management	●	●		●	●	●	●	●	●	●	●	●	●
Doctor-Patient Relationships and Local Empowerment		●	●				●	●	●	●		●	●
Energy and Waste Management						●	●	●	●	●	●	●	●

Highlight: Paper-Free Promotions

PharmaEssentia strives to utilize digital systems for all operational aspects to minimize paper and resource consumption while making strides toward paper-free operations. We implemented ten digital systems in 2025, and our achievements are summarized below:

System	Description
Electronic Lab Note (ELN) system	Enables faster and easier storage as well as international R&D data sharing, and effectively tracks progress and transfers expertise while reducing paper-based processing times, document handling times, and storage space. In 2025, the ELN system saved approximately 19,200 sheets of A4 paper that would have been used for printing reports and 50 laboratory notebooks amounting to 10,550 sheets of paper. Based on an average rate of 20 sheets of paper consumed per person per month across 80 employees over 12 months (approximately 19,200 sheets), these two measures resulted in a combined reduction of nearly 30,000 sheets of paper consumption.
Digital cloud intellectual property management system	We used a digital system of record to integrate global patent and trademark docketing procedures as well as cost processes for all stages. This system and the automated warnings sent by the five major intellectual property offices worldwide enabled us to to improve docketing accuracy rates for key countries to 100%, lowering manual management risks and reducing redundant document processing times by 30%.
Clinical trials	We used the Clinical Trial Management System (CTMS), Electronic Data Collection (EDC) system, and electronic Trial Master File (eTMF) system to effectively track clinical trial progress and manage clinical trial drugs while ensuring integrity of collected clinical trial information and related documents.
Education and training system	Our digitalized education and training resources reduced manual operations and paper-based processes, enhancing operational efficiency, strengthening management of internal employee training records and related processes, and enabling constant improvement of education and training systems.
Digital contract review system	Maintains consistency of contract reviews and records all review processes; and contract versions are coded appropriately to ensure that correct versions are printed for signing. The system eliminates the need for paper applications to print contracts, improving administrative efficiency.
Digitalization of internal signature procedures	We continued to develop new forms for the BPM system in 2025, including the “Purchase Requisition Form (Inventory),” “Purchase Price Establishment/Modification Application Form,” “Supplier Maintenance Procedures Form for Suppliers Pending Review,” “Contract Review and Signing Application Form,” “Environmental Health and Safety Assessment for Purchases Form,” “Account Permissions Application Form,” “Construction Application Form,” and “Employee Commuting Mileage Carbon Emissions Calculation Form,” optimizing internal approval processes and enabling effective tracking of form approval processes.
SAP S4 HANA and Ariba system	We digitalized purchase requisition forms, purchase orders, contracts, and other procurement documents, simplifying signing processes while reducing storage space, shipping costs, and data loss risks for future audits. In 2025, PharmaEssentia (Taiwan), PharmaEssentia USA (including the PharmaEssentia Innovation Research Center in Boston), and PharmaEssentia Japan generated a total of 7,778 digital purchase requisition forms, 7,674 digital purchase orders, 10,987 digital invoices, and 9,748 digital inspection and acceptance forms. Across the entire Group, we saved 36,187 sheets of paper that would have been used for printing and approval procedures. According to the Ministry of Finance carbon reduction calculator, 1 sheet of paper generates approximately 0.00616 kgCO2e, resulting in total reductions of 222.91 kgCO_2e.
Digital supply chain management system	Requisition, procurement, and inspection and acceptance processes have fully transitioned to digitalized processes. “Supplier Assessment and New Supplier,” “Supplier Evaluation,” and “New Vendor” processes have all transitioned from paper-based processes to management system processes. In 2025, digital signing procedures were fully incorporated into “Inspection and Acceptance,” “Prepayment Application,” “Price Modification,” and “Inventory Order” processes.
Drug quality and product safety management system: Blue Mountain equipment calibration system	Coordinates equipment calibration and verification management, and assists colleagues with online management and notifications, effectively enhancing calibration/verification efficiency.
Drug quality and product safety management system: Trackwise	Incorporated GMP management and document digitalization system to align drug production processes with GMP management requirements while enhancing work efficiency and strengthening monitoring of product lifecycles.

02
Corporate Governance

Information Security and Privacy Protection
Business Ethics and Integrity

02

PharmaEssentia continues to strengthen board functions and governance frameworks, and actively optimizes risk management to reduce negative impacts caused by corporate operations. We also emphasize information security and protection measures for personal information to safeguard information assets and protect patient privacy. PharmaEssentia makes every effort to protect pharmaceutical patents and trademarks. We ensure our products receive comprehensive and effective legal protections in global markets through management of intellectual property rights. Our supply chain management mechanisms enhance sustainability awareness in supply chain partners by managing policy documents, evaluations, and risk assessments, thereby ensuring supply chain stability and continuity while also enhancing our corporate resilience and brand image.

Main Stakeholders

Achievement Highlights

- Achieved **100%** board meeting attendance rate
- Achieved **100%** Audit Committee and Numeration Committee meeting attendance rates
- Established a specialized course on corporate sustainability risk management and strategic analysis for all directors
- Created the new position of Chief Information Security Officer
- Implemented safety awareness training
- A total of 70 people participated in PharmaEssentia Japan's cybersecurity training
- Introduced document management systems across all departments
- Improved docketing accuracy rate to **100%**
- **243** valid patents
- **185** valid trademarks
- Achieved **100%** Supplier Code of Conduct signing rate
- Implemented "Four Phase Precision Identification Strategy" for supplier sustainability self-assessment analysis
- Added **80 suppliers** and contractors, including 68 local suppliers
- Launched Sustainable Preferred Supplier Initiative

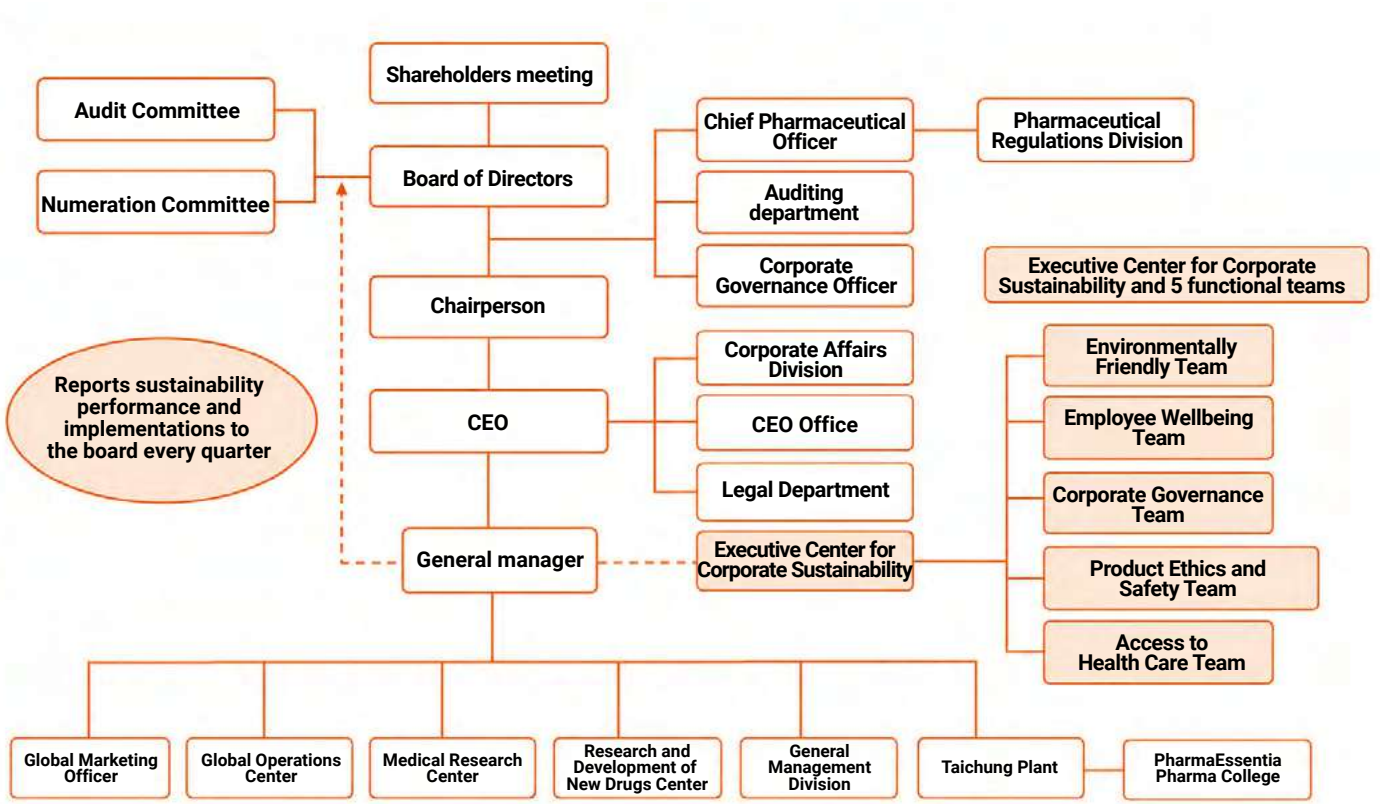
2.1 Corporate Governance Framework

Director Elections and Responsibilities

The Board of Directors is the highest governance unit at PharmaEssentia and adopts a single-track governance framework with each term lasting for 3 years. Board directors are nominated and elected in accordance with Election of Directors, which incorporate shareholder interests, diversity, independence, and director management capabilities.

The current Board directors were elected at the shareholders general meeting held on May 27, 2024. Following the election, the number of independent directors was increased from three to four, including one female independent director. The number of independent directors exceeded one-third of all directors on the Board. Consecutive terms of office should not exceed three terms. The election was conducted in accordance with Financial Supervisory Commission requirements to strengthen Board function and independence. The number of Board members was maintained at eleven directors, and the number of female directors increased from two to three directors. Current Board members will remain in office from May 27, 2024 to May 26, 2027. Board responsibilities include formulating corporate sustainability strategies, supervising managers, and playing an important role in responding to company and shareholder needs. The Audit Committee and Numeration Committee have been established under the Board of Directors, and the Executive Center for Corporate Sustainability reports directly to the general manager. Board functions are shown in the image below.

PharmaEssentia and all major subsidiaries convene at least 1 Board meeting every quarter. All managers and financial directors are required to attend Board meetings, and audit directors report audit results to the Board. PharmaEssentia convened 7 Board meetings in 2025 and achieved a director attendance rate of 100%. For more information on subsidiary directors, please refer to the website.



PharmaEssentia Board Implementations in 2025

Number of Board meetings **7 times**

Director attendance rate **100%**

Board Composition and Diversity

To enhance corporate governance, Paragraph 2, Article 20 of our "Corporate Governance Best Practice Principles" stipulates that Board composition should consider corporate business developments and scale, shares held by major shareholders, and actual operational needs when establishing an appropriate number of directors. Director criteria should encompass a variety of aspects such as basic qualifications and values (including gender, age, nationality, culture) as well as professional expertise and skills (such as expertise in law, accounting, industrial knowledge, finance, marketing, and technology).

(1) Board Responsibilities:

The Board directs corporate strategies, supervises managers, and answers to all shareholders. All Board operations and decisions are exercised in accordance with law, the Articles of Incorporation, and resolutions of shareholder meetings. Director candidates are nominated in accordance with related regulations, and are submitted to shareholder meetings for election after being approved by the Board.

Due to corporate business development needs, our Board is composed of experts and academics with expertise in relevant industries, finance and accounting, management, and law, with at least one director possessing skills respectively associated with operational judgment, accounting and analysis, business management, industrial knowledge, climate change responses, and international markets so they can provide professional and diverse guidance on corporate developments.

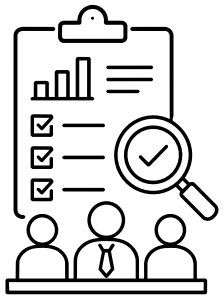
(2) Diversity of Board Members:

PharmaEssentia currently has eleven directors (seven directors and four independent directors) aged between 50-90 years old. We have three female directors and three directors who are concurrently serving as company employees. The average tenure of our directors is 8.91 years. Board members possess extensive experience and professional knowledge in biotechnology, finance, education, and financial services industries, and one of our directors is a representative from the National Development Fund. Of our four independent directors, one independent director has served on the Board for more than 7 years and has experience encompassing industry, government, and academic domains, as well as global biotechnology production and manufacturing expertise. We therefore continue to rely on their professional expertise, supervision capabilities, and professional opinions. Another independent director (Jeffrey R. Williams) is a US citizen with expertise in finance and education, so is able to guide PharmaEssentia USA business operations. In future, we plan to ensure that directors of each gender exceed one-third of total directors to strengthen diverse composition of Board members.

Title	Name	Nationality	Gender	Professional Background								Age			Independent Director Tenure			Concurrently Serving as Senior Executive at PharmaEssentia	Family Members Employed at PharmaEssentia
				Operational judgment capabilities	Accounting/ financial analysis capabilities	Business management capabilities	Crisis handling capabilities	Industrial knowledge	Global market perspectives	Leadership capabilities	Decision-making capabilities	Under 30 years of age	31-50 years of age	Over 51 years of age	1-3 years	4-6 years	7-9 years		
Chairperson	Ching-Leou Teng		Female	✓			✓	✓	✓	✓	✓			✓				✓	
Director	Ko-Chung Lin		Male	✓		✓	✓	✓	✓	✓	✓			✓				✓	✓
Director	HsuehFang Hsu		Female	✓		✓	✓		✓	✓	✓			✓					
Director	ChanKou Hwang		Male	✓		✓	✓	✓	✓	✓	✓			✓				✓	
Director	ChenJung Hsiao		Male	✓		✓	✓		✓	✓	✓			✓					
Director	ShenYi Lee		Male	✓				✓	✓		✓			✓					
Director	JinnDer Chang		Male	✓		✓	✓		✓	✓	✓			✓					
Independent director	JienHeh Tien		Male	✓		✓	✓	✓	✓	✓	✓			✓			✓		
Independent director	MingChuan Hsieh		Female	✓		✓	✓		✓	✓	✓			✓	✓				
Independent director	ChingTsun Liu		Male	✓		✓	✓		✓	✓	✓			✓	✓				
Independent director	Jeffrey R. Williams		Male	✓		✓	✓		✓	✓	✓			✓	✓				

Functional Committees

Two functional committees, the Audit Committee and the Numeration Committee, have been established under the Board; both committees are composed entirely of independent directors.



Audit Committee

Responsibilities

Assists directors in supervising accounting, auditing, and financial reporting processes; monitoring quality and integrity of financial controls; and managing existing or potential corporate impacts to strengthen internal control mechanisms

Composition

Independent Director JienHeh Tien, Independent Director MingChuan Hsieh, Independent Director ChingTsun Liu, Independent Director Jeffrey R. Williams

Number of meetings in 2025

7 times

Attendance rate

100%

Numeration Committee

Responsibilities

Assists the Board in formulating and reviewing performance evaluations for directors, supervisors, and managers, as well as remuneration policies, systems, standards, and structures

Composition

Independent Director JienHeh Tien, Independent Director MingChuan Hsieh, Independent Director ChingTsun Liu, Independent Director Jeffrey R. Williams

Number of meetings in 2025

4 times

Attendance rate

100%

Avoiding Conflicts of Interest

To strengthen Board governance and establish sound supervision and management functions, we formulated the "Rules of Procedure for Board of Directors' Meetings," "Principles of Ethical Corporate Management," "Codes of Ethical Conduct," and other policies which contain clear stipulations on avoiding conflicts of interest. Directors cannot discuss or vote on agenda items that involve conflicts of interest which may damage corporate interests relating to themselves or the entities which they represent, and cannot exercise voting rights on behalf of other directors. We also require directors and managers to handle their duties objectively and efficiently, and avoid using their positions at PharmaEssentia to obtain improper benefits.

At present, no Board members have any material conflicts of interest, and there are no shareholders who hold a controlling stake in the Company. PharmaEssentia's founder and their family members hold less than 5% of shares. Government shareholders mainly include the National Development Fund, which holds 6.28% of shares, none of which are preferred shares. ChenJung Hsiao serves as the representative of this institutional director on the Board. For more information on our directors/independent directors, as well as management measures for conflicts of interest, please refer to pages 12-16, 27, and 48 of our annual report.

Highest Governance Unit and Remuneration Policies for Senior Executives

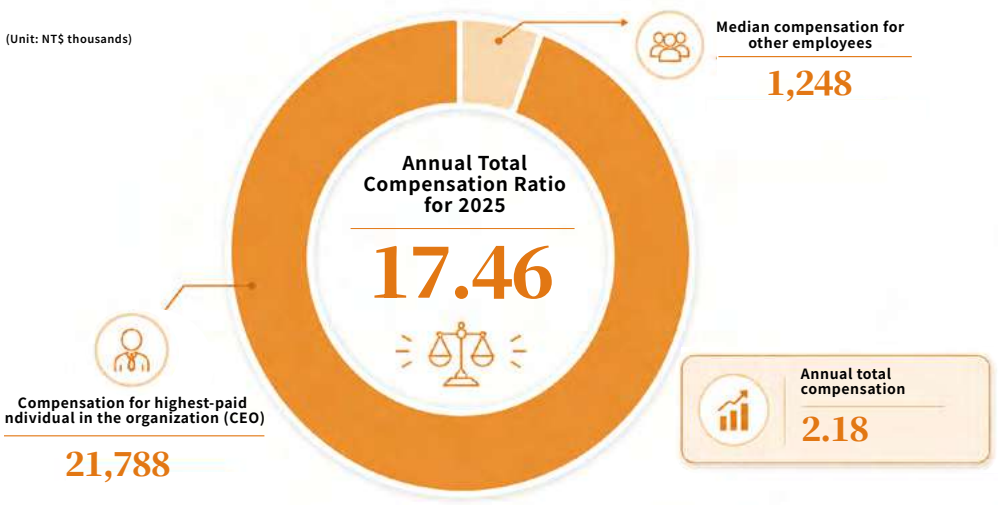
PharmaEssentia director remuneration adheres to the Company's Articles of Incorporation. If the Company's income before tax for the current year has a balance after the deduction of the amount for compensating accumulated deficits and before the deduction of employee and director compensation, the Company shall allocate no more than 5% for director compensation. The Numeration Committee formulates director compensation distribution recommendations after considering overall Board performance, corporate operational performance, future operations, risk appetite, domestic and foreign industry standards, and individual director participation in and contribution to corporate operations. Distribution recommendations are submitted to the Board for deliberation and reported at shareholder meetings. Please refer to our annual report for more information on compensation for directors and senior executives.

Note: Board resolutions must be approved by more than half of attending directors at Board meetings where more than two-thirds of directors are in attendance

PharmaEssentia linked corporate sustainability issues to chairperson, chief operating officer, and general manager performance indicators. Key performance indicators include:

- Continue to invest in R&D of the innovated new drugs and to keep up with the times
- Kick-off the phase three global MPF clinical trials on time and actively push the trial forward
- Apply for drugs registration licenses
- Fortify global marketing strategy and business operations
- Improve commercialized mass production's capacity and effectiveness
- Optimize global supply chain management

Annual Total Compensation Ratio for 2025



Note: Annual total compensation includes salaries, bonuses, and stock awards.

Board Performance Evaluations

PharmaEssentia has established the "Rules for Performance Evaluations of the Board of Directors" and "Regulations for the Self-Appraisal or Peer Appraisal of the Board of Directors" to regulate Board performance targets and appraisal systems. To review overall Board operations and performance of duties by Board members, we conduct at least one internal Board performance evaluation each year, and commission external professional institutes to conduct a Board performance evaluation for the year once every 3 years.

Internal evaluation: Results of internal Board and director performance evaluations for 2025 were reported to the Board on March 2, 2026.

External evaluation: Our most recent Board performance evaluation conducted by an external third-party institution was carried out in 2024. We commissioned the Taipei Foundation of Finance to conduct a Board evaluation for the period from January 1, 2024 to October 11, 2024 in accordance with our regulations stipulating that we should conduct one external evaluation every 3 years. The evaluation mainly encompassed seven aspects, and four improvement suggestions were proposed.

Strengthen Board Knowledge

Our directors attend a diverse range of continuing education courses to strengthen Board sustainability knowledge, skills, and expertise. All 11 directors met regulatory continuing education requirements in 2025. We organized a total of three courses over 75 person-hours.

Course theme	Sessions	Training person-hours	Course content
Corporate Sustainability Risk Management and Strategic Analysis	1	33	Helped directors understand the impacts of global risks on corporate sustainability, enterprise sustainability risk management frameworks, and industrial business opportunities and strategies.
Strengthening Organizational Resilience Through Dual-Axis Transformation—AI Governance and Sustainability Governance	1	33	Analyzed AI and digital transformation risks and governance priorities from a board perspective to assist directors in keeping abreast of AI governance frameworks, risk management, and ethical principles, facilitating AI utilization for promoting sustainable management and development.
Seminar on International Anti-Money Laundering and Combating the Financing of Terrorism Trends and Practices	1	3	Discussed international anti-money laundering and combating the financing of terrorism trends, regulations, practices, and case studies.
Sustainable Development Committee (Chief Sustainability Officer and Working Group) Operational Practices	1	3	Focused on organizational designs and practical operations of corporate sustainability governance; clarified division of responsibilities and key operating factors for the board, the sustainable development committee, the chief sustainability officer, and working groups; and discussed regulatory information and case studies.
The Trump 2.0 Era, the Death of Globalization, and Regional Wars	1	3	Analyzed international trade, supply chain, and regional political risk impacts through case studies.

Participation in Public Associations

PharmaEssentia has joined many external biopharmaceutical organizations. We enhance our collaborative relations and influence with government organizations, healthcare providers, and industry peers through information sharing with industry, government, and academic institutes while monitoring industry and regulatory developments.

Name of external association	Benefits to PharmaEssentia and the industry	Position held in 2025
Taiwan Parenteral Drug Association	This association enables us to communicate and interact with industry, government, and academic units related to the domestic pharmaceutical industry so we can jointly boost Taiwan's pharmaceutical GMP standards and align with international standards	Member
The Allied Association for Science Park Industries	This association supports us in aligning with government policies, initiatives, and communications, enabling us to jointly pursue stable science park developments	Member
Development Center for Biotechnology	We utilize pharmaceutical industry research resources from the Development Center for Biotechnology to improve industry standards and introduce outstanding products	Member
The Hematology Society of Taiwan	Allows us to conduct academic exchanges with other healthcare professional and improve domestic hematology research standards	Member
Chinese Association for Pharmaceutical Agents	Assists with promotion of medical and healthcare policies, and provides recommendations based on actual needs	Member
Taiwan Pharmaceutical Manufacture and Development Association	Brings together industry, government, academic, and research institutes to jointly promote research developments in the biopharmaceutical industry	Member
Taipei Pharmaceutical Business Association	Strengthens communications with the government and aligns with policies to promote new opportunities in the pharmaceutical industry	Member
Taiwan Myeloproliferative Neoplasms Association	Enhances public understanding of MPN to enable effective medical support	Member
Taiwan Bio Industry Organization	Incorporates government and academic units for joint promotion of bio-industries	Member
Institute for Biotechnology and Medicine Industry	Promotes biopharmaceutical upgrading strategies to enhance public health and well-being	Member
Greater Taichung Pharmacists Association	Enables us to gain access to professional continuing education resources and the latest pharmaceutical policy information while helping us to receive regulatory consultation and protect our rights by exchanging information with peers, expanding our professional networks, and strengthening our professional pharmaceutical capabilities to enhance our corporate developments and operations quality	Member
Taiwan Society of Blood and Marrow Transplantation	Helps us acquire the latest medical knowledge and information on treatment guidelines, expand professional networks, and increase opportunities for research collaborations, enhancing our clinical practice capabilities as we jointly promote developments in blood and bone marrow transplantation domains	Member

Management and Communication of Tax Policies

PharmaEssentia has established a Tax Policy and Commitments that strictly adheres to domestic and overseas tax regulations, and we disclose relevant information in accordance with law. The finance and accounting departments at PharmaEssentia (Taiwan) coordinate management of tax matters, and work with the finance and accounting departments of our subsidiaries to plan and file taxes in accordance with law. We actively participate in external engagement involving tax issues to communicate and exchange views with tax advisors and tax authorities on international tax reforms and important domestic tax issues.

To reduce tax risks, strengthen after-tax operating performance, and safeguard shareholder interests, we adhere to the following tax management guidelines to ensure our routine operations comply with regulations:

1. We pledge to abide by the tax regulations and legislative intent of the countries where our operating sites are located, prepare international tax governance documentation and complete filings within required timeframes, and pay taxes in a timely manner to support effective tax governance and oversight.

2. Adhere to the Transfer Pricing Guidelines released by the Organisation for Economic Cooperation and Development (OECD) to ensure that transactions with affiliated parties comply with conventional practices and transfer pricing regulations.

3. Tax information disclosures adhere to related laws, regulations, and standards.

4. Carefully evaluate all investment schemes and transaction models to ensure alignment with economic and reasonable business targets, avoid use of tax havens to avoid taxes, and avoid deliberate profit transfers to countries or regions with low tax rates.

5. Build mutual respect through interactions with tax authorities based on mutual trust, transparent information disclosures, and legal compliance.

6. Tax considerations are incorporated into all important corporate decisions, and related tax risks and impacts are assessed.

7. Strengthen professional tax capabilities through continued talent cultivation.

PharmaEssentia Japan places great emphasis on tax compliance and transparency, complies with National Tax Agency Japan (NTA) regulations, and accurately calculates and pays corporate income tax and consumption tax. In terms of stakeholder communications, PharmaEssentia Japan meets regularly with tax advisors (tax accountants) to ensure the accuracy of tax filings.

Income tax reconciliation table for past three years

(Unit: NT$ thousands)	2023	2024	2025
Profit before tax from continuing operations	(986,934)	2,994,652	4,982,936
Income tax calculated at the parent company' s statutory rate	(197,388)	598,929	996,587
Tax impact of deferred tax assets/liabilities	(168,670)	(1,057,414)	(1,297,321)
Other	2,959	487,634	238,503
Total income tax benefits (expenses) recognized in profits or losses	(363,099)	29,149	(62,231)

Internal Controls and Internal Audits

We have established an auditing department under the Board to ensure ethical management and strengthen internal control processes. The auditing department is headed by one chief auditor and two auditors. The appointment and dismissal of the chief auditor must be approved by the Audit Committee and acknowledged by the Board. The auditing department formulates audit plans each year based on current or potential corporate risk issues, and conducts in-house general audits, project audits, and subsidiary supervision operations. The chief auditor reports on audit implementations to the Audit Committee and the Board every quarter, and facilitates independent communications between internal auditors and independent directors to strengthen director supervisor of corporate audits. We track and re-examine all deficiencies discovered during audits to confirm that related units have implemented timely and appropriate corrective actions. In 2025, the auditing department completed a total of 74 audit reports (54 reports for Taipei Office and 17 reports for subsidiaries) and discovered no major deficiencies.

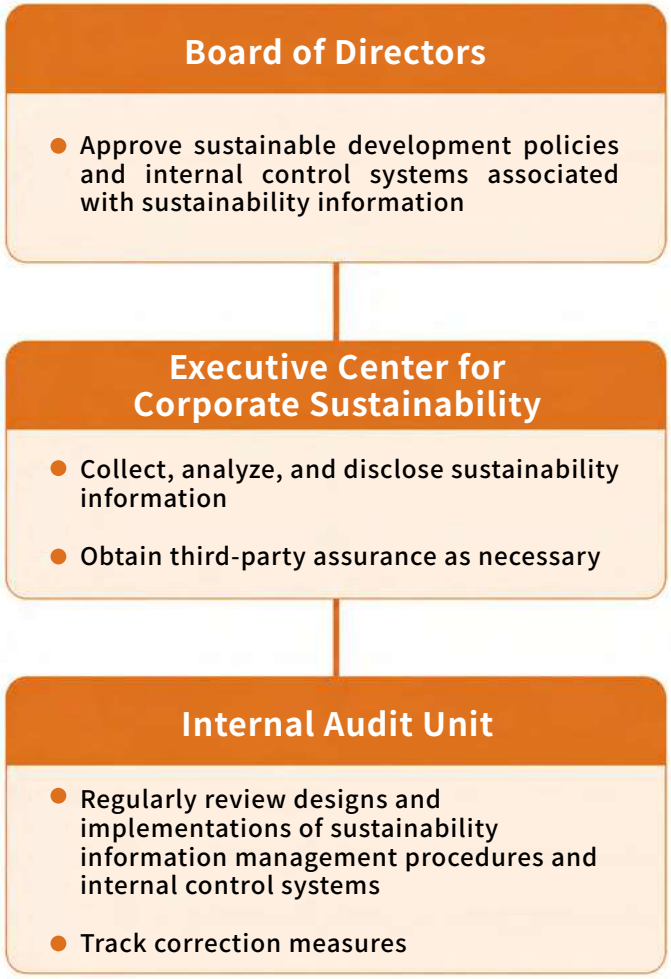
The auditing department also reviews appropriateness and implementations of internal controls based on our "Internal Audit System" through audits encompassing all corporate financial, business, operational processes, as well as subsidiaries that comply with relevant regulatory requirements.

Subsidiary Audit Management

1. The auditing department encourages all subsidiaries to formulate necessary supervision and management control processes and regulations in accordance with local regulatory requirements and actual operational conditions. Internal control regulations should adhere to local laws and regulations for effective management of operational risks.
2. We incorporate subsidiaries in internal audits, formulate annual audit plans, and implement subsidiary audits each year based on risk assessments results. Audited subsidiaries are notified of findings and recommendations in all audit reports, and corrections are tracked on a quarterly basis.
3. Important subsidiaries undergo at least one on-site audit each year, and subsidiary internal controls and corporate governance are comprehensively assessed through meetings, document reviews, and observations. A total of three on-site visits were completed in 2025.
4. PharmaEssentia and all subsidiaries conduct at least one internal control system self-assessment each year. The auditing department reviews self-assessment reports submitted by all units and subsidiaries, as well as reports on corrections made to internal control deficiencies and abnormalities discovered by the auditing department, to provide a reference for the Board when evaluating the effectiveness of internal control systems and when issuing statements on internal controls.

Sustainability Information Management and Internal Controls

PharmaEssentia established an internal control system for sustainability information management which was approved by the Board in 2025. This internal control system regulates governance frameworks and management processes for sustainability information.



The Board of Directors serves as the highest governance and oversight body for sustainability information, and is responsible for approving sustainability development policies and internal control systems related to sustainability information. The Executive Center for Corporate Sustainability coordinates collection, consolidation, calculation, analysis, review, preparation, and external disclosure of sustainability information, and clearly defines the roles and responsibilities of each unit at each stage through cross-functional collaboration mechanisms to ensure information integrity, accuracy, consistency, and traceability. Externally disclosed sustainability information must be reviewed by internal responsible units, and third-party assurance or verification may be obtained if necessary before the information is publicly announced and filed. Internal audit units periodically review designs and implementations of internal control systems related to sustainability information in accordance with annual audit plans, and continually track correction measures for deficiencies identified in audit reports. Internal control systems for managing sustainability information were incorporated into our annual internal audit plan for 2025 as part of our internal control and corporate governance framework. Internal audit units conduct audits in accordance with annual audit plans, and review designs and implementations of internal control systems related to sustainability information management. The audit scope encompasses reasonableness of data sources, accuracy of calculation and estimation methods, and effectiveness of internal review and verification processes. We propose specific recommendations to correct internal control system deficiencies identified in audit reports, and continue to track progress on correction measures and implementations of each responsible unit to strengthen the quality of sustainability information disclosures and ensure effective operation of our internal control systems.

2.2 Business Integrity and Legal Compliance

Business Integrity and Business Code of Conduct

PharmaEssentia established the Principles of Ethical Corporate Management, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct, and other regulations. These regulations took effect following Board approval, and we require Board directors and all employees to abide by these rules and regulations to ensure that corporate operations comply with ethical and regulatory requirements, and to prevent unethical behaviors. PharmaEssentia Japan established the “Corporate Code of Conduct” to regulate routine employee work behaviors, and compiled ethical management and business codes of conduct into a work manual that employees can refer to at any time. Related corporate governance procedures and regulations have also been disclosed on our official corporate governance website.

We also strengthen employee awareness of related issues through regular education and training. In 2025, PharmaEssentia organized the “Internal Material Information and Insider Trading Prevention Regulations” course, which was attended by 222 participants; total training hours amounted to 666 hours. Panco also conducts anti-corruption and anti-bribery education and training in accordance with relevant International Research-Based Pharmaceutical Manufacturers Association (IRPMA) regulations.

Our “Rules of Procedure for Board of Directors Meetings” contains clear stipulations on how the Board should handle conflicts of interest, and we are also planning to establish a Legal Compliance Committee and ethical management oversight units to strengthen our governance framework. All employees are required to comply with our seven major business conduct and ethics rules, uphold principles of fairness and justice when carrying out their duties, and avoid profiting from their positions or misusing internal information. PharmaEssentia has established a channel for reporting legal violations (including corrupt behaviors) that can be used by both internal and external stakeholders. New hires are required to complete ethical conduct training upon joining the company. In 2025, no ethical management or Code of Conduct violations occurred at PharmaEssentia, and

Material Topics	Business Ethics and Integrity
Significance for PharmaEssentia	PharmaEssentia established the Principles of Ethical Corporate Management, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct, and other regulations. These regulations took effect following Board approval, and we require Board directors and all employees to abide by these rules and regulations to ensure that no unethical incidents or regulatory violations occur during operations. We also implemented relevant training and management mechanisms to prevent unethical behaviors or violations of biopharmaceutical industry regulations, and to foster a culture of integrity in the biopharmaceutical industry.
Policies and Commitments	・Principles of Ethical Corporate Management, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct ・Corporate Code of Conduct (PharmaEssentia Japan)
Responsible Units	・The Board of Directors is the highest governance unit responsible for overseeing ethical management and risk management. The Audit Committee is responsible for overseeing internal controls and financial integrity, and the Executive Center for Corporate Sustainability is responsible for formulating sustainable management policies and managing material topics. ・Executive Center for Corporate Sustainability Corporate Governance Team: Responsible for consolidating and managing material sustainability topics.
Response Strategies, Associated Measures, and Management Actions	・Our Principles of Ethical Corporate Management contain clear anti-corruption and anti-bribery stipulations, and we regularly educate our employees. ・All employees are required to comply with our seven major business conduct and ethics rules, which stipulate that all personnel should uphold principles of fairness and justice when carrying out their duties, shall not profit from their positions, or manipulate or misuse information obtained through their roles. ・Our human resource department has formulated specific measures for reporting illegal conduct (including corruption) of internal and external personnel. ・New employees receive training on professional ethics as soon as they join the company.
Evaluation Mechanisms	Board directors and executives regularly assess the effectiveness of ethical management policies and identify areas for improvement through internal controls, audit reviews, education and training performance, and our grievance system.
Targets for 2025	・No grievances associated with business ethics or ethical management. ・No business ethics or ethical management violations. ・No violations involving international arbitration/legal litigation.
Achievements in 2025	・We received no grievances associated with business ethics or ethical management in 2025. ・No business ethics or ethical management violations occurred in 2025. ・All employees and directors attended the “Internal Material Information and Insider Trading Prevention Regulations” course; the course was attended by 222 participants, and total training hours amounted to 666 hours. ・Completed internal ethical management audits. ・One AOP international arbitration case is still ongoing.
Short-Term Targets (1 Year)	・Organize at least one training session covering ethical management and our Code of Conduct each year for directors, managers, and employees to continually strengthen awareness of ethical management and Code of Conduct implementations. ・Organize at least one internal review or audit of anti-corruption, anti-bribery, and whistleblowing systems each year to ensure system effectiveness and maintain our record of zero penalties imposed by competent authorities due to corruption or bribery.
Mid-Term Targets (3-5 Years)	・Conduct regular ethical management risk inventory and assessment procedures at least once a year. ・Achieve 100% completion rate on corrective actions addressing deficiencies associated with ethical management identified in internal audits. ・Regularly review and improve ethical management systems.
Long-Term Targets (More Than 5 Years):	・Conduct comprehensive reviews and internal audits of ethical management systems at least once a year, achieve 100% deficiency correction rate, and ensure that system effectiveness remains at 100% over the long term. ・Maintain number of major ethical management violations at zero over the long term. ・Report ethical management implementations to the Board on a regular basis at least once every year. ・Maintain number of ethical management violations resulting in material penalties or reputational damage at zero.

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Legal Compliance

The biopharmaceutical industry is a highly regulated industry. To ensure that PharmaEssentia adheres to global regulations at all stages of drug lifecycles, we referenced domestic and overseas policy and regulation trends to formulate legal compliance strategies and management regulations for global operations. We established a total of 40 regulations, including the "Corporate Governance Code," "Principles of Ethical Corporate Management," "Codes of Ethical Conduct," "Procedures for Ethical Management and Guidelines for Conduct," "Sustainable Development Best Practice Principles," "Operating Procedures for Handling Material Nonpublic Information and Preventing Insider Trading," "Regulations Governing Management and Utilization of Intellectual Property Rights," and "Regulations Governing Management of Litigation Cases/Major Disputes." PharmaEssentia has established a MLR department, auditing department, corporate governance officer, legal department, intellectual property department, human resources department, and other functional departments. We require our colleagues in all associated departments and our suppliers to abide by the aforementioned regulations.

Medical, Legal, Regulatory (MLR) Committee:

The MLR Committee is an interdepartmental committee composed of committee members from the medical affairs, legal, regulatory, and business departments. The MLR Committee is responsible for reviewing and approving all external materials that may be considered product promotions or product labels by the US FDA, to ensure that the information is scientifically accurate, not misleading, and compliant with all internal policies and applicable regulations. The Committee revisits marketing authorizations and adjusts decisions based on the latest laws/regulations and market needs. We commission external professional institutes to assist with reviewing processes when necessary, but supervision procedures are conducted by in-house experienced professionals. No new legal/regulatory reviewers joined the committee in 2025. PharmaEssentia Japan has established a medical affairs department, a legal and regulatory compliance department, a human resource department, and other related functional departments to ensure that all relevant personnel and suppliers comply with applicable regulations and internal policies.

Summary of Legal Violations

PharmaEssentia complies with the regulations set by competent authorities at all operating locations, and has formulated internal procedures and codes of conduct. We define "major violation incidents" as any violation incident involving penalties exceeding NT$1 million; these incidents require immediate correction and formulation of preventive measures. No major violation incidents or legal litigations occurred at PharmaEssentia (Taiwan) or any of our subsidiaries in 2025.

Legal Compliance and Specific Actions in Product Lifecycles

	Product Lifecycle Stage	Related Regulations	Specific Legal Compliance Actions
Before launch	New drug R&D and pre-clinical research	• Good Laboratory Practice (GLP) • Guidelines for safety of non-clinical pharmaceutical trials for animal trials set by the competent authorities in each country	• Established legal compliance regulations • All functional duties comply with legal regulations • Business regulations and operations for lecture activities • Pre-clinical ethical guidelines for animal trials • Ethical guidelines for clinical human trials
	Clinical trials	• Good Clinical Practice (GCP) • Good Tissue Practice (GTP) • Good Distribution Practice (GDP) • Declaration of Helsinki ethical principles • Regulations set by local competent authorities, such as the "Regulations on Human Trials" and "Pharmaceutical Affairs Act" in Taiwan	
	Production and manufacturing	• Good Distribution Practice (GDP) • Good Tissue Practice (GTP) • Good Manufacturing Practice (GMP) • Regulations set by local competent authorities, such as the European Pharmacopoeia, the United States Pharmacopeia, and the "Medical Care Act," "Pharmaceutical Affairs Act," and "Standards for Medicament Factory Establishments" in Taiwan	
	Registration	• Regulations set by local competent authorities, such as the "Pharmaceutical Affairs Act" and "Regulations for Registration of Medicinal Products" in Taiwan, GMP/GDP regulations for pharmaceutical companies, Common Technical Documents Format, and ICH Guidelines.	
Before and after launch	Protection of intellectual property rights	• United States Patent and Trademark Office, World Intellectual Property Organization, and European Patent Office intellectual property regulations, and patent laws, trademark laws, and other regulations in other countries.	• Freedom-to-Operate (FTO) assurance for Group R&D achievements • Aligned with R&D directions and progress, as well as product marketing requirements in different countries, and apply for patents as soon as possible when appropriate • Aligned with drug registration and market launch schedules to register trademarks in different countries as appropriate and comply with the requirements of pharmaceutical supervisory authorities • Monitored market changes, business developments, product usage, innovations, and R&D, as well as feedback on all aspects for continued strengthening of patent and trademark applications • Monitored development on similar technologies, products, and trademarks around the world and adopt necessary response measures (such as filing opposition procedures with local trademark offices for similar trademarks in accordance with law)
After launch	Marketing and sales	• Good Distribution Practice (GDP) • Ethical guidelines set by the WHO and countries around the world	• Implemented transparent reporting mechanisms and ensured that all drug advertisement content passed MLR reviews • Established review system for lecture activities, advisory committees, and healthcare professionals • Implemented legal compliance review processes and management measures for advisory committees • Implemented other legal compliance policies and standard operating procedures for investigation, monitoring, and employee discipline • Established ethical management guidelines for drug marketing • Our Logistics Center obtained a GDP certificate in 2024 (the certificate was extended for the first floor and newly granted for expansions on the second floor) • In 2025, we continued global pharmacovigilance activities, and reported adverse reactions and adverse events
	Pharmacovigilance	• Good Pharmacovigilance Practice (GVP) • Regulations set by local competent authorities, such as the "Regulations for the Management of Drug Safety Surveillance" and "Regulations for Reporting Serious Adverse Reactions of Medicaments" in Taiwan	

2.3 Risk Management

Risk Governance Unit

The Board of Directors is the highest supervision and decision-making unit for risk management. The Board is responsible for approving risk management targets and policies, and ensures effective operations of management mechanisms. The Audit Committee, auditing department, and corporate governance officer have been established under the Board to assist with identification, assessment, and management of existing and potential risks in financial reporting, internal controls, regulatory compliance, and corporate governance. The aforementioned governance framework enables the Board to keep abreast of material risk issues in a timely manner, and ensures that executives adopt corresponding management measures to strengthen internal monitoring mechanisms and reduce adverse impacts on our operations, financial performance, and corporate reputation.

Risk Management Guidelines and Implementations

We established internal policies, procedures, and internal control mechanisms in accordance with relevant regulations to effectively manage risk issues, potential impacts, and corresponding material topics, and incorporated risk issues, potential impacts, and corresponding material topics into our management framework. The Board has appointed senior executives to promote and implement risk management, serving as the first line of defense in risk controls. Our executives review the effectiveness of risk management measures through regular meetings and performance monitoring procedures, and promptly report to the Board or Audit Committee when material risks or abnormalities occur, ensuring effective operation and continued improvement of risk management mechanisms.

Risk Management First Line of Defense

All PharmaEssentia departments serve as the first line of defense for corporate risk management and are responsible for frontline identification, assessment, control, and reporting of risks arising from their respective business activities, procedures, and daily decisions, thereby ensuring effective operation of relevant internal control mechanisms. Main responsibilities are as follows:

1.Actively identify operational, regulatory, financial, information, safety, and reputational risks that may arise from business activities.
2.Assess risk levels and impact severities in accordance with company policies.
3.Plan and implement risk response measures and control activities to maintain risks within an acceptable range.
4.Immediately notify supervisors and relevant units after identifying risks or significant warning signs.
5.Coordinate with auditing, tracking, and correction requirements of the second line of defense (risk management units) and the third line of defense (internal audits).

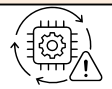
All units also regularly review the effectiveness of risk control measures to continually strengthen overall risk management capabilities.

Establishing a Risk Management Culture

To strengthen understanding of risks and response capabilities in all Board members, we organized a specialized “Corporate Sustainability Risk Management and Strategic Analysis” course for all directors (including all executive directors and non-executive directors such as independent directors) in 2025. The course covered identification of sustainability-related risks, risk response strategies, and decision-making practices, and combined case studies with the latest international trends to help directors understand the relationship between corporate operational risks and sustainability strategies. This course helped independent directors enhance their understanding of risk management processes and internal control systems, strengthening their professional judgment capabilities during supervision, review, and decision-making processes.

Risk Issues and Responses

PharmaEssentia referenced the 2018 COSO Enterprise Risk Management guidelines as well as biopharmaceutical industrial characteristics and requirements to classify risks into nine categories. We adopted corresponding response measures for different risks to reduce corporate impacts.

Risk Categories	Risk Causes	Response Strategies
 Industrial risks	New drug R&D is a high-risk endeavor with low success rates, high investments, and high levels of uncertainty	• BESREMi has obtained marketing authorizations and we are continuing to use our PEGylation technology platform to develop other long-acting protein-based drugs, as well as expand into new indications to maximize R&D investment benefits and reduce market risks from single products
 Market risks	New drug R&D is time-consuming and has a low success rate, and products that have obtained marketing authorization still need to compete with existing market products or other alternative products	• Independently develop new drugs and use medicines for rare diseases (orphan drugs) as a foundation for development; approval processes for products that have obtained orphan drug status are often fast-tracked, and these products usually enjoy greater freedom in terms of pricing, monopolies, and other preferential conditions after receiving marketing authorization • Collaborate with external companies on developing new products with good potential to expand product diversification
 R&D risks	Risks include underperformance in clinical progress or trial outcomes, being outpaced by competitors on R&D progress, challenges in cultivating and retaining research talent, and over-reliance on CROs and CMOs for clinical trials	• Simultaneously develop new drugs for different indications to disperse risks from only developing a single drug • Recruit talent with expertise in the biotechnology industry to create and maintain sound R&D environments and employee welfare, and provided employees with training opportunities to retain talent • Select trial institutes that offer optimal collaboration conditions and developed long-term collaborative relations • Add clinical insurance to ensure protection of trial participant rights and reduce potential risks during R&D processes
 Financial risks	Risks from exchanges rates, rising prices caused by inflation, R&D investments, and operating capital requirements during all corporate financial activities, which may incur additional costs for the company	• Our finance department closely interacts with foreign banks; tracks exchange rates, market information, and future trends; and rigorously controls capital utilization, budget implementations, and other management processes for all business units
 Legal risks	Risks from international arbitration and litigation, which may lead to reputational damage or financial losses	• Established a professional legal team to handle international arbitration and litigation, maintain corporate and shareholder interests, and maximize benefits
 Policy risks	Risks from geopolitical conditions or changes in national policies	• Closely monitor international political and economic information and news as well as supply chain impacts that could be caused by international trade conflicts to quickly adjust overall business strategies and ensure supply chain stability • Established a dedicated regulatory department to keep abreast of policy changes associated with new drug applications, health insurance, and reimbursement policies in various countries
 Technological change risks	Risks from information security, digital transformation, talent capabilities, supply chain disruptions, or regulatory changes which may impact corporate operations	• Established an information security management team to handle information security implementation, governance, and supervision; we also maintain cyber security insurance and continue to strengthen information security to comprehensively enhance information security awareness, as well as protect trade secrets and stakeholder interests
 Environmental risks	Climate change, natural disasters, infectious diseases, and other uncontrollable external risks	• Introduced the TCFD framework to strengthen climate risk management. Our Taichung Plant has passed ISO 14064-1 verifications and implemented multiple energy and carbon reduction measures to mitigate climate change impacts • In light of lessons learned from the coronavirus pandemic, we have reinforced supply chain management by securing safety stock and identifying alternative material sources to reduce supply shortage risks
 Other risks	Other risks not listed above which may cause the company to suffer major losses	• Adopt corresponding emergency measures based on the severity of each situation

Emerging Risks and Mitigation Measures

	Emerging Risk I	Emerging Risk II
Risk Type	Artificial intelligence (AI) risk	Risk of energy supply disruptions and rising costs triggered by geopolitical conflicts
Description	• AI models are being widely adopted in pre-clinical R&D and internal management applications. Lack of robust data segregation and transparent evaluation mechanisms may increase risks from internal lateral access and lateral leakages of confidential information. • We independently developed an AI system to reduce concerns associated with collection of external third-party data, although ISO 27001 information security safeguards are still required to provide protections as well as prevent intentional circumvention and concealment by external third parties when conducting online searches of external databases. • This risk involves multiple departments and aspects (including R&D, information, compliance, and intellectual property domains); apart from requiring traditional information security and risk management measures, this is also a prospective emerging technological risk.	• Global energy supply chains and raw materials markets face severe challenges from long-term uncertainties caused by international wars and geopolitical turmoil, leading to sharp fluctuations in energy prices and regional supply shortages. • Energy crises not only threaten stability of electricity supplies for daily operations, but also increase inflationary pressures and affect energy rationing regulatory measures adopted by governments in various countries. • This risk has widespread impacts and affects corporate financial allocations, plant operations, supply chain management, and ESG sustainability goals, and is a cross-functional, long-term (3-5 years or more) emerging global systemic risk.
Potential business impacts	• To accelerate R&D and manufacturing capacities, we promoted widespread adoption of AI applications and strengthened transparency of internal evaluation mechanisms, but understand that these initiatives incur necessary administrative costs. • The public and our business partners are expressing growing concerns toward AI ethics and protection of confidential information, which may prompt regulatory authorities to introduce more stringent requirements, requiring us to develop appropriate response strategies. • As our internally developed AI systems become increasingly complex, maintenance, risk monitoring, and technological update needs will increase significantly, raising operational costs, although we consider these to be necessary costs for supporting our rapidly evolving R&D and manufacturing activities.	• Direct operational and financial impacts such as rising energy costs (from electricity and natural gas) and raw material procurement costs will raise operational expenditures. Additionally, if power rationing or power cuts occur without warning, key R&D experiments could be disrupted, cold chain storage processes could fail, or facilities could be shut down, resulting in irrecoverable direct financial losses. • Upstream suppliers and logistics chains may also be affected by energy crises, which will likely cause significant delivery delays or disrupt the supply of critical R&D materials, which would generate severe impacts. • In the face of tightening conventional energy supplies and rising prices, failure to actively deploy alternative energy solutions may delay achievement of our net zero emissions targets and other long-term ESG goals.
Response and mitigation measures	• To strengthen internal audit and governance mechanisms, we have established a corporate AI governance framework which requires employees to submit applications through an internal digital approval system, strictly delineate usage permissions based on business needs and confidentiality levels, and obtain relevant authorization. • Conduct AI outreach activities and interactive experiences (such as internal seminars and workshops) to connect executives and key users from different departments, and help all employees understand and commit to AI technology application regulations, confidentiality protections, and information leakage prevention measures. • Continue to assess potential information security vulnerabilities and leakage prevention capabilities in self-developed AI models, establish abnormality monitoring and dedicated notification mechanisms, and carry out quantitative analyses of network-connected retrieval and access behaviors to provide AI application developers with a reference for model configuration and governance. • Integrate AI applications with international information security management standards to establish a three-tier management system encompassing "Access Controls - Data Isolation - Resource Scheduling" thereby strengthening risk protections, architectural flexibility, and resource controls of AI systems using a layered governance mechanism.	• Promote energy transitions and renewable energy deployments: Initiate a diversified energy procurement strategy and gradually increase renewable energy ratios through corporate green power purchasing contracts or establishment of self-generated for self-use solar power and other renewable energy facilities at suitable locations to reduce our dependence on single centralized power grids. • Strengthen energy management and energy efficiency optimization: Assess appropriateness of introducing and implementing international energy management systems such as ISO 50001. • Monitor data and inventory internal high-energy-consuming equipment through our energy management system, and continuously promote energy conservation in factories and offices to curb operational energy consumption at the source. • Establish interdepartmental supply chain risk monitoring measures that continually monitor international geopolitical and market developments, and develop a decentralized procurement strategy to avoid risks from relying on a single supply source.

Countermeasures for Risks and Impacts

To reduce negative impacts from risks and ensure operational stability, we adhere to a three-step process: Prevention, Establish Grievance and Communication Channels, and Review and Improvement. We established complete remedial processes for negative impacts to effectively respond to potential or emergency impacts.

<table>
<tr><th colspan="3">Prevention</th><th colspan="2">Establish Grievance and Communication Channels
We have established diverse internal and external grievance reporting channels as well as two-way communication channels for our colleagues so we can listen to employee feedback.</th><th>Review and Improvement</th></tr>
<tr><td>Formulation of rigorous policies</td><td>Robust information security controls</td><td>Comprehensive risk management</td><td>Internal communication channels</td><td>External grievance channels</td><td rowspan="2">Receiving units transfer all grievance cases to responsible units for review of case content, proposal of improvement measures, and communication with employees or external stakeholders to ensure compliance. We also disclose content in sustainability reports as appropriate so stakeholders are fully informed.</td></tr>
<tr><td>Formulate various policies and require compliance from employees and suppliers to prevent violations of regulatory requirements or corporate policies related to ethical management, drug marketing ethics, human rights, and environmental protection.</td><td>Adopt rigorous information security management measures to ensure information security and privacy protection.</td><td>Conduct comprehensive assessments based on the COSO ERM framework, and host multiple education and training sessions to ensure that our colleagues are aware of various risk prevention measures.</td><td>・Internal communication channels
・Labor-management meetings
・Employee welfare committee
・Employee suggestion email:
・voice@pharmaessentia.com
・Reports of unlawful infringements in the workplace:hr@pharmaessentia.com</td><td>Dedicated ESG portal for information disclosures and contact: Includes latest news, download section, newsletters, interactive section, and contact section</td></tr>
</table>

2.4 Data Security and Privacy Protection

Material Topics	Information Security and Privacy Protection
Significance for PharmaEssentia	We have established robust information security management and personal information protection mechanisms which improve our information security resilience while safeguarding sensitive information and stakeholder privacy. We regularly strengthen our information security systems and enhance the information security awareness of internal personnel.
Policies and Commitments	・We announced on our official website that we had established the “Information Security Management Procedures” and an information security promotion team responsible for forming information security units, formulating information security policies, organizing personnel training, identifying core businesses, surveying and developing information and communication systems, conducting information security risk assessments, implementing information and communication security protection and control measures, reporting and responding to information and communication security incidents, and continuing to improve information and communication security management. The information security officer makes annual reports to the Board. ・As part of our commitment to personal information protection, we ensure that CROs and medical personnel participating in clinical trials at hospitals rigorously adhere to privacy protection policies and comply with domestic and overseas regulatory requirements such as the EU General Data Protection Regulation (GDPR), Good Clinical Practice (GCP), Declaration of Helsinki, Human Research Ethics Policy Guidelines, and Medical Care Act.

2.4 Data Security and Privacy Protection

Material Topics	Information Security and Privacy Protection
Responsible Units	• Personal information protection and trade secrets management promotion team, information system security maintenance team, and auditing department • 1. Personal information protection and trade secrets management promotion team: Responsible for establishing personal information protection systems, implementing and supervising personal information protection measures, and coordinating management of corporate trade secrets. • 2. Information system security maintenance team: Responsible for planning and implementing security management for information systems. • Auditing department: Responsible for auditing information security processes. • Executive Center for Corporate Sustainability Corporate Governance Team: Responsible for consolidating and managing material sustainability topics
Response Strategies, Associated Measures, and Management Actions	• Introduced the ISO 27001:2022 information security management system at PharmaEssentia Taipei Office, and continued to obtain verifications from third-party certification bodies. We completed our second annual surveillance audit in April 2025. • We established a privacy policy as well as employee training and accountability mechanisms, third-party contractual constraints and oversight, restrictions on data sharing, and prohibition of secondary use. • Our information security management encompasses all networks, systems, and personnel involving personal information, and we implement multi-layered protective measures such as account and access controls, data encryption, firewalls, data loss prevention, and endpoint detection and response measures to reduce risks from data leakages and unauthorized access, and also work to enhance our personal information security protection capabilities. • We established privacy protection management and audit mechanisms which encompass supplier management, internal access controls, risk and incident responses, and ongoing monitoring. We conduct due diligence on suppliers who process personal data, incorporate data protection responsibility clauses into contracts, and perform regular audits and reviews. Our internal data access controls adhere to the principle of least privilege, and we regularly review access permissions as well as strengthen account and password security. • We have established privacy incident classification, notification, and response mechanisms, as well as a disciplinary action system to ensure timely handling and legal compliance, while also implementing annual internal privacy audits and tracking corrections. We have defined clear data subject rights and channels, identity verification procedures, and processing time limits.
Evaluation Mechanisms	• We conduct risk assessments and audits that comply with ISO 27001 standards, and information security executives make regular reports to the Board.
Targets for 2025	• No grievances associated with employee or customer data protection or privacy matters • No incidents involving leaks of employee or client information • Host information security education and training as well as ISO 27001 education and training
Achievements in 2025	• We received no grievances associated with employee or customer data protection or privacy matters in 2025 • No incidents involving leaks of employee or client information occurred in 2025
Short-Term Targets (1 Year)	• Ensure stable operation of ISO 27001 information security management system and implement related policies, risk assessments, and incident response mechanisms. • Strengthen information security and privacy awareness in employees and partners to ensure compliance with GDPR, GCP, and related regulations. • Continue to recruit information security personnel or seek assistance from external information security consultants.
Mid-Term Targets (3-5 Years)	• Regularly inventory core information and personal information risks, and continue to strengthen information security protection and management processes • Strengthen information security and privacy management requirements for third parties and external service providers to reduce supply chain information security risks
Long-Term Targets (More Than 5 Years):	• Establish active and continually improving information security governance framework to ensure information security and protection of personal information. • Integrate information security and privacy protection measures into core corporate governance and sustainable management systems

Information Security Management System

To enhance information security protection and management mechanisms, PharmaEssentia adheres to amendments made to the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and "Information and Communication Security Management Guidelines for TWSE/TPEX Listed Companies." We announced on our official website that we had established the "Information Security Management Procedures" and an information security promotion team responsible for forming information security units, formulating information security policies, organizing personnel training, identifying core businesses, surveying and developing information and communication systems, conducting information security risk assessments, implementing information and communication security protection and control measures, reporting and responding to information and communication security incidents, and continuing to improve information and communication security management. The information security officer makes annual reports to the Board; the latest information and communication security report was presented in February 2025 and explained recent information security management implementations and corrective actions. To strengthen information security governance, we established a Chief Information Security Officer (CISO) in 2025 to direct, oversee, and coordinate information security strategies and management mechanisms. The CISO's primary responsibilities include directing and overseeing establishment and implementation of information security policies, risk assessment and control, information security incident notification and response, data protection and privacy management, supervising internal and external audits, and ensuring regulatory compliance. The CISO also directs and supervises interdepartmental information security training and awareness enhancement, and reviews reports from senior executives detailing information security achievements and risks to ensure operational stability and security of information assets, thereby improving governance quality.

Information Security Management Team

To enable effective promotion of information security tasks, we have established the information security management team (hereinafter the "information security team") to coordinate information security promotions, governance, and supervision. The information security team is convened by a senior executive designated by the CEO or general manager. Information security team members include the general management division information director, the CEO office biostatistics director, the general management division intellectual property director, the legal affairs director, the Executive Center for Corporate Sustainability director, the corporate governance officer, QA/QC/PROD/engineering directors, and the general management division human resources director; auditing department personnel also attend team meetings. The team convener appoints executives to serve as team members based on operational needs. The following promotion teams have been set up under the information security team by the information security team convener, and are responsible for coordination, planning, and execution of various tasks.

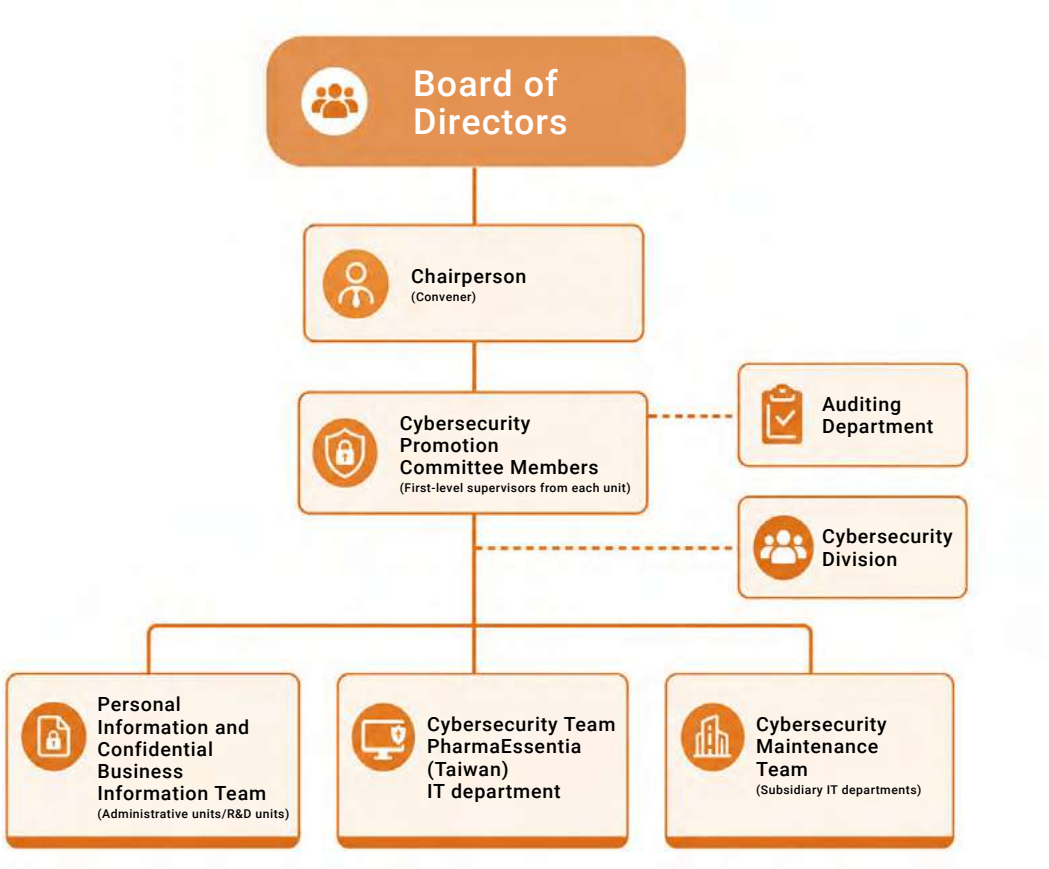
1. Personal information protection and trade secrets management promotion team: Responsible for establishing personal information protection systems, implementing and supervising personal information protection measures, and coordinating management of corporate trade secrets. The promotion team oversees all information associated with internal employees, external vendors, CRO clinical data, and data from Panco.

2. Information system security maintenance team: Composed of the information security team at PharmaEssentia (Taiwan)'s IT department and information security teams at subsidiary IT departments; the information system security maintenance team is responsible for planning and implementing security management for information systems.

3. Information security team: Responsible for coordinating information security and data protection matters, implementing personal information protection and trade secrets management, and conducing regular education and training.

4. Auditing department: Responsible for auditing information security processes.

Information security organizational chart



We introduced the ISO 27001:2022 information security management system at PharmaEssentia's Taipei Office in 2023, and completed the second annual surveillance audit in April 2025. Implementing an ISO 27001 system allowed us to move from passive defense to active management of information security. We established a sound information security management framework, strengthened our information security defense capabilities, adhered to regulatory requirements, and also increased our international competitiveness and enhanced information security awareness in our employees.

PharmaEssentia obtains third-party ISO 27001 verifications every year


Certificate TW24/00000563
SGS
PharmaEssentia Corp.
ISO/IEC 27001:2022
IAF

Information Security Training

To enhance information security awareness in employees, PharmaEssentia organized information security training in 2025 and introduced information security awareness training and phishing simulation training for a total of 643 participants over 554.5 training hours. We appointed four employees to attend 14 information security training courses, including an ISO/IEC 27001:2022 information security management system auditor/lead auditor training course, a Linux and SQL operational management course, the Google Cybersecurity Professional Certificate (Second Edition) course, and the AWS Certified AI Practitioner course. We also required the head of the IT department to attend information security seminars on a variety of topics to better understand current information security trends and responses. We are working to build an integrated Group-wide information security protection network and risk awareness culture at PharmaEssentia (Taiwan) which can be gradually extended to our subsidiaries. PharmaEssentia conducted phishing training in 2025 by sending out phishing emails to help employees identify and respond to suspicious or phishing emails, malicious URLs, spoof email addresses, and impersonation attempts involving other employees or senior executives, thereby enhancing employee vigilance toward suspicious emails. We also used a digital system to conduct regular tracking and assessments to ensure that our employees fully understand and comply with our information security policies.

PharmaEssentia USA and PharmaEssentia Japan have yet to implement ISO 27001 information security management systems, but they have organized information security training courses and require all employees to complete monthly cybersecurity training courses. The IT department conducts monthly phishing simulation attacks on all PharmaEssentia USA, PharmaEssentia Japan, and PIRC employees through the online information security awareness training system to enhance information security awareness in our colleagues. PharmaEssentia Japan's IT department began requiring all employees to complete at least 20 minutes of cybersecurity training each month starting from the fourth quarter of 2025. A total of 70 employees participated in this training in 2025. Phishing simulations are conducted every month to strengthen

	Course Title	Sessions	Number of Participants	Training Hours/Person	Total Training Hours
PharmaEssentia	Prevention of malicious emails and social engineering training	1	315	1.5	472.5
	ISO/IEC 27001:2022 education and training	2	2	80	160
	KnowBe4 safety awareness training	1	328	0.25	82
PharmaEssentia USA	KnowBe4 safety awareness training	42	349	1.97	687.97
PharmaEssentia Japan	KnowBe4 safety awareness training	3	70	1.5	105

Personal Information Protection

PharmaEssentia established a "Privacy Policy" in 2025. Our information security and privacy protection targets not only include internal employees, but also healthcare professionals, medical institutes, CROs, and clinical trial patients. In terms of patient privacy and security, we ensure that CROs and medical personnel participating in clinical trials rigorously adhere to privacy policies and comply with domestic and overseas regulatory requirements such as the EU General Data Protection Regulation (GDPR), Good Clinical Practice (GCP), Declaration of Helsinki, Human Research Ethics Policy Guidelines, and Medical Care Act as part of our responsibilities to personal information protection. In 2025, no PharmaEssentia companies around the globe experienced any information security incidents or personal data breaches, or received any grievances involving employee or client personal data protection or privacy matters, or received any reports or complaints regarding data leakages.

Document Management System

PharmaEssentia introduced document management systems across all departments in 2025, and expects to complete all system implementations in 2026. Departmental information is classified by confidentiality levels, and system viewing and access functions facilitate information tracking and management, which helps new hires review training materials, and also enables senior employees or executives to communicate more effectively.

2.5 Intellectual Property Management

PharmaEssentia established the "Intellectual Property Management and Utilization Procedures" to regulate the acquisition, protection, maintenance, and utilization of corporate intellectual property rights, and to centralize management of PharmaEssentia's global intellectual property rights. Each year, the Board reviews regular reports regarding implementations of the previous year's intellectual property management plan, as well as the intellectual property management plan for the upcoming year. Implementations on the 2025 intellectual property management plan and the new intellectual property management plan for 2026 were reported to the Board on March 2, 2026.

In 2025, we updated internal controls related to intellectual properties generated during R&D processes to meet current needs and to align management of intellectual property risks with the standards and requirements for new drug companies.

The intellectual property department at PharmaEssentia Taipei Office has formulated Group-wide intellectual property rights management policies. We incurred no intellectual property rights violations in 2025.

Patent Positioning and Strategies

Decisions on whether to file patent applications for R&D achievements and the regions/countries where patents are filed all adhere to relevant intellectual property procedures and are handled on a case-by-case basis. As there are differences in indications/patient types/market conditions for Ropeg and other new drugs being developed by PharmaEssentia, patent application requirements and application regions also differ. When formulating our patent portfolio strategy, we not only consider important R&D achievements and output quality, but also assess factors associated with marketing, manufacturing, local health insurance reimbursement conditions, accessibility, and regulatory requirements before making decisions on whether to apply for patents. These measures help us expand the depth and breadth of our patent strategies.

PharmaEssentia monitors medical accessibility demands and current conditions in various regions through subsidiaries. This information is used as a reference when applying for local patents and trademarks. Our global operations team also provides professional intellectual property consultations and associated recommendations, such as authorizing drug imports and exports, prescriptions, and usage rights to specific regions as a patent holder to support necessary medical actions so that the Group global operations team can plan feasible access to medicine solutions for all locales.

PharmaEssentia Intellectual Property Rights Strategies

1.Continue to apply for and obtain invention patents in various countries:

PharmaEssentia is dedicated to patent protection and patent management, and works to protect R&D achievements by creating complete patent portfolios and market protections.

2.Prioritize access to medicine:

We adjust our operational strategies in accordance with patient demands and accessibility gaps across regions as low-income countries and least developed countries may be unable to afford or obtain new drugs due to intellectual property rights protections. We not only consider the prevalence of said indication, local economic standards, and local governmental regulatory policies for new drugs, but also actual local conditions. When we have to decide between enforcing patent rights for new drugs and humanitarian aid, we prioritize medical needs and offer accessible channels and affordable prices. In 2025, PharmaEssentia did not apply for or enforce patents in any low-income countries or least developed countries.

3.Protect intellectual property rights:

Our R&D scope has continually expanded as our R&D projects gradually matured and our products were launched, but our intellectual property risks have also become increasingly diverse. In 2025, the Board approved adjustments to intellectual property rights procedures for internal R&D controls. Our own system and automated warnings sent by the five major intellectual property offices worldwide (IP5 offices) enabled us to improve docketing accuracy rates for key countries to 100%, reducing manual management risks and lowering redundant document processing times by 30%. To maintain the advantages of our core patent technologies, we manage intellectual property rights by product lifecycle stages. Our R&D, manufacturing, and intellectual property teams continuously optimize existing patented technologies, file patent applications, and disclose product optimization results in a timely manner. In terms of trademark protections, we regularly monitor similar trademarks around the world. We initiated a corporate identity mark rebranding plan in the fourth quarter of 2025, and filed trademark registration applications across different countries. Our new corporate identification marks and trademarks were launched at the 2025 American Society of

Hematology Annual Meeting.

Intellectual Property Protection Mechanisms and Actions

PharmaEssentia actively identifies and manages intellectual property rights risks, and strategically and intensively implements Freedom to Operate (FTO) analyses for various technologies to ensure that the technologies associated with P1101 and all other new drugs under development are free from third-party intellectual property rights risks, provide meaningful guidance for future R&D, and facilitate patent applications. Our rigorous due diligence provides clear guidance on future developments while effectively preventing potential infringement disputes. For example, our team conducted a comprehensive freedom to operate (FTO) review before submitting application documents for the BESREMi Pen to the US FDA. Patent searches and claims analyses confirmed that designs for our injector pen were unique, which laid a solid foundation for the product's successful and legally compliant market launch.

Intellectual Property Education and Training

PharmaEssentia's in-house US patent attorneys formulate comprehensive internal intellectual property training plans each year to help domestic and foreign employees within the Group better understand intellectual property knowledge. To accommodate our newly introduced paper-free cloud platform, we launched an intellectual property management system platform training course in 2025 to assist the R&D department in promptly filing R&D achievements. Internal intellectual property training will gradually

Course title	Course format	Course targets/Number of participants	Participation hours per person
Invention management platform training	Online course	50 participants from the R&D, manufacturing, and intellectual property teams at PharmaEssentia Taipei Office 17 participants from the US PIRC team	1 hour
Intellectual property rights and clinical trial initiation course	Online course	3 participants from PharmaEssentia USA IT management team	1 hour
Intellectual property rights training for new employees	Online course	New PharmaEssentia employees	20-minute training course based on personnel duties
PharmaEssentia trademarks registered in Taiwan and associated applications	In-person course	119 participants from PharmaEssentia (Taiwan) and Panco	2 hours

Patents and Trademarks

Number of patents

Cumulative number of valid patents:

243 patents acrossvarious countries and regions

Valid as of year-end 2025

Pending

47

Number of trademarks

Cumulative number of valid trademarks:

185 trademarks acrossvarious countries and regions

Valid as of year-end 2025

Pending

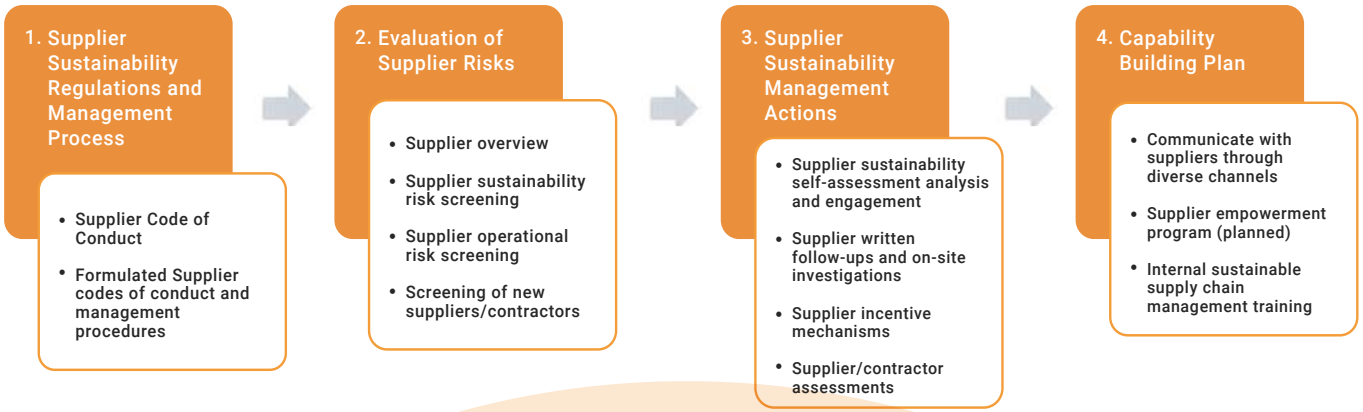
147

Global Trademark Applications and Management Practices

1. Registering trademarks to protect the Group name: Submitted a total of 12 applications. PharmaEssentia is now a publicly listed company. Our flagship product has gradually secured marketing authorizations, insurance reimbursement coverage, and commercial launches in the US and various countries around the world. In 2025, we filed additional applications in the US to protect Chinese and English terms related to PharmaEssentia and BESREMi across different business categories to protect our corporate name and accumulate goodwill.
2. Registering trademarks for new corporate identity marks: Submitted a total of 129 applications. PharmaEssentia launched a corporate identity mark rebranding plan in the fourth quarter of 2025 in response to US drug market trends. We also filed applications for various trademarks in different business categories in the US, Taiwan, China, and Korea in 2025.
3. BESREMi China trademark registration application: Submitted 1 application. After obtaining approval for the Chinese BESREMi trademark, we subsequently filed a trademark registration application for a BESREMi word and device trademark. Our application was approved in the same year and we obtained a trademark certificate.
4. New global trademark applications in 2025: We submitted a total of 142 applications, 2 of which were approved and registered in the same year (2025).
5. Trademarks approved and obtained in 2025: A total of 12 trademarks in Taiwan, the US, Canada, China, and other countries were approved. The trademarks included corporate names, product names, and commercial terms.

2.6 Sustainable Supply Chain Management

PharmaEssentia continues to strengthen sustainable supply chain management practices and has established long-term partnerships with suppliers/contractors to jointly promote sustainability principles.



1. Supplier Sustainability Regulations and Management Process

PharmaEssentia's "Supplier Code of Conduct" has been signed and approved by the Company Chairperson. The Group Supplier Code of Conduct covers ethical standards, labor and human rights, health and safety matters, environmental issues, and management systems. This serves as a core guideline for advancing responsible supply chain management, which we hope can become an industry benchmark in the future. We work with our supply chain partners to jointly achieve our ethical management and sustainable development goals. Our procurement department continually promotes the Supplier Code of Conduct through daily business interactions, order notifications, and links in email signatures to enhance supplier awareness of our corporate social responsibilities and legal compliance requirements, thereby ensuring transparency and compliance with ethical standards throughout the collaboration process. As part of our sustainable supply chain management procedures, we initiated supplier signing processes for the Supplier Code of Conduct in the fourth quarter of 2025 and achieved a 100% signing rate, demonstrating that all of our partners have committed to compliance with ethical management, labor rights, occupational safety, and environmental sustainability principles.

To achieve our paper-free and process digitalization goals, we introduced a globally synchronized digital procurement platform starting in 2024 and systemically reengineered requisition, procurement, and final acceptance processes to convert our supplier management model from a heavily paper-based system to a systematic, traceable, and auditable management mechanism. Please refer to "Highlight: Paper-Free Promotions" for more information.

PharmaEssentia formulated the "Outsourcing Activities Policy" and "Supplier Management Procedures" to serve as standard procedures and processes for approving suppliers and external service providers, enabling strict monitoring of raw materials, production supplies, device/equipment suppliers, assessments, and approval processes, ensuring that raw materials and equipment provided by suppliers comply with quality, delivery, and Good Manufacturing Practice (GMP) requirements. We also

sign “Quality Agreements” with our external service providers to ensure that both parties are aligned on product and quality requirements. In 2025, 126 vendors were required to sign quality agreements, and we achieved a signing rate of 98.41%. Of these, 8 suppliers were new vendors, and 2 suppliers are still in the process of signing our quality agreements. The remaining 124 vendors have signed their quality agreements.

We added clauses related to corporate social responsibilities such as business integrity, labor and human rights, occupational health and safety, environmental sustainability, and other issues in all procurement contracts. We clearly stipulate that collaborating vendors should comply with ethical management principles as well as adhere to fundamental labor rights principles and local labor laws, and we strive to build healthy, safe, and appropriate work environments. Collaborating vendors must comply with related environmental regulations and establish specific environmental protection, energy conservation, and carbon reduction management measures. Group contract clauses clearly stipulate: “Collaborating vendors agree to abide by PharmaEssentia’s Supplier Code of Conduct and adhere to the latest version of the Supplier Code of Conduct when it is updated. Collaborating vendors also agree to ensure that their downstream suppliers, contractors, and service providers understand and comply with said Supplier Code of Conduct. If collaborating vendors fail to comply with the aforementioned regulations, PharmaEssentia may require suppliers to implement corrections within specified periods, or may terminate this agreement without any compensation liabilities, depending on the severity of the circumstances.” These clauses emphasize our determination toward ESG (environment, social, governance) management and implementation.

Before signing contracts with Japanese equipment manufacturers, PharmaEssentia Japan not only considers cost rationales, vendor credit reports, and other corporate operational conditions, but also evaluates whether said vendors are capable of complying with PharmaEssentia Japan bylaws, GMP regulations, and GQP regulations. PharmaEssentia Japan also assesses whether factory environments are suitable for medication preservation, and confirm whether there are appropriate response measures if emergency incidents generate negative quality impacts during production processes. Final products are ultimately prepared for commercialization (packaged) under strict conditions at factories that adhere to relevant standards.

2. Evaluation of Supplier Risks

(1) Supplier Overview

To enhance supplier management efficiency, PharmaEssentia (Taiwan) and PharmaEssentia Japan categorize suppliers involved in direct transactions with PharmaEssentia as Tier 1 suppliers based on risk levels and procurement amounts. GMP suppliers that cannot be easily replaced are defined as critical suppliers. In 2025, PharmaEssentia (Taiwan) had ongoing transactions with 484 Tier 1 and non-Tier 1 suppliers, including 12 suppliers in the US and 9 suppliers in Japan.

All products and services from PharmaEssentia USA suppliers are categorized using a quality system, and routine inspections are conducted regularly on critical suppliers such as third-party logistics companies (3PL), CMOs, and transportation companies. New suppliers are reviewed before contract signing. PharmaEssentia USA meets with Tier 1 suppliers once every two weeks to discuss all possible product supply chain risks, and also holds annual review meetings with third-party logistics companies to review pharmaceutical trading operations and mechanisms. Supplier qualifications are determined in accordance with US SOP-QA-003 supplier qualification procedures (GMP) and SOP-QA-009 external audit results.

(2) Supplier Sustainability Risk Screening

We monitor potential supplier sustainability risks by actively conducting annual sustainability risk inventories on significant suppliers with high sustainability risks. The inventories encompass seven aspects: country, industry, product characteristics, environment, governance,

Aspect	Definition
Country-specific risks	Suppliers located in countries with high national corruption, human trafficking, forced labor, and conflict minerals risks, or countries with occupational health and safety deficiencies identified in PSCI audit reports.
Sector-specific risks	Suppliers with industrial processes that involve high sustainability risks encompassing raw materials and chemical processes, bioprocessing and laboratory processes, pharmaceutical equipment/process system manufacturing, pharmaceutical manufacturing, waste treatment and collection/transportation, and facility engineering/construction.
Commodity-specific risks	Procured products are characterized by high sustainability risks encompassing hazardous chemicals and solvents, animal-derived materials, and metal products.
Environmental aspect	Whether suppliers have violated environmental regulations or were involved in any material environmental dispute incidents
Governance aspect	Whether suppliers have violated corporate governance regulations or were involved in any material governance dispute incidents
Social aspect	Whether suppliers have violated social regulations or were involved in any material social dispute incidents
Business relevance aspect	Consideration factors include “annual transaction amounts reaching a certain threshold” or “GMP suppliers that cannot be easily replaced”

(3) Supplier Operational Risk Screening

The criteria for determining risk levels of PharmaEssentia (Taiwan) suppliers include:

1. Whether they are significant suppliers, or if they provide materials or services directly related to patients or trial participants.

2. Whether the materials or services provided are used in pilot production, clinical trials, or commercial production stages.

3. Whether the materials or services provided have high impacts, such that changing suppliers could significantly impact R&D or manufacturing.

4. Whether the materials or services provided have low substitutability, encompassing factors such as single supply sources, supplier diversity and competition, geographic distribution, or patented technologies.

5. Whether annual procurement volumes or monetary values are high.

6. Whether there are high impacts from environmental, governance, or social factors on the materials or services provided, which could affect supply continuity or regulatory compliance.

In 2025, PharmaEssentia (Taiwan) had ongoing transactions with 484 suppliers. Our supply chain risk evaluation results revealed that 13% of suppliers were considered to be high risk, 30% were moderate risk, and 57% were low risk. Compared to the previous year, moderate-risk suppliers decreased by 33%, low-risk suppliers increased by 29%, and high-risk suppliers increased by 4%.

These changes were mainly attributable to the significant growth in sales of our self-developed new drug starting in 2024, and our sales momentum continued to expand in 2025. We simultaneously adjusted our procurement and supply chain management mechanisms in response to significant increases in production capacity and material demand, re-evaluating our delivery times for critical materials, introducing alternative material strategies, and strengthening communication, collaboration, and delivery time management with suppliers. The aforementioned measures allowed us to effectively enhance supply stability and strengthen supplier collaboration, and also increased the proportion of low-risk suppliers.

However, growth in our pharmaceutical sales also increased demand for raw materials and shortened our delivery time requirements. Therefore, some suppliers faced greater challenges associated with production capacity and delivery time management. To enhance our warning and management capabilities, we categorized certain suppliers as high-risk suppliers to enable strengthened management and tracking, thereby ensuring supply stability and production safety.

	2023		2024		2025	
Risk levels	Number of suppliers	Ratio	Number of suppliers	Ratio	Number of suppliers	Ratio
Low risk	309	74%	102	28%	277	57%
Moderate risk	94	22%	228	63%	146	30%
High risk	16	4%	32	9%	61	13%
Total	419	100%	362	100%	484	100%

Note 1: The boundary for risk level evaluations encompassed PharmaEssentia (Taiwan)
Note 2: Risk level classifications: Our Taichung Plant classified risks as Minor, Major, and Critical based on GMP quality management standards.
Note 3: PharmaEssentia (Taiwan) sites classify risks based on the following criteria: High risk (more than 3 items), moderate risk (1 or 2 items), and low risk (no items)

PharmaEssentia USA has also established a risk management process and conducted gap analysis to identify supply chain management risks. Supplier risks are managed through US and Taiwan quality systems. We assess each supplier and the quality of provided materials and services to ensure GMP compliance, and periodically reassess supplier qualifications.

Management Mechanisms by Risk Level

Risk level	Supplier management mechanisms/definitions
High risk	1. Strategic alliances: Strengthen partnerships with suppliers to achieve mutual benefits 2. Maintain sound interactions with suppliers and establish solid collaborative relations 3. Evaluate total cost of ownership (TCO) encompassing service scope, quality, timelines, and other performance indicators 4. Ensure service quality, content, and supply stability through formal contracts 5. Self-produce or self-manufacture materials, or refine manufacturing processes 6. Ensure supply stability 7. Maintain sound interactions with suppliers and utilize service information provided by vendors 8. Develop new suppliers and second sources to prevent supply shortages
Moderate risk	1. Require vendors to prepare additional inventory for recurring materials to enable timely supply 2. Integrate procurement items and departmental needs 3. Actively check and compare prices for exclusive or competitive materials 4. Analyze item prices and costs
Low risk	1. Implement recurring purchasing processes that adhere to and maintain necessary procurement procedures 2. Centralize order qualities and frequencies

PharmaEssentia adopts corresponding management strategies for suppliers based on different risk levels. For high-risk deficiencies, we carry out preventive monitoring measures, formulate contingency plans, require suppliers to make immediate corrections, and may suspend procurement or terminate contracts if necessary. For moderate-risk deficiencies, we require suppliers to take immediate corrective measures, and we may also suspend collaborations if major deficiencies are involved. For low-risk deficiencies, we conduct routine management and follow-up in accordance with annual assessment standards.

(4) Screening of New Suppliers/Contractors

PharmaEssentia screening criteria for suppliers/contractors encompass three major indicators (quality systems, technical capabilities, and services and supporting capabilities). We have also incorporated environmental and social indicators in supplier screening mechanisms. Supplier/contractor screening and assessment scoring weights are as follows: quality system 30%, technical capabilities 30%, and service and supporting capabilities 30%; 5 bonus points are awarded for ESG items. If suppliers receive the same score on the three major indicators, PharmaEssentia prioritizes suppliers with better environmental and social performance. PharmaEssentia engages with oligopoly and monopoly suppliers that perform well on quality systems, technical capabilities, and services and supporting capabilities, but have weaker environmental and social impacts to gradually enhance their sustainability awareness and improve their environmental and social sustainability actions, thereby facilitating long-term and sustainable collaborative relations. In 2025, PharmaEssentia (Taiwan) added 80 new suppliers and contractors, 68 of which were local suppliers, accounting for 85% of new suppliers.

Environmental indicators

1. Compliance with all applicable environmental laws, related regulations, and reporting components
2. Ensure that waste materials, exhaust gases, and wastewater are treated, delivered, stored, recycled, reused, and managed in accordance with regulations
3. Optimize resource usage and resource cycles to reduce resource consumption
4. Achieve biodiversity, no deforestation, land conservation, zero net deforestation targets
5. Achieve climate commitments to reduce greenhouse gas emissions and achieve carbon neutrality commitments

Social indicators

1. Pledge to provide workers with acceptable living (work) environments
2. Prohibit use of forced labor, and do not deprive or restrict the personal freedoms of workers
3. Maintain freedom of association and collective bargaining rights
4. Maintain employee health and safety
5. Guarantee minimum wages, overtime payments, and statutory benefits
6. Treat employees humanely and ensure they are free from all forms of sexual harassment, physical punishment, physical persecution, and verbal violence
7. Anti-discrimination
8. Prohibition of child labor

3. Supplier Sustainability Management Actions

(1) Supplier Sustainability Self-Assessment Analysis and Engagement

To strengthen sustainability governance across our supply chain, we conduct annual supplier ESG self-assessment surveys which use our Supplier Code of Conduct as a core framework. Our Supplier Code of Conduct referenced international standards such as the United Nations Global Compact, the Universal Declaration of Human Rights, and the Pharmaceutical Supply Chain Initiative (PSCI), and was supplemented by GRI and ISO 26000 guidelines. The surveys align with annual reviews of internationally relevant issues and revisions to related regulations, and cover key issues such as corporate governance, labor and human rights, legal compliance (environmental protection/labor laws), and environmental impacts. In 2025, we further incorporated issues related to supplier industry characteristics, compliance with environmental protection laws, and management of industrial waste and toxic chemical substances. We also established dedicated environmental protection units and implemented a “Four Phase Precise Identification Strategy” which enhanced the credibility and accuracy of our self-assessment surveys by incorporating significant suppliers, adding external verification mechanisms for self-assessment surveys, confirming qualified respondents, and distributing and collecting surveys.

A.Incorporate significant suppliers with high sustainability risks

Before distributing surveys, PharmaEssentia proactively screens suppliers to determine whether they are significant suppliers, then reviews public information, including news items, supplier websites and ESG reports, and penalty and regulatory records made publicly available by competent authorities; we list suppliers with potentially high ESG risks.

B.External verification mechanisms for self-assessment surveys

We linked some survey questions to external verification mechanisms by using our self-developed automated web-crawling system to analyze public information on competent authority websites. Analysis results were used to determine whether suppliers had previously incurred violations of labor and human rights, occupational safety, environmental protection, and other related regulations, and served as external verification of survey responses.

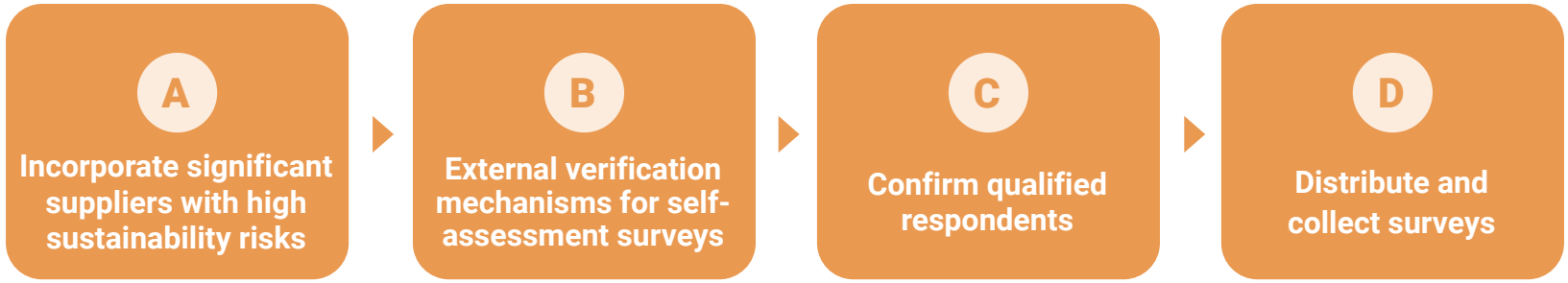
If we suspect that suppliers have incurred regulatory violations, we immediately work with relevant departments to clarify and investigate said violations, while also prioritizing supplier communication and engagement aligned with good faith principles, and encouraging suppliers to take corrective measures. However, if repeated communication does not yield concrete improvements, we may consider terminating collaborations as a prudent management measure.

C.Confirm qualified respondents

Our surveys cover multiple aspects and cannot be completed by any single department. Therefore, we ask suppliers to appoint qualified respondents across different departments when distributing surveys to ensure the accuracy of the information collected.

D.Distribute and collect surveys

Procurement personnel communicate our sustainable supply chain initiatives via email and explain survey completion guidelines. If surveys are not completed within stipulated deadlines, we follow up with gentle reminders and phone check-ins to encourage our suppliers to provide



Item	2025
Number of significant suppliers evaluated using supplier ESG self-assessment surveys	45 suppliers
Proportion of significant suppliers that completed supplier ESG self-assessment surveys	100%
Number of suppliers determined to have incurred material regulatory violations	11 suppliers
Proportion of significant suppliers with material regulatory violations who adopted corrective measures	100%
Number of significant suppliers with whom we terminated collaborations due to material regulatory violations	0

Note: The number of suppliers determined as having incurred material regulatory violations refers to suppliers that have violated local ESG regulations.

Results of Supplier ESG Self-Assessment Surveys for 2025

In 2025, we distributed sustainability risk self-assessment surveys to 45 suppliers and achieved a 100% response rate. Based on the results of these surveys, we found 6 suppliers to be Class A suppliers, 20 suppliers to be Class B suppliers, and 19 suppliers to be Class C suppliers.

Class	Number of suppliers in 2025	Summary of analysis results
Class A Above 80 points (Low sustainability risk)	6	Met expectations on labor and human rights, occupational safety, management systems, and environmental protection aspects
Class B 60-79 points (Moderate sustainability risk)	20	Moderate risk or room for improvement on some issues such as greenhouse gas inventories and corporate governance
Class C Below 60 points (High sustainability risk)	19	Many aspects did not meet sustainability requirements or comply with local regulations such as environmental regulations or labor/human rights regulations

Note: Sustainability self-assessment surveys for the year were implemented using a risk-based management approach, and we prioritized in-depth assessments of suppliers whose annual transactions or assessment results required greater attention. Therefore, our assessment results show a relatively higher proportion of suppliers with moderate-to-high sustainability risk. These results primarily reflect our strategy of focusing management resources on potential risk targets, rather than the actual distribution of sustainability performance for all suppliers. This tiered management mechanism further enhances the effectiveness of risk screening and supplier coaching.

Subsequent Management Actions

PharmaEssentia carries out management actions every year based on supplier self-assessment grading results. These actions may include, but are not limited to, continued monitoring and assistance, providing incentives and commendations, enabling experience sharing, formulating improvement plans or requiring immediate improvement, implementing regular follow-up and risk assessments, and adjusting collaboration terms. Key management actions for 2025 were as follows:

(a)External Verification and Written Follow-Ups for Surveys Conducted in 2025

Our external verification procedures discovered that 11 suppliers had publicly recorded regulatory violations. We have adopted a management principle of "prioritizing coaching and corrections while concurrently managing risks" for supplier ESG deficiencies. If our sustainability risk self-assessment surveys, public information checks, or routine interactions reveal that suppliers have been involved in violations of labor and human rights, occupational safety, environmental protection, or business ethics regulations, our procurement department will work with responsible departments on investigation and risk assessment, and will also formally notify said supplier to request explanations and correction plans. Related management measures are shown in the following table.

Aspect	Regulatory Violations	Subsequent tracking
Ethical management	No regulatory violations	Tracked all issues and required suppliers to take corrective measures
Compliance with labor laws	5 suppliers had violated legal regulations, but incurred no penalties (regulations associated with appropriation of employee benefits and regular hosting of labor-management meetings) 2 suppliers had been penalized by competent authorities due to violations of the Labor Standards Act	
Compliance with environmental protection laws	4 suppliers had been penalized by competent authorities due to violations of environmental regulations	

If we determine that deficiencies can be corrected, we will require suppliers to take corrective measures within stipulated periods and provide supporting information to show that corrections have been made. We also provide necessary communication and coaching as appropriate to assist suppliers in implementing corrections. We continue to track progress and implementations during the correction period.

If suppliers do not supply concrete proof of corrections within stipulated timelines, or if suppliers fail to show a willingness to make corrections after repeated communications, or if said deficiencies are material and pose ongoing risks, we assess the necessity of suspending collaborations in accordance with contract terms due to our supply chain responsibility management and legal compliance requirements, to ensure that our supply chain meets sustainability requirements.

(b) On-Site Supplier Sustainability Investigations

PharmaEssentia organizes on-site supplier sustainability investigations based on supplier self-assessment survey responses, business relationships, and our sustainability strategy to better understand supplier current practices and challenges when advancing sustainability actions. During on-site visits, we discuss supplier practices related to different self-assessment survey aspects, share information on domestic and international sustainability trends and best practices, and support suppliers in strengthening their sustainability awareness. We also establish on-site assessment records and a follow-up mechanism to foster long-term partnerships with suppliers as we jointly work to achieve sustainable development. Based on self-assessment survey results for 2025, we have planned to visit 2 suppliers; these visits are expected to be completed in the first half of 2026.

(c) Supplier Incentive Mechanism: Sustainable Preferred Supplier Initiative

To strengthen sustainable supply chain management and establish an incentive mechanism, we launched the "Sustainable Preferred Supplier Initiative" in 2025. We consider supplier performance on the aspects of corporate governance, labor and human rights, legal compliance, environmental management, and operational cooperation based on annual supplier sustainability risk assessment results and day-to-day collaborations. We listed 27 suppliers with outstanding ESG achievements for internal commendation to recognize their commitment toward and achievements in sustainability issues.

This approach encouraged suppliers while enhancing management benefits. By publicly recognizing suppliers with outstanding sustainability performance, we teach our colleagues to prioritize vendors with strong sustainability management capabilities when implementing supplier selection and procurement decisions, making ESG performance a substantive basis for collaboration rather than a documentation requirement. This creates a virtuous cycle where "strong sustainability performance leads to increased collaboration opportunities, making suppliers place greater emphasis on sustainability management," strengthening sustainability maturity within our supply chain.

This initiative also sends a clear message to suppliers that sustainability is an important condition for long-term collaboration. This public commendation mechanism encourages more suppliers to actively invest in system establishment and management improvement. In future, we hope to advance the focus of our sustainable supply chain management from "risk control" to "value co-creation" as we work to establish long-term collaborations with suppliers, maintain operational stability, and generate mutual sustainability benefits.

Supplier/Contractor Assessments

We conduct regular annual supplier/contractor audits that combine both internal appraisals and reviews with on-site audits in accordance with Supplier Audit Procedures. We shortened

re-audit frequencies for high-risk vendors to at least once a year and require suppliers to implement corrective actions. If major deficiencies are discovered, we immediately cease procurement processes. We track correction actions by phoning suppliers and requesting that they provide correction reports for re-audits.

We prioritize suppliers that perform well on supplier assessments, and increases collaboration opportunities and procurement ratios as appropriate to encourage suppliers in making strides toward sustainability management performance.

Note: We define "major deficiencies" as instances where a supplier or external vendor violated laws/regulations (including environmental laws, chemical management laws, labor laws, and GxP/GDP/quality and safety regulations); was involved in a major quality/safety/environmental/regulatory incident; or engaged in concealment, false reporting, refusal to undergo audits/refusal to implement correction measures, and similar behaviors, where such incidents were confirmed through interdepartmental reviews to have material impacts on our operations, reputation, compliance, or supply chain stability. If a supplier repeatedly incurs violations after being required to make corrections, or is unable to propose an effective correction plan/produces unsatisfactory correction results, we will initiate "Suspend Procurement or Terminate Collaboration" procedures. Our handling process includes investigation, assessment, resolution, and documentation procedures. Examples of major deficiencies include violations of fundamental laws and regulations, repeat offenders, or incidents which have material negative impacts on our reputation.

Internal review and on-site audit items include quality management, delivery capabilities, production and technological capabilities, client services and response capabilities, compliance, and ESG implementations:

A. Quality management: Review whether suppliers comply with product or service quality requirements, and assess the effectiveness of quality control processes

B. Delivery capabilities: Focus on whether suppliers can deliver products complying with specifications in a timely manner while ensuring accuracy of distribution processes

C. Production and technological capabilities: Review supplier production facilities, equipment technological levels, and R&D capabilities to ensure that suppliers possess required capabilities

D. Client services and response capabilities: Assess supplier handling efficiency of client needs, complaints, and service issues, as well as associated satisfaction levels

E. Compliance and ESG implementations: Check whether suppliers comply with related regulations and adhere to environmental, social, and governance (ESG) standards. For more information, please refer to Supplier/Contractor Sustainable Risk Assessment.

Delivery of raw materials is the most important consideration for PharmaEssentia, as shortages of raw materials affect related production processes and R&D progress. Therefore, PharmaEssentia strictly requires suppliers to ensure product supply and quality.

Number of Suppliers Included in PharmaEssentia Internal Reviews and On-Site Audits in 2025

Type	Number of suppliers that should be reviewed/audited		Number of suppliers that completed reviews/audits		Review/audit results and supplier types
	Domestic	Overseas	Domestic	Overseas	
Internal reviews	287	74	287	74	• We planned to conduct audits on 361 suppliers; 100% of audits were completed, and 100% of suppliers passed our audits. A total of 111 suppliers were exempted from audits, including those which had achieved Class A or Class B status on internal assessments for the previous year, or suppliers were juristic persons, or vendors which were not yet official PharmaEssentia suppliers. • We audited 89 significant Tier 1 suppliers and 215 non-significant Tier 1 suppliers, as well as 54 significant non-Tier 1 suppliers and 3 non-significant non-Tier 1 suppliers.
On-site audits	2	10	2	10	We originally planned to conduct on-site audits on 12 suppliers, including: • 2 domestic significant Tier 1 suppliers • 6 overseas significant Tier 1 suppliers • 3 overseas significant non-Tier 1 suppliers • 1 overseas non-significant non-Tier 1 supplier • On-site audits were completed on 100% of these 12 suppliers (including remote audits on 2 suppliers)

In 2025, we discovered that one supplier had violated the Labor Standards Act for three consecutive years, and committed the same violation in 2025. Following careful assessments conducted through an interdepartmental meeting, we decided to terminate collaborations to uphold our labor rights, human rights, and legal compliance principles.

PharmaEssentia USA conducted on-site audits on US manufacturers and Tier 2 suppliers to determine their capabilities and production capacities. We also adopted a weighted decision matrix incorporating weights for five priority items (supply continuity, compliance, quality, delivery time, and cost assessments) to conduct quantitative comparisons and ensure fair assessment of new suppliers/vendors. PharmaEssentia USA also conducted on-site due diligence to align the business strategies of both parties.

In 2025, PharmaEssentia Japan audited six suppliers, which were all manufacturing companies. On-site audits were conducted on four suppliers and written audits were conducted on two suppliers. No major deficiencies were discovered during these audits

4. Capability Building Plan

PharmaEssentia conducts regular supplier sustainability self-assessment surveys and irregular supplier interviews for continued supplier engagement, and works to jointly implement sustainability principles. This engagement mechanism enables us to monitor supplier technological capabilities, operational statuses, and sustainability performance, further strengthening our supply chain influence. We also hosted a "Supplier Education, Training, and Communication Meeting" in 2025 to communicate sustainability issues and explain supply conditions for raw materials and potential risks. This meeting served as an important reference for subsequent supplier management and risk assessment. We are planning to organize supplier coaching programs, empowerment training, and related programs in future to help suppliers enhance their management and sustainability capabilities, and to establish collaborative partnerships based on long-term values and shared growth.

Training type	Description	Training Time	Participants
Annual ESG training and consultant guidance	Collaborated with professional ESG consultants and hosted annual training encompassing sustainability governance, carbon management, supply chain risk controls, and other themes, assisting our colleagues in keeping informed of the latest sustainable development trends and practical applications	48	24
Internal training and interdepartmental discussions on ESG topics	Discussions on supplier sustainability risk assessment methods, and meetings that compiled data on supply chain carbon emissions	120.5	43
Industrial ESG experience sharing and exchanges	We invited industry experts to share practical ESG experiences such as corporate promotion of internal carbon pricing, supply chain carbon inventories, and sustainability management strategies and achievements to promote internal learning and external exchange	32	16
External organization lectures, courses, and seminars	External courses such as the "Viewing sustainable investment from a supply chain management perspective" seminar and the "EcoVadis global supply chain sustainability evaluation course" helped our personnel obtain the latest ESG knowledge on international regulations	48	17

5. Local Procurement

PharmaEssentia views local sourcing as an important strategic approach for strengthening supply chain resilience. In addition to price and quality, we also consider factors such as supply stability, legal compliance, and sustainability performance when selecting suppliers. We prioritize suppliers with local supply capabilities to shorten lead times, reduce cross-border transportation risks and carbon emissions, and improve communication efficiency and quality management.

When purchasing new products, PharmaEssentia first assesses the feasibility of working with local suppliers; for existing procurement items, we analyze supply and demand conditions, historical collaboration records, and supplier stability, using diversified selection criteria to select local collaborators, thereby enhancing supply chain responsiveness and lowering logistics and operational risks.

We are committed to establishing long-term collaborations with suppliers that share similar values and emphasize sustainability. This not only increases collaboration opportunities with high-quality local suppliers, but also fosters mutually beneficial sustainable partnerships, lowers transaction and operational risks, and aligns with our local procurement strategies. In 2025, the local procurement ratio for PharmaEssentia

	Region	2023	2024	2025
Local procurement	Taiwan	89%	64%	73%
Non-local procurement	Europe and the US	11%	35%	27%
	Other regions in Asia	0%	1%	0%
Total		100%	100%	100%

6. Supply Chain Resilience

PharmaEssentia strives to strengthen supply chain management and response capabilities, balance cost considerations and supply stability over the long term, and reduce negative supply chain impacts. In 2025, our procurement personnel conducted inventory checks for 2,091 raw materials and provided training to 65 suppliers, strengthening delivery schedule management and reducing supply chain disruption risks.

We implemented the following management measures to effectively enhance supply chain resilience:

1.Monitored factors that could potentially impact supply chains (diseases, climate change, and natural disasters)

2.Strengthened supplier management, adaptation, and response capabilities to enhance overall supply stability

3.Strengthened supplier communication and monitor delivery conditions in real time to obtain full transportation and logistics information

4.Updated delivery times for raw materials procured from suppliers to ensure timely replenishments

5.PharmaEssentia (Taiwan) centralized inventory management for special materials and determined safety stock levels based on delivery times

6.Increased safety stock levels and tracked changes in demand for front-end hospitals and patients

7.Tracked conditions in raw material production countries, assessed supply shortage risks, and formulated responses in advance

8.Established alternate material sources to lower supply shortage risks and ensure supply chain stability

We conducted comprehensive surveys of raw materials in accordance with internal standard procedures and determined priorities for introducing alternate materials to reduce risks caused by emergency events.

Process	1. Inventory raw materials that require establishment of alternate material sources	2. Perform quality checks	3. Laboratory process development validation	4. Quality assurance and continuous monitoring
Description	We identify raw materials that require activation of alternate material sources through continued monitoring of raw material inventory levels and delivery times, as well as through internal production and material meetings which focus on two main areas: ・Assessment of supply stability, including manufacturer change notices and force majeure risks for delivery times ・Continued quality and production improvements such as updates to pharmacopeia specifications and regulatory requirements	We assess raw material risks and scopes of impact from regulation changes based on the Criticality Assessment of Materials and Change Control Procedures	We carry out small-scale mass production trials where qualified raw materials pass through GMP-compliant control procedures (supplier assessments, specification tests, and establishment of methodologies), and are added to backup lists after completing relevant procedures	Data and documentation at all stages of material source development are continually monitored by the quality assurance department to ensure that overall processes completely comply with regulatory standards

9.Introduced digital management mechanisms, enhanced operational efficiency, and strengthened supply chain management resilience and flexibility

PharmaEssentia USA adopted the following measures to stabilize material flows and optimize procurement processes:

1.Added pre-filled injectables manufacturers and labeling & packaging suppliers

2.Established global sales and operations planning (S&OP) processes to stabilize supply of active pharmaceutical ingredients and drug products

3.Hosted global supply chain meetings with PharmaEssentia (Taiwan) once every two weeks for continued inventory tracking

4.Submitted rolling forecast reports of active pharmaceutical ingredients and drug supplies to PharmaEssentia (Taiwan) each month

5.Upgraded SAP system from B1 to S4, and intergrated procurement, material numbering, and invoicing processes with internal processes

To strengthen supply chain resilience, PharmaEssentia Japan monitored demand and inventory conditions using periodic reports and quarterly rolling forecasts, while also assessing backup sites equipped with packaging and product release inspection capabilities as part of their business continuity plans. We established a pharmaceutical storage warehouse in western Japan in April 2025 to enable dual-site warehousing operations and ensure supply chain stability.

03

Drug Development, Quality, and Safety

New Drug Research and Development Management and Clinical Trials
Drug Quality and Safety
Drug Marketing and Labeling

03

PharmaEssentia focuses on innovative breakthroughs in self-developed technologies. We aim to drive progress in the biotechnology and pharmaceutical industries while enabling better patient health and well-being. We strictly comply with all relevant regulations and quality standards at every stage from new drug research and development, production and manufacturing, distribution, to product launch.

We also emphasize post-marketing risk management and fulfill our duty of safeguarding patient rights through continuous pharmacovigilance activities and drug safety surveillance.

In terms of product marketing, we uphold professional marketing integrity and ethics, ensuring that all promotional content is accurate and transparent, does not exaggerate product benefits, and fully discloses necessary safety information. We strictly comply with product labeling regulations to ensure that disclosed information is clear and easy to understand, enabling healthcare professionals and patients to make appropriate decisions based on accurate information, further enhancing medication safety.

Main Stakeholders

Achievement Highlights

- R&D capacity growth: In 2025, we continued to increase our R&D investments. There are **14 items** in our R&D product pipeline encompassing products for hematologic diseases, solid tumors, and immune diseases. R&D expenditure and headcount increased significantly compared with the previous year.
- Significant progress on flagship drug: We continued to expand Ropeg indications. Phase III trials for ET have been completed and we have applied for marketing authorizations in multiple countries to strengthen our leadership in the MPN domain.
- **ZERO** quality and safety violations: We did not have any product recalls, violations of health and safety regulations, or fatalities in 2025; all pharmaceutical safety reports were filed within statutory deadlines.
- Global manufacturing compliance and production capacity enhancements: Our Taichung Plant passed **GMP** inspections conducted by competent authorities from multiple countries, and completed establishment of a second DS production line, doubling capacity and enhancing supply resilience.
- Full compliance with marketing ethics and labeling regulations: **100%** of marketing materials were reviewed in accordance with established procedures. We incurred zero marketing and labeling violations over the past five years, and we continue to implement anti-counterfeiting serialization procedures to enhance product safety.

3.1 New Drug R&D Management and Clinical Trials

Material Topics	New Drug Research and Development Management and Clinical Trials
Significance for PharmaEssentia	New drug R&D and clinical trial management are key components driving PharmaEssentia's competitiveness and technological platform development. We address unmet medical demands, enhance patient well-being, and improve product value through innovation-driven R&D and expansion of multiple indications; our comprehensive clinical trial quality and audit system ensures participant safety and improves legal compliance. These measures involve high developmental costs, intellectual property risks, and regulatory liabilities, which, if not properly managed, may affect our corporate reputation and operational sustainability. Therefore, effective R&D and clinical trial management are critical for PharmaEssentia.
Policies and Commitments	PharmaEssentia is committed to solving unmet medical needs. After achieving breakthroughs in the MPN domain, we adhered to the spirit of the Access to Medicine Index and continued to invest in research on blood disorders and solid tumors. We are also working with external research institutes and biotechnology companies to jointly develop cell therapies. PharmaEssentia works with domestic and international research institutes that hold Good Laboratory Practice (GLP), ISO 17025 (international laboratory competence standard), and Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) certifications to ensure research personnel rigorously adhere to all relevant regulations during R&D processes for new drugs and abide by strict animal welfare requirements when conducting pre-clinical animal trials.
Responsible Units	・Research and Development of New Drugs Center: Responsible for new drug discovery, and has established the "Project Evaluation Team" to serve as the research decision-making unit. Team members include colleagues and senior managers from different departments. Projects are initiated following approval at "Project Review Meetings," and project supervisors coordinate project progress and make regular progress reports. ・Clinical operations department: PharmaEssentia has developed 30 standard operating procedures for clinical trials to ensure the safety of trial participants and enable data management. We have established monitoring and audit mechanisms at all stages to maintain trial quality, and conduct Phase I, II, and III clinical trials in accordance with approved trial protocols and local regulatory requirements. ・Executive Center for Corporate Sustainability Product Ethics and Safety Team: Responsible for compiling and managing material sustainability topics.

Material Topics	New Drug Research and Development Management and Clinical Trials
Response Strategies, Associated Measures, and Management Actions	**Resources invested** Manpower resources: A total of 180 R&D and clinical personnel around the globe, an increase of 9.1% compared to the previous year Financial resources: In 2025, PharmaEssentia invested a total of NT$3.467 billion to build R&D capacity, an increase of 34% compared to the previous year R&D resources: ・Key R&D pipeline products in 2025 included long-acting interleukin-2 (PEG-IL2) for treatment of inflammatory and autoimmune diseases, bispecific antibody fusion protein PD1-IL2, ADCs, and two cell therapies (NY-ESO-1 TCR-T and innovative TCR-T therapy). Many of our other products are undergoing Phase I, Phase II, Phase III, and post-marketing Phase IV clinical trials as well as investigator-initiated trials (IITs). ・In 2025, our data science team worked to upgrade our computational infrastructure, established an AI-native R&D environment, and successfully developed proprietary computing engines and AI agents to accelerate early-stage drug discovery processes and reduce clinical trial risks. We continue to recruit talent with drug development expertise and utilize AI/ML technologies in new drug design and early-stage development stages to enhance R&D efficiency and innovation capabilities. **Remediation and grievance measures:** ・We collect grievances and feedback from external stakeholders through the "Contact us" page on our official website. ・PharmaEssentia has established a customer hotline to handle product quality issues and general customer complaints, and to safeguard consumer, client, and patient rights.
Evaluation Mechanisms	・New drugs have to pass feasibility studies, pre-clinical animal trials, clinical trials, product manufacturing, and market authorization reviews before launch; all R&D processes undergo product quality assurance, drug safety and efficacy, and regulatory compliance mechanisms that serve as a basis for determining whether development should be continued ・Our R&D department manages and reviews schedules for all R&D projects each month and makes quarterly reports to the Board ・Our R&D expenditures were approved by the Board in December 2024. Our finance department tracks actual and budgeted expenditures of R&D projects every quarter, and compiles reports to the Board ・Our audit department regularly audits R&D management mechanisms in accordance with annual audit plans approved by the Board to ensure R&D compliance and quality. We actively cooperate with on-site inspections and audits conducted by contract research organizations (CROs) at clinical trial institutes, undergo internal audits conducted by clinical trial quality assurance units, and comply with inspections and supervisory checks conducted by competent health authorities in accordance with relevant regulatory requirements to ensure adherence to safety, transparency, and regulatory compliance standards when implementing clinical trials. ・For key Phase III clinical trials, we assess risk levels and need for interim analysis for each trial to determine whether it is necessary to establish an independent Data and Safety Monitoring Board (DSMB). The DSMB regularly reviews safety and efficacy data, and provides recommendations on whether the trial should continue or be adjusted, thereby strengthening risk management and protection measures for trial subjects.
Targets for 2025	・R&D intensity indicator: Continue to maintain R&D expenditures at a certain proportion of revenue ・Continue to obtain approval for clinical trials from competent authorities in various countries

Material Topics	New Drug Research and Development Management and Clinical Trials
Achievements in 2025	• R&D expenditures as a percentage of revenues: 22.18% • The H PMF clinical trial was approved by competent authorities in the US, Canada, Japan, Korea, China, Taiwan, Hong Kong, Singapore, and Jordan. • Completed Phase III clinical trials for ET and formally submitted marketing authorization applications for ET in multiple countries, including Taiwan, the US, Japan, and China. In 2025, we completed the AOM for our new ET indication in the US and formally submitted marketing authorization applications in the US. FDA reviews are expected to be competed on August 30, 2026. We were currently conducting ET market research in Taiwan, the US, Japan, Korea, China, and other countries in advance of obtaining marketing authorizations to understand current treatments, and are also formulating drug prices, drug launch strategies, and timelines.
Short-Term Targets (1 Year)	• R&D intensity indicator: Continue to maintain R&D expenditures at a certain proportion of revenue • Complete clinical trial application submissions and obtain approval from competent authorities, complete subject enrollment and database lock, and compile clinical study reports (CSRs).
Mid-Term Targets (3-5 Years)	• Develop PEG platform: Leverage PEC independently developed PEG platform to develop long-acting cytokines • Develop other technologies such as BiC/FiC PEGylated cytokines (GCSF, IL-2, IFN-g) • Cell therapies: TCR-T targets cancer antigens on the cell membrane as well as intracellular cancer antigens. • Develop drugs targeting autoimmune diseases or solid tumors with low response rates such as renal cancer and pancreatic cancer, and commence clinical trials
Long-Term Targets (More Than 5 Years)	• Develop a top-tier R&D platform: Develop Best-in-Class/First in-Class products • Apply novel BiC/FiC immune checkpoint molecules to treatment of solid tumors and hematologic diseases • Complete Phase III clinical trials and obtain marketing authorizations • Continue to conduct pharmacovigilance activities, collect and analyze adverse events (AEs) in accordance with trial protocols, and track participant survival statuses to assess overall survival (OS) and related efficacy indicators.

R&D Focus

As an innovative pharmaceutical company focused on R&D of new drugs and biopharmaceuticals, PharmaEssentia continues to invest in research on rare diseases amid rapid advances in medical technologies and global aging trends, particularly emphasizing R&D on MPN drugs. MPN mainly encompasses four main disease categories:

Polycythemia vera (PV)

Essential thrombocythemia (ET)

Chronic myeloid leukemia (CML)

Primary myelofibrosis (PMF)

Many patients around the world are facing long-term health challenges caused by MPN, and the biopharmaceutical industry is actively working to develop related treatments. We leveraged our independently established PEGylation technological platform to optimize existing therapies and develop a new-generation PEG long-acting interferon alfa2b (Ropeg). This drug has multiple indications and breaks through traditional limitations in interferon administration and treatment. We have already obtained marketing authorizations for PV, and continue to expand into other indications to enhance the therapeutic value of this drug.

PharmaEssentia has also extended the PEGylation technology platform to other R&D product lines, including:

Long-acting interleukin PEG-IL-2

Bispecific antibody fusion protein PD-1/IL-2

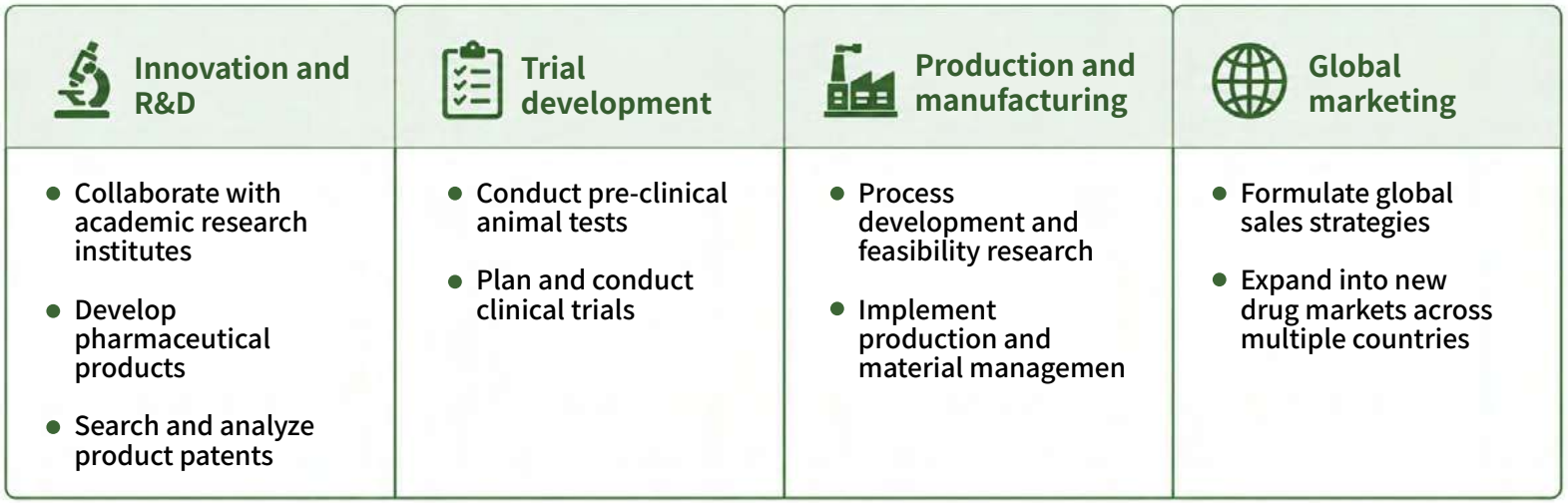
Antibody-drug conjugates (ADCs)

Two cell therapies (NY-ESO-1 TCR-T and innovative TCR-T)

We strive to provide novel treatments for multiple diseases by expanding our technological applications to enhance medical accessibility and treatment efficacy.

Although the development of new drugs involves significant technological challenges, long development timelines, and substantial capital investment, we have consistently upheld a “patient-oriented” philosophy which leverages our pharmaceutical expertise and industry experience. We continue to invest in innovation and R&D so we can improve patient quality of life, deliver clinical value, and steadily work to become a global benchmark company in the biotechnology and pharmaceuticals industry.

R&D to Marketing Processes



Governance

To ensure quality, safety, efficacy, and compliance with regulatory requirements throughout drug development processes from early discovery, feasibility studies, pre-clinical animal testing, clinical trials, product manufacturing, and obtaining marketing authorizations for product launch, we established a comprehensive drug development governance framework which defines the roles and processes of all responsible units throughout the R&D process, thereby advancing R&D progress and enhancing management effectiveness.

Our Research and Development of New Drugs Center reports directly to the chief executive officer and is responsible for R&D of drug technologies. We have also established the “Project Evaluation Team” to make decisions regarding R&D matters. Team members mainly include personnel from the R&D team, the intellectual property department, and senior executives from PharmaEssentia Taiwan and PharmaEssentia USA. Personnel from other departments such as the corporate planning/market development department, finance department, and legal department attend meetings based on their respective functions and R&D needs.

Before launching R&D projects, each unit conducts feasibility assessments in accordance with internal control procedures encompassing proof of concept, literature reviews and analysis of market potential, competitive environment assessments, and preliminary collection of experimental data. Projects enter the fundamental research stage following formal initiation. Meeting minutes are recorded for all meetings, and ongoing reviews and adjustments are implemented to ensure decision-making transparency and process traceability.

Project progress is reported at “Project Review Meetings” for deliberation. Review committee members assess each project’s competitive potential, development potential, and potential infringement risks based on project characteristics and experimental data, and subsequent project developments are determined by the “Project Evaluation Committee,” which is composed of senior executives. After the project has been approved, project supervisors coordinate project progress and invite internal patent attorneys to conduct assessments or provide recommendations as appropriate based on innovativeness, progressiveness, freedom to operate (FTO), and other important aspects to ensure that developed technologies are operable, free from infringement concerns, and align with market values.

In addition to the Research and Development of New Drugs Center and the intellectual property department, we have also established a medical research center to formulate medical strategies for products and clinical trial plans. Our Taichung Plant is responsible for developing manufacturing processes and implementing material management to ensure that R&D achievements align with manufacturing requirements. Our global operations division is responsible for coordinating global strategies and market development plans, ensuring that our R&D achievements closely align with market demands while enhancing our international competitiveness.

Please refer to 3.2 Drug Quality and Safety for more information on drug quality and safety management during manufacturing processes

Strategy

In 2025, PharmaEssentia continued to focus on development of new drugs and product line expansions, concentrating on advancing the progress of R&D projects at each stage and strengthening competitiveness in hematologic diseases, solid tumors, and immunological diseases. As of year-end 2025, our product portfolio includes only one innovative drug (BESREMi), which accounted for 100% of our revenue in 2025. We have 6 drugs in various stages of development from pre-clinical trials; Phase I, Phase II, Phase III clinical trials; and marketing authorization applications, demonstrating a robust and diverse product pipeline. Drugs under development include:

· P1101 (Ropeg): Expand indications for multiple hematologic diseases (such as ET, early PMF, ATL, and CTCL)

PEG-IL-2, anti-LILRB1/2, PD-1/IL-2 fusion protein, anti-PD-1 (P1801), and other novel immunomodulatory and antibody-based drugs

TCR-T, PEG-GCSF, PEG-cytokine X/Y, novel checkpoint Abs, and other cell therapies and novel immunological mechanisms

Our R&D focus centers on enhancing the maturity of product lines, expanding indications, and accelerating marketing authorization applications and market deployment for key indications as we continue to strengthen our competitive advantage in the global biotechnology and pharmaceuticals market.

The following is a summary of R&D and clinical trial progress made on PharmaEssentia drugs in 2025:

Therapeutic Area	Drug Candidate	Indications	Market	Pre-clinical	Phase I & II	Phase III	Registration	Launch
Hematology	Ropeginterferon alfa 2b (P1101)	PV	Europe					
			United States, Taiwan, Korea, Japan, China, Malaysia, Singapore, Hong Kong, Brazil, Argentina					
			Mexico, Columbia, Canada					
		ET	Taiwan					
			United States, China, Japan					
			Korea, Hong Kong, Singapore, Canada					
		Pre-PMF	Global					
		Adult T-cell leukemia/ lymphoma	Japan, Taiwan, China					
		Chronic myeloid leukemia	Korea					
Solid tumors	TCR-T	Solid tumors	Taiwan					
	P1101 + anti PD-1	Hepatocellular carcinoma	Taiwan					
	anti PD-1 (P1801)	Solid tumors	Taiwan					
	PEG-GCSF	Neutropenia	Taiwan					
	PEG-cytokine X, Y	Solid tumors	Global					
	Novel checkpoint Abs	Solid tumors	Global					

Innovation and R&D Focuses

PharmaEssentia completed Phase III clinical trials for ET (LPLV) on Ropeg in 2024. In 2025, we submitted marketing authorizations for ET in Taiwan, the US, Korea, and China to deliver more clinical value to the MPN field and strengthen PharmaEssentia's leadership in this domain.

Preparations for ET marketing authorization applications and market launch

- PharmaEssentia Taiwan completed Ministry of Health and Welfare Food and Drug Administration Good Clinical Practice (GCP) audits on November 28 and December 2, 2025, and officially obtained marketing authorization on May 27, 2026.
- FDA reviews are expected to be competed on August 30, 2026.
- We are formulating drug prices, drug launch strategies, and timelines.
- We are conducting national market surveys of ET in Taiwan, the US, Japan, Korea, and China to better understand current treatments.

Benefits of obtaining ET marketing authorizations

- PharmaEssentia's established MPN physician network for the PV indication can be directly leveraged for ET marketing, enabling rapid market expansion without additional clinical or market deployments, meaning we only need to track patient distributions to significantly improve marketing efficiency.
- At present, there are limited treatment options for ET on the market, and many drugs are associated with severe side effects and poor patient compliance. By contrast, the results of our Phase III clinical trial showed that Ropeg not only demonstrated significant efficacy, but also exhibited a more favorable safety profile and higher patient compliance, making it a promising treatment option for ET.

Apart from MPN, we also leveraged our patented PEGylation technology to develop a PEG-IL-2 drug for treatment of inflammatory and autoimmune diseases, as well as an anti PD-1 antibody and IL-2 fusion protein product. We plan to submit applications for Phase I clinical trials in 2026. We also jointly developed a TCR-T cell therapy through external collaborations and expect to submit an investigational new drug (IND) application in 2027.

PharmaEssentia Innovation Research Center (PIRC): Transforming into an AI-Native R&D Organization

To accelerate our speed and success in early drug discovery and clinical development, our PIRC has led an AI-native R&D transformation since 2025, and we have gradually established the data, modeling, and computing capabilities needed to support long-term R&D growth through several phases of strategic implementations. This approach strengthened our scientific basis in target discovery, clinical risk assessment, and R&D decision-making, helping us build innovative capabilities and competitiveness for the future. Main achievements were as follows:

1.Proprietary discovery engine (PIRC framework)

- PIRC engine proof-of-concept: We successfully developed and deployed a PIRC target identification engine proof-of-concept (PoC). This internal computing framework integrated multiomics and advanced AI technologies to enable precise identification of novel targets.
- R&D product line applications: We used the PIRC engine to validate active R&D projects, generating insights on feasibility and impacting target selection decisions.

2.AI agents and workflow automation

- PIRC-developed AI agents can help to organize scientific information, track intelligence on competitors, compile meeting information, and conduct literature reviews.
- These automated tools significantly reduced the team's manual data processing workloads, enabling researchers to focus on more valuable R&D decisions.

3.Strategic data partnerships & real-world evidence (RWE)

- PIRC collaborated with Qiagen and leveraged knowledge graphs to support strategic decisions on IL-2 indications.
- We also obtained Tempus's RWE and PDO data packages, which provided a key foundation for clinical translation and indication expansion.
- This data foundation reduced clinical uncertainty and improved decision-making accuracy.

Short-Term Targets (1-2 Years)

- Commercialize PIRC engine: Drive widespread internal adoption and develop ADC-specific graphs to support data-driven ADC design strategies
- Integrate AI processes: Embed AI agents, automation, and data frameworks into daily R&D workflows to improve operational efficiency and reduce manual workloads

Long-Term Strategies (3-5 Years)

- End-to-end AI transformation: Expand AI development and data platforms encompassing entire early-stage drug discovery lifecycles to form sustainable and replicable R&D capabilities
- Shorten R&D cycles: We hope to shorten the time from target validation to IND through predictive modeling, automated insights, and computing techniques, thereby enhancing R&D efficiency and success rates.

Adopt Intellectual Property Strategies to Protect Innovative R&D Technologies

We continually research our core products and platform technologies. Our in-house patent attorneys and senior R&D personnel continually engage in "Invention Mining" processes to analyze research outcomes, uncover new patent opportunities, and design additional experiments to obtain stronger supporting evidence when necessary. The Group also continues to explore opportunities by collaborating with medical teams and international institutes. We have submitted patent applications for several new therapies and indications to enhance the technological value of our products and strengthen our legal protections as we work toward our product sustainability goals.

Our in-house patent attorneys continually conduct infringement analysis on future product lines that are still in the early-stage drug development phase, and also file US provisional patent applications when appropriate to secure a strategic position at an early stage while ensuring early patent protection for important technologies. We then establish complete patent application strategies for these technologies based on R&D progress.

Risk Management

Clinical Trial Quality Maintenance and Participant Safety in Clinical Trials

PharmaEssentia has developed 20 standard operating procedures for clinical operations to ensure participant safety and maintain clinical trial quality. We have established monitoring, audit, and inspection management mechanisms for all clinical trial stages, and conduct Phase I, II, and III clinical trials in accordance with approved trial protocols and local regulations. Trials are implemented in multiple countries, including Taiwan, the US, Canada, China, Hong Kong, Japan, Korea, Singapore, and Jordan. We convene regular meetings with contract research organizations (CROs) to review the frequency of site monitoring across trial centers in all regions, ensure all participants signed informed consent forms after fully understanding trial information, and received nutrition allowances and transportation reimbursements corresponding to their follow-up visits. None of our clinical trials were suspended by competent authorities due to Good Clinical Practice (GCP) violations in 2025.

Phase I Clinical Trial Safety Exploration	**Trial Design**
	Evaluate potential risks of trial procedures based on pre-clinical data, drug characteristics, and clinical trial designs; require CROs to formulate case-specific "Monitoring Plans" and "Audit Plans" based on risk levels to implement QC (quality control) and QA (quality assurance) procedures; and ensure that clinical trial processes, data records, and reports all adhere to trial protocols and GCP regulations, thereby protecting the rights and well-being of trial participants. **Quality Assurance (QA)** ・Emcompasses independent audit system and commissioning of alternate CROs or independent consultants to conduct audits during the later phases of clinical trials to ensure trial quality and consistency. Identified issues are assessed and tracked appropriately, and auditees must submit relevant corrective actions and preventive actions to auditors for review. ・Data Safety Monitoring Committee (DSMC): Monitors patient safety and drug efficacy of clinical trials **Quality Control (QC)** ・Monitoring and co-monitoring
Phase II Clinical Trial Preliminary Efficacy Research and Dose Exploration	**Before the Trial**
	・Trial protocols and related documents must be reviewed and approved by health regulatory authorities and the trial institute Institutional Review Board (IRB) ・Investigator meeting: Conduct training related to the trial. ・Informed consent from participants: Participants must be fully informed of clinical trial information and give written consent to voluntarily participate in clinical trials after careful consideration before trial screening can commence ・Participant screening: Rigorously screen participants based on the inclusion and exclusion criteria outlined in trial protocols
Phase III Clinical Trial Large-Scale Confirmatory Efficacy Study	**During the Trial**
	・The clinical operations department conducts joint monitoring with CROs contracted for monitoring services ・Audits are carried out in accordance with audit plans to ensure that CRO services meet quality standards ・All other procedures are the same as those for Phase I trials
	After the Trial
	・Efficacy and safety data are compiled in clinical study reports (CSRs), and marketing authorization is obtained following document review, on-site inspection, and risk and benefit assessment by competent health authorities.

Commitment to Animal Welfare in Pre-Clinical Animal Experiments

Pre-clinical animal testing during the drug development stage strictly adheres to internationally recognized 3R principles (Replacement, Reduction, Refinement). All tests are conducted in accordance with local animal protection regulations as well as international non-clinical safety assessment guidelines to ensure animal welfare, research quality, and fulfillment of corporate social responsibilities.

During the research planning stage, we first determine whether animal testing can be replaced by in vitro testing, computer simulations, or other alternatives. If animal testing is deemed to be necessary, we minimize the number of animals used through appropriate statistical methods and experimental designs. All trials are conducted by professionally trained personnel, and we continue to optimize administration and operating procedures, anesthetic and analgesic doses, veterinary supervision, and environmental enrichment to reduce animal discomfort and stress. All animal experiments must be reviewed and approved by the Institutional Animal Care and Use Committee (IACUC), and animal conditions and welfare are continuously monitored during trial periods.

We adopt the same management standards for pre-clinical trials conducted by CROs. Before commencing collaborations, we first assess whether the external institutes meet our required quality and ethical standards, and if they hold relevant certifications such as GLP, ISO 17025, or AAALAC certifications. During the collaboration period, we learn more about the testing institute's experience, capabilities, and progress on the trial through online or on-site visits and audits, and review collaboration contracts and technical agreements to ensure that the responsibilities of both parties and research regulations are clearly defined. We continue to conduct oversight and data review during trial implementation and close-out stages to ensure that research procedures comply with regulations and our internal standards, and to maintain data reliability and consistency.

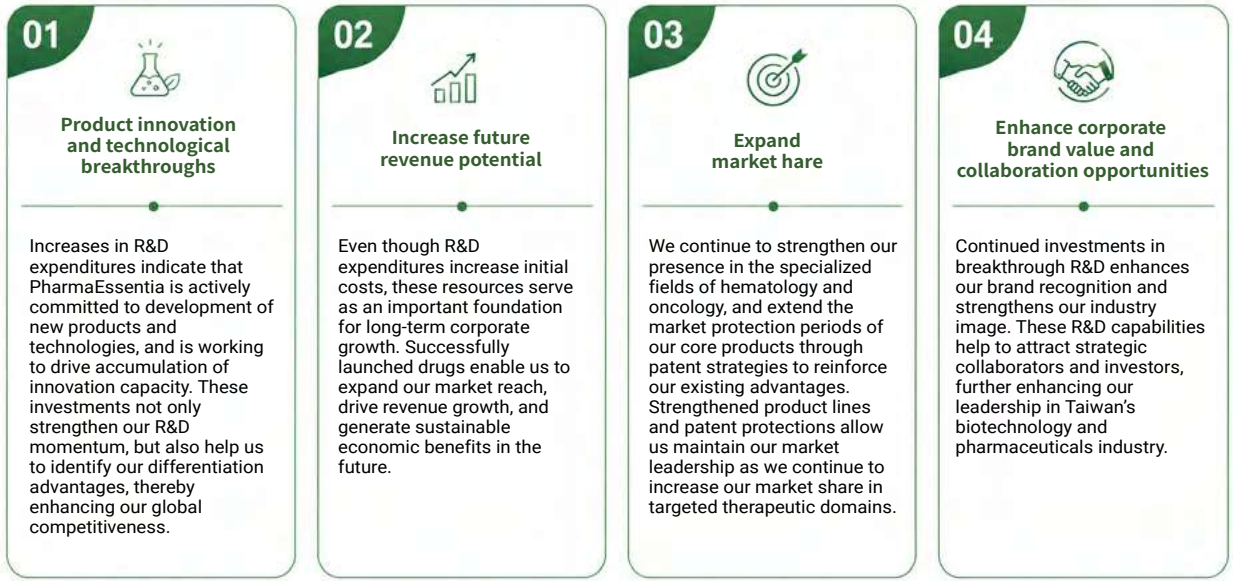
Given that the global pharmaceutical industry's long-term use of the horseshoe crab for endotoxin testing has caused population declines, the Pharmaceutical Supply Chain Initiative (PSCI) called on the industry to reduce dependencies on these arthropods and adopt alternative solutions. PharmaEssentia only procures necessary amounts of LAL reagents and requires suppliers to implement 3R principles by developing alternative reagents, using microfluidic technologies to reduce consumption of horseshoe crab materials by 95%, and continually improving existing LAL formulations. We have never used other endangered species during trial processes, and we are taking practical actions to support biodiversity and ecological conservation efforts.

Metrics and Targets

R&D Expenditures Over Past Five Years

Year	2021	2022	2023	2024	2025
Global R&D expenditures (NT$ thousands)	1,272,776	1,425,964	2,224,054	2,587,570	3,467,828
Expenditure increases compared to previous period (NT$ thousands)	350,396	153,020	798,090	363,516	880,258
Expenditure growth rate	38%	12%	56%	16%	34%
Global R&D personnel (persons)	83	123	142	165	180
Personnel increases compared to previous period (persons)	9	40	19	23	15
Personnel growth rate	12.2%	48.2%	15.4%	16.2%	9.1%

Continued increases in R&D expenditures brings four main benefits for PharmaEssentia:



Development Focuses for Next Five Years (2026-2030)

Continued growth in BESREMi operations	· Continue to increase patient numbers and patient experiences in existing markets · PV indication: We obtained marketing authorizations in China, Singapore, and Malaysia in 2024 · ET indication: We applied for US marketing authorization in 2025, and expect approval to be granted in August 2026
Expansion of BESREMi indications	· Currently conducting global Phase III pivotal clinical trials for early PMF and planning to submit FDA marketing authorization applications in 2027 · Other blood disorders: Research into ATL, CTCL, and other application areas
Expand global production capacity	· Aim to fulfill demand for more than 110,000 patients around the world · Initiated construction of Zhubei Plant in response to market demand, with completion projected for 2026
Top-tier platform	· Utilize novel immune checkpoint molecules and cytokines for treatment of solid tumors, blood disorders, and immune diseases · Cell therapy: TCR-T targets cancer cell antigens and can be used for treatment of solid tumors · Antibody-drug conjugate (ADC) technology: Establish new biologic development capabilities

3.2 Drug Quality and Safety

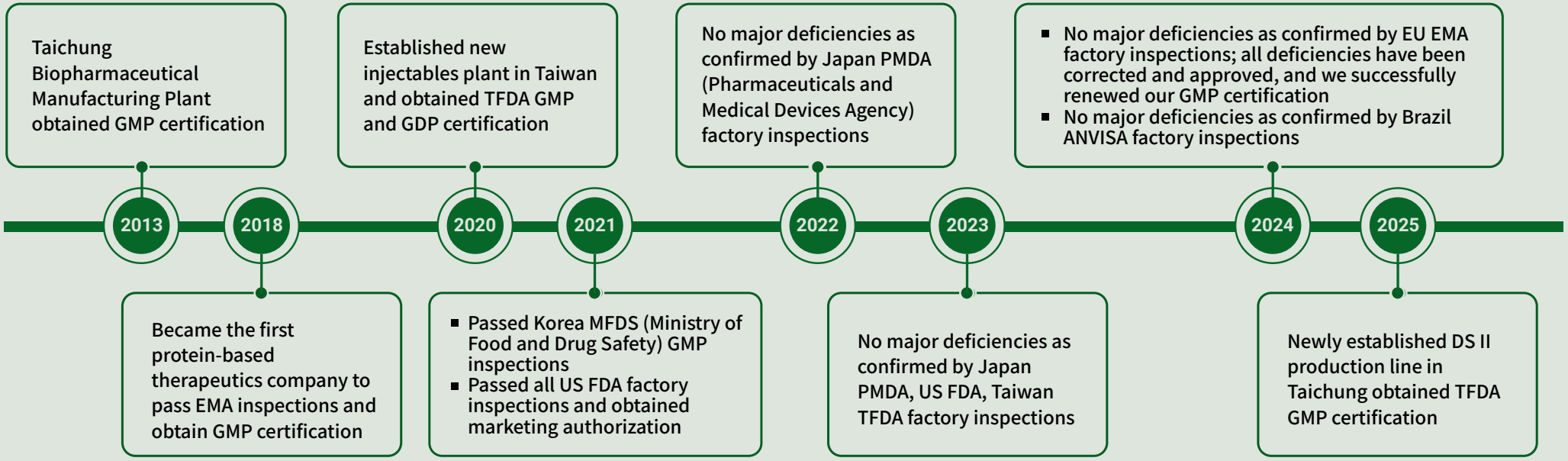
Material Topics	Drug Quality and Safety
Significance for PharmaEssentia	PharmaEssentia prioritizes patient health and well-being, adheres to ethical management principles and medical ethics when marketing registered drugs, and provides patients with professional and trustworthy products. We actively track and report adverse events, and teach our colleagues to uphold “Quality First and Patient Safety” principles when managing drug risks and protecting patient safety.
Policies and Commitments	PharmaEssentia’s Taichung Plant rigorously adheres to the Quality Risk Management Procedure, Equipment Risk Assessment Procedure, and Change Control Procedure; has incorporated risk management procedures into production processes, environmental controls, and material supplies; and conducts annual quality reviews to minimize quality hazards. Production: We comply with quality management regulations for all manufacturing stages set by local competent authorities, and continue to maintain GMP certifications Transportation: We rigorously adhere to GDP regulations, meet local standards for marketing authorization, and strictly control all packaging and transportation processes
Responsible Units	・PharmaEssentia (Taiwan) production, transportation, quality management, and auditing departments ・Products: PharmaEssentia (Taiwan)’s quality control department, quality assurance department, and Product Ethics and Safety Team maintain and monitor the quality of registered and clinical drugs ・Patients: PharmaEssentia (Taiwan) and subsidiary Product Safety & Risk Management (PSRM) teams; these teams are composed of pharmacovigilance personnel which are overseen by the global pharmacovigilance executive director. Pharmacovigilance quality assurance personnel maintain and oversee the quality of pharmacovigilance implementations. ・Executive Center for Corporate Sustainability Product Ethics and Safety Team: Responsible for compiling and managing material sustainability topics
Response Strategies, Associated Measures, and Management Actions	・In 2022, we hired a global pharmacovigilance executive director to conduct global pharmacovigilance tasks ・We have established dedicated pharmacovigilance personnel at PharmaEssentia (Taiwan) and our operational sites around the world ・Commissioned a pharmacovigilance CRO institute to form a project team responsible for managing the Ropeg pharmaceutical safety database and assisting with pharmacovigilance, reporting, handling, exchanges, and regular submission of safety reports to international regulatory authorities ・Introduced Trackwise electronic system to perform deviation management, corrective actions and preventive actions, supplier management, laboratory surveys, and other procedures included in our quality system ・Production & manufacturing quality management and risk management: We host global interdepartmental risk assessment team meetings to jointly review risk issues and correction measures in factory areas ・Invested more than NT$33 million in global pharmacovigilance tasks Remediation and grievance measures: ・We collect grievances and feedback from external stakeholders through the “Contact us” page on our official website. ・PharmaEssentia has established a customer hotline to handle product quality issues and general customer complaints, and to safeguard consumer, client, and patient rights.
Evaluation Mechanisms	・Internal audits: Each department undergoes at least 1 internal quality audit each year, which is conducted by the quality assurance department or an independent third-party organization ・External audits: Audits conducted by international and domestic drug safety competent authorities; foreign experts are also invited to conduct quality audits as needed ・Regular safety reports: We regularly submit DSURs and PSURs to competent authorities in different countries, and competent authorities (such as the US FDA, EU EMA, and TFDA) conduct regular GMP audits ・Post-marketing pharmacovigilance: Issue timely reports and maintain normal operations of real-time reporting mechanisms in accordance with the regulations set by competent authorities in each country ・Assess operational status of real-time reporting mechanisms ・Assess operational status of drug safety reporting hotlines (Taiwan, US, Korea, and Japan) ・No recalls for defective products ・Regularly submit annual drug safety reports to the US FDA, EU EMA, and Taiwan TFDA each year as well as real-time drug safety notifications

Material Topics	Drug Quality and Safety
Targets for 2025	• PharmaEssentia (Taiwan) and subsidiaries report drug safety information within the time periods stipulated by regulations • PharmaEssentia (Taiwan) and Panco employees complete annual pharmacovigilance training and pass examinations • Complete and file Ropeg DSURs in accordance with regulations • Complete Ropeg and Tirbanibulin PSURs in accordance with regulations • Complete quarterly safety signal monitoring reports • Regularly implement and pass internal and external audits • Convene regular global pharmacovigilance follow-up meetings • Complete construction on our Zhubei Plant in the Hsinchu Biomedical Science Park; construction was scheduled to be completed at the end of 2025 • Complete construction of Taipei Bioinnovation Park site and commence production of Phase I and Phase II clinical APIs • Continue to maintain pharmaceutical quality and our record of zero product recalls • Complete GMP/GDP education and training
Achievements in 2025	• PharmaEssentia headquarters and all subsidiaries reported all drug safety information within time periods stipulated by regulations • PharmaEssentia (Taiwan) and Panco employees completed annual pharmacovigilance training and passed examinations, achieving a training completion rate of 100% • Completed and filed seventh Ropeg DSUR in accordance with regulations • Completed sixth Ropeg PSUR and third Tirbanibulin PSUR in accordance with regulations • Completed 4 quarterly safety signal monitoring reports • Regularly implemented and passed internal and external audits; we completed a total of 1 internal audit • Convened 12 global pharmacovigilance follow-up meetings • Our DS II production line was granted approval in Taiwan, the US, Europe, Japan, Korea, Singapore, and Malaysia; our drug substances can now be shipped to the above markets • Our Taichung Plant officially began producing commercial API batches in 2025 • Civil engineering work and the five major utility pipelines of our Zhubei Plant are nearing completion, and we have submitted an occupancy permit application for the main facilities. • Completed construction of Taipei Bioinnovation Park site and commenced production of clinical APIs • Completed construction of mammalian cell and microbial production lines at Taipei Bioinnovation Park site, and validated all related equipment. • Commenced production of clinical antibody drugs in the fourth quarter of 2025 • Total GMP/GDP education and training hours amounted to 20,323 hours
Short-Term Targets (1 Year)	• PharmaEssentia (Taiwan) and subsidiaries report drug safety information within the time periods stipulated by regulations • PharmaEssentia (Taiwan) and Panco employees complete annual pharmacovigilance training and pass examinations • Complete and file Ropeg DSURs in accordance with regulations • Complete Ropeg and Tirbanibulin PSURs in accordance with regulations • Complete quarterly safety signal monitoring reports • Regularly implement and pass internal and external audits • Convene regular global pharmacovigilance follow-up meetings • Obtain regulatory approval for second API production line at Taichung Plant and officially begin production of APIs that comply with the regulations of different countries • Complete construction of new Zhubei Plant as well as various validation processes, and obtain GMP certifications across multiple countries • Complete construction of Taipei Bioinnovation Park site and commence production of Phase I and Phase II clinical APIs
Mid-Term Targets (3-5 Years)	• Pass 100% of competent authority pharmacovigilance (PV) audits • Complete 100% of Individual Case Safety Reports (ICSRs) within the time periods stipulated by regulations • Continue to maintain drug quality and our record of zero product recalls. Commence API production processes that comply with the regulations of different countries at our Zhubei Plant, and also commence cell therapy production processes as a GTP-certified cell preparation facility. • Obtain GMP certifications for Houli Plant across different countries and commence production of GMP-compliant PEG intermediates
Long-Term Targets (More Than 5 Years)	• Maintain 100% drug safety compliance to ensure patient safety • Establish production factories in Europe and the US to enable local production and make strides toward net zero targets • Continue to maintain drug quality and sustain a long-term record of zero product recalls • 100% compliance rate in handling major adverse events related to patient safety

Quality Governance and Management System

PharmaEssentia Global Certification Landscape

We use practical actions to achieve vertical integration within our supply chain from production, quality control, filling, to delivery, and work to expand our global market reach while actively realizing our vision of becoming a world-class pharmaceutical company.



In 2025, we underwent only one TFDA inspection before obtaining related certification. The inspection identified no deficiencies associated with violations of Good Manufacturing Practice (GMP) or equivalent standards, and no corrective measures were required due to any violations. We received no Form 483 Observations, FDA Warning Letters, or other warning letters of an equivalent standard this year. We did not suffer any losses of annual revenue due to plant or facility impacts, or any revenue impacts resulting from suspended production in 2025.

Internal and External Audits

PharmaEssentia's Taichung Plant was the first biologics manufacturer in Taiwan to pass EU EMA inspections and obtain GMP certification. Starting in 2020, we underwent a series of external inspections conducted by Korea MFDS, US FDA, Japan PMDA, and Brazil ANVISA. These inspections found no major deficiencies involving violations of GMP regulations or health & safety regulations, and we submitted CAPA plans within specified time limits for all non-major deficiencies.

The following table shows the frequencies of internal and external audits implemented by PharmaEssentia:

Frequency of internal audits:	Frequency of external audits:
• At least 1 internal audit each month (each department undergoes at least 1 random audit each year) • If audits identify deficiencies, CAPA plans are submitted within specified time limits based on deficiency levels, and related procedures are completed	• Regular official GMP inspections every 2-3 years

Internal audits on drug quality impacts at PharmaEssentia USA are controlled and managed by PharmaEssentia (Taiwan), and external audits at all subsidiaries are implemented by the PharmaEssentia (Taiwan) QA team. Panco passed GDP pharmaceutical wholesaler re-evaluations in 2025; internal quality audits were also conducted on Panco's logistics center, and no major deficiencies involving quality system deviations were discovered.

Manufacturing Processes and Quality Risk Management

International Standard Manufacturing Processes

PharmaEssentia's product Ropeg undergoes four critical stages in production: fermentation and cell processing, P1040 extraction and purification, PEGylation, and Ropeg DS purification. Sterile filling, labeling, and packaging processes all rigorously comply with GMP and international standards for quality management and standard operating procedures. In response to commercialization and mass production demands, we continue to enhance all production stages as well as overall production capacity to reduce supply chain risks and improve supply stability.

All PharmaEssentia USA product manufacturing processes, achievements, and benefits for the year were recorded by the quality assurance/regulatory affairs team in Taichung and included in annual product review reports submitted to the FDA. All critical suppliers (including syringe filling CDMOs, syringe labeling and packaging companies, and third-party logistics companies) have passed supplier qualification reviews conducted by PharmaEssentia (Taiwan)'s QA team.

Enhancing Production Capacity and Production Resilience

Aim	Introduce second and third material sources	Establish second purification production line
Goals and benefits	To stabilize material supply, we completed 3 second-material source projects in 2025 and 3 more projects are undergoing testing. In response to major impacts on global supply chains caused by international situations, the pandemic, and extreme weather conditions, we introduced these projects to significantly reduce production risks and ensure stability of drug supplies.	Completed construction of second DS production line in 2025, and obtained GMP certifications from different countries, increasing production capacity by 100%.

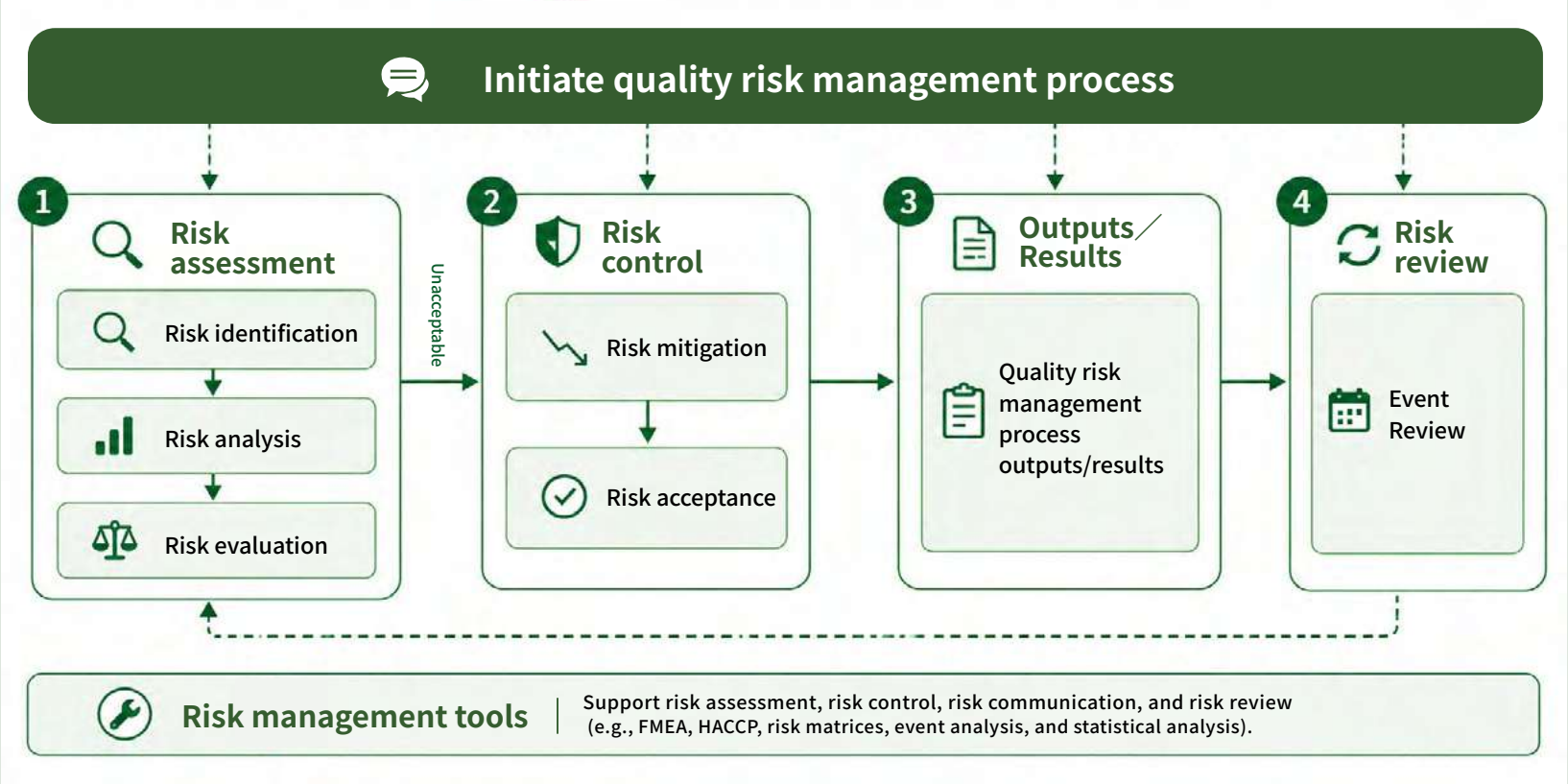
Process Risk Screening and Controls

As an API and drug formulation production base which has obtained GMP certifications across multiple countries, our Taichung Plant has established comprehensive procedures and clear organizational operating guidelines. In 2025, we continued to monitor and track production environment trends associated with our air-conditioning system, water system, compressed air, and biosafety cabinets, ensuring that our operating conditions comply with design specifications and regulatory requirements.

Process Risk Screening and Controls

As an API and drug formulation production base which has obtained GMP certifications across multiple countries, our Taichung Plant has established comprehensive procedures and clear organizational operating guidelines. In 2025, we continued to monitor and track production environment trends associated with our air-conditioning system, water system, compressed air, and biosafety cabinets, ensuring that our operating conditions comply with design specifications and regulatory requirements.

Quality Control and Management Process



The Ropeg product sold by PharmaEssentia Japan is manufactured and produced at PharmaEssentia (Taiwan), where we ensure that production processes adhere to procedures that have been verified by the Japanese government. If any deviations occur during the manufacturing processes, the quality control department at PharmaEssentia Japan will work with quality control personnel at PharmaEssentia (Taiwan) to conduct appropriate assessments that guarantee product quality. We also commissioned a Japanese testing institution to perform necessary tests (such as product purity tests) on products imported from Taiwan, and outsourced product packaging to a Japanese pharmaceutical manufacturer.

CRO and CMO Risk Management

Filling and packaging operations are mostly conducted at our sterile formulation filling plant in Taichung, but we also outsource filling and packaging processes to internationally GMP-certified CMO facilities in the US, Germany, and Japan to ensure proximity to local patients. PharmaEssentia USA enhanced its syringe labeling and packaging capabilities to meet the demands of the US and Latin American commercial markets. Our supplier responsible for labeling and packaging commercial syringes is expected to obtain FDA approval in 2026, following which it will be able to label and package pen injectors.

Quality Education & Training System and Management Documents

Our Taichung Plant emphasizes product quality and safety management. Each year, we organize education and training on product safety and GMP regulations for plant employees to help them incorporate quality management into routine procedures.

Education & Training/ Management Documents	Type	Statistical Data
Education and training	GMP/GDP regulations	PharmaEssentia organized 662 sessions over a total of 20,323 training hours
	GMP/GDP adverse event and product complaint reports	PharmaEssentia USA organized 243 sessions over a total of 486 training hours
Established relevant work procedures for factories across multiple countries that produce GMP-compliant APIs and drug formulations	Quality manual, quality policies, master validation plans	29
	SOP guidelines	103
	Operational SOPs	482
	Record forms	>1000

Pharmaceutical Risk Management and Safety Monitoring

Pharmaceutical Risk Management Plan

PharmaEssentia implements standard operating procedures associated with drug safety risks formulated by collaborating CROs and has established “Drug Risk Management Plans” that adhere to the pharmacovigilance regulations of each country. PharmaEssentia (Taiwan) established pharmacovigilance plans in accordance with the “Regulations for Pharmacovigilance Management” in Taiwan, and completed periodic amendments in June 2025 in response to global CRO supplier changes. Amendments included updates to pharmacovigilance records, internal audit records, and pharmacovigilance quality system reviews; updates to timelines for submitting periodic safety reports to regulatory authorities; continued monitoring of drug risks and benefits. These amendments ensure that our pharmacovigilance organizational chart, procedures at all operational stages, and responsibilities remained aligned with current conditions.

Our subsidiaries in Japan, China, Korea, and other locations have also established “Drug Risk Management Plans” in accordance with local regulatory requirements. Current regulations require collection of post-marketing clinical data to determine whether long-term use by patients result in chronic side effects. This information is also included in “Drug Risk-Benefit Assessments.” Although PharmaEssentia (Taiwan) and PharmaEssentia USA are not yet required by regulatory authorities to submit drug risk management plans, we still collect safety data in countries where our drugs have been approved, and regularly update our safety reports and assess Ropeg risks.

Pharmacovigilance Management

Our Pharmacovigilance Team established under the Medical Research Department works in coordination with relevant units to carry out their duties according to our “Global Product Safety and Risk Management Standard Operating Procedures,” “Post-Marketing Adverse Event Reporting Standard Operating Procedures,” and “Global Post-Marketing Safety Data Collection Standard Operating Procedures,” as well as Taiwan’s “Regulations for Reporting Serious Adverse Reactions of Medicaments” and “Regulations for the Management of Drug Safety Surveillance.” We also commission professional CROs to conduct pharmacovigilance tasks. Our pharmacovigilance procedures include both passive monitoring and active monitoring:

Passive monitoring

We are legally required to submit PSURs and collect spontaneous safety case reports from healthcare professionals and the public. Safety information is registered in our safety database system for further processing.

In 2025, PharmaEssentia (Taiwan), PharmaEssentia USA, and PharmaEssentia Japan submitted the latest PSURs to local competent authorities. All adverse events were reported in accordance with regulatory requirements, and there were no violations of product health & safety regulations or voluntary codes. Our reports found no new safety information that affect Ropeg safety.

We obtained marketing authorization in Taiwan for our in-licensed drug Tirbanibulin in 2022; according to the Pharmaceutical Affairs Act, Regulations for the Management of Drug Safety Surveillance, and TFDA announcements, we are required to submit annual PSURs until 2028.

Active monitoring

We actively implement safety signal detection procedures, monitor and review pharmaceutical alerts and safety signals issued by medically advanced countries, and actively gather information through registration trials/IITs and patient support programs (PSP).

Pharmacovigilance Reporting Education and Training

We conduct pharmacovigilance education and training for PharmaEssentia (Taiwan) employees and pharmacovigilance-related suppliers in accordance with annual pharmacovigilance education and training plans. Training content covers pharmacovigilance regulations and adverse event reporting procedures, and aims to enhance understanding of fundamental pharmacovigilance concepts and adverse event reporting processes.

PharmaEssentia (Taiwan) pharmacovigilance education and training information for 2025

Course Title	Course Content	Number of Participants	Number of Classes	Total Training Hours
New employee pharmacovigilance training	Pharmacovigilance regulations and reporting procedures	67	New employees are required to complete online courses and examinations within one month of commencing work	56
Company-wide pharmacovigilance training		347 (including Panco employees)	1	289
CMO pharmacovigilance training		9	2	9

All Panco employees in Taiwan are required to complete PharmaEssentia (Taiwan) pharmacovigilance training courses and pass examinations. PharmaEssentia (Taiwan) and all subsidiaries convened 12 routine meetings with CROs to ensure thorough collection and reporting of global drug safety information.

Pharmacovigilance education and training for overseas subsidiaries:

PharmaEssentia Japan	PharmaEssentia USA
All employees at our Japanese subsidiary are required to undergo 1 safety training session each year encompassing definitions of adverse events and side effects, procedures for reporting safety information, and safety management systems. Our sales department undergoes annual training in accordance with our SOPs. Local safety information is collected and submitted to the safety department for formulation of supporting measures such as collection methods for safety information, reporting procedures, and penalties for delayed reports.	PharmaEssentia US conducts education and training for new employees that encompasses collection of post-marketing safety data and reporting of severe adverse drug reactions; if amendments are made to related regulations or operating standards, training is also carried out for amended content. We hosted an annual advanced course on reporting severe adverse drug reactions in the second half of 2025 for continued strengthening of professional pharmacovigilance knowledge. We will continue to implement education and training in 2026.

Drug Safety Reporting Mechanisms

Taiwan	• Severe adverse reactions that occur during general usage conditions for marketed drugs can be reported through the following channels:
	  • Medical personnel and members of the public can register for an account on the TFDA online reporting system (https://adr.fda.gov.tw) and fill out the "Post-Marketing Adverse Drug Reaction Reporting Form" or send an email to adr@tdrf.org.tw
	  • Pharmaceutical companies can select, fill out, and submit the "Post-Marketing Adverse Drug Reaction Reporting Form" on the online reporting system
	  • After receiving relevant reports, PharmaEssentia will submit reports via the online reporting system (https://adr.fda.gov.tw) or email (adr@tdrf.org.tw) in accordance with "Post- Marketing Adverse Drug Reaction Reporting Form Guidelines"
	• In 2025, none of our drugs in Taiwan were recalled due to adverse events

US	• PharmaEssentia USA is assisted by qualified third-party logistics vendors, and has established drug supply chain management mechanisms which adhere to the Drug Supply Chain Security Act (DSCSA) and drug tracking regulations. We submit transaction history (TH), transaction information (TI), and transaction spreadsheets (TS) for review. In terms of production traceability mechanisms, we completed drug serialization procedures in 2020. • PharmaEssentia USA has established the PEC US Call Center reporting management center exclusively for the US market. The Center is managed by the medical affairs team; is responsible for handling reports and information related to drug quality, safety, and adverse events; and carries out subsequent assessment and reporting procedures in accordance with FDA post-marketing pharmacovigilance and adverse event reporting regulations. • The US FDA has established official drug safety reporting channels, MedWatch and the FDA Adverse Event Reporting System (FAERS), for healthcare professionals, pharmaceutical companies, and the public to report adverse drug reactions and safety events. Relevant reports can be submitted through the online FDA MedWatch system (https://www.fda.gov/medwatch), by phone at 1-800-FDA-1088, or by fax at 1-800-FDA-0178.
Japan	• Medical representatives collect information on drug safety issues or adverse reactions during visits to physicians or pharmacists, and report relevant information to the safety department through the adverse event reporting system or adverse event paper forms. • The medical information department and patient support program department are responsible for handling incoming calls from physicians, pharmacists, and patients relating to adverse reactions and safety issues. These departments report relevant information to the safety department through the adverse event reporting system or adverse event paper forms. • In addition to the aforementioned sources, the safety department also obtains and assesses adverse events through general drug use surveys and literature screening. • Our pharmaceutical facilities conduct potential risk assessments on reported serious or non-serious adverse events, and carry out further investigations alongside informants if necessary. Relevant reports are filed on the online reporting system (https://www.pmda.go.jp/english/0002.html; the Japan PMDA reporting website) or other applicable reporting channels within stipulated time limits

Taiwan's "Regulations for Reporting Serious Adverse Reactions of Medicaments" require reporting of adverse reactions and collection of safety data within specified time limits. A total of 287 serious adverse events were reported from February 2024 to February 2025, and relevant reports were filed in accordance with regulatory requirements. We will continue to comply with relevant reporting regulations, monitor safety information following product use, reduce patient risks, and ensure implementation of pharmaceutical safety management responsibilities.

We comply with pharmacovigilance principles, continuously monitor post-marketing safety information for our products, regularly evaluate product risks and benefits, and initiate corresponding risk control measures when necessary. We ensure early detection and proper handling of potential risks through timely reports, tracking of adverse events, signal detection, and regular safety reports to safeguard patient safety.

No violations of product health and safety regulations occurred in 2025.

Product Traceability and Recall Mechanisms

Product Traceability System

PharmaEssentia has established a global product traceability mechanism and incorporated drug serialization. We regulate packaging and serialization processes at our Taichung injectables plant and CMOs to achieve our goal of full traceability for all individual product flows and usage records. Drug serialization procedures have also been fully implemented for Ropeg sold in the US, Taiwan, Korea, and China, and a qualified injectables facility packages and serializes drugs in accordance with the Drug Supply Chain Security Act (DSCSA) to maintain drug quality and safety.

Product Recall Mechanisms

PharmaEssentia's "Return and Recall Procedures" clearly stipulate use of a product traceability system to improve drug recall mechanisms, which allows for rapid and effective drug recalls when product quality concerns emerge, and provide an additional safety mechanism for patients when using medications. Recall simulation drills are conducted every year to ensure accuracy and familiarity with recall actions.

Initiation time: When learning that a product has known or possible manufacturing defects, spoilage concerns, counterfeits, or any other serious quality issues.

Recall procedures: The quality assurance department initiates product recall procedures in accordance with our "Return and Recall Procedures," submits the "Recall Operational Plan Application Form," and proposes recall actions.

Proactive reporting: Remove products from usage channels within certain time limits based on drug hazard levels, appropriately handle recalled products, and simultaneously notify local competent authorities.

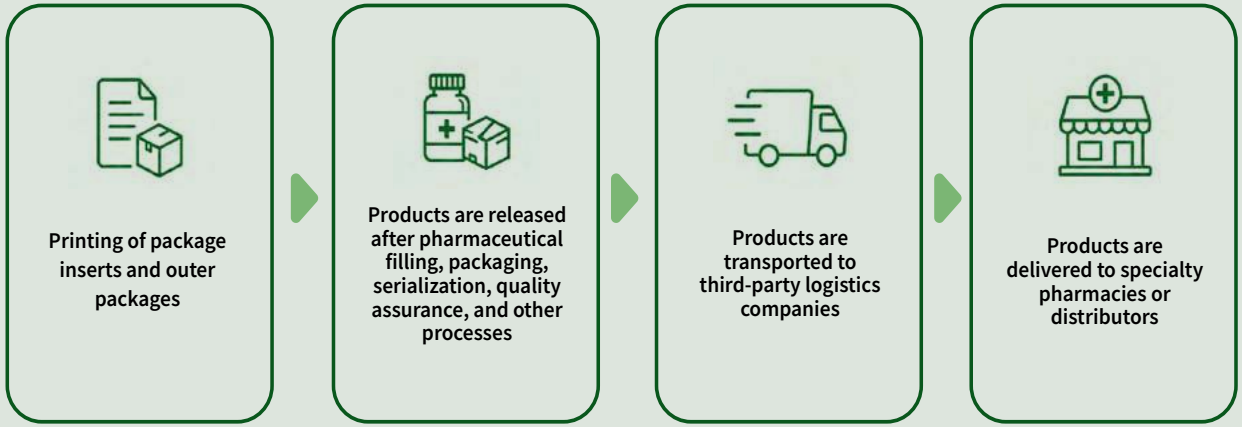
To date, we have not experienced any incidents associated with counterfeit products that

Safe Pharmaceutical Distribution and Warehousing

Distribution Quality Control

Our secure distribution processes strictly adhere to GDP regulations and ensure proper management of pharmaceuticals throughout the transportation process. Our safety distribution management framework has not undergone any material system changes and continues to be fully compliant with GDP requirements. We adopted the following measures to optimize our existing systems in response to global supply chain risks and climate change impacts on transportation stability:

- Strengthened transportation risk assessment mechanisms by incorporating extreme climate, flight instability, and geopolitical factors into annual supply chain risk inventories.
- Actively expanded our list of qualified transportation suppliers to reduce disruption risks from single logistics sources.
- Improved timeliness of temperature monitoring and deviation reporting.
- Strengthened coverage of internal GDP audits and continued to implement spot checks on processing and labeling procedures.



The Panco Healthcare Logistics Center continues to comply with GDP requirements and ensures supply chain safety and traceability for clinical and commercial products through annual self-audits and supplier assessments. This logistics center assists PharmaEssentia in supplying clinical drugs and market products while implementing quality management for logistics management, warehousing management, and processing and labeling procedures.

For example, as injectable drugs are highly sensitive to temperature changes, we established a comprehensive end-to-end cold chain data traceability and serialization system. We maintain 24-hour uninterrupted temperature monitoring throughout the entire process from warehousing, transportation, and delivery to medical institutions to ensure quality. Digital serialization technology, which assigns a unique identification code to each package and injectable to achieve end-to-end process monitoring, has been implemented in Taiwan, the US, and Korea. Our drugs are transported in refrigerated containers equipped with temperature monitoring devices when they are delivered to medical institutions. Hospital pharmacists complete online system records and terminate tracking after accepting deliveries to establish a closed-loop quality verification process across the entire transportation process.

PharmaEssentia USA third-party commercial distribution logistics are handled by FedEx. FedEx's air cargo and express delivery services have been approved in accordance with our supplier qualification review processes and are managed in accordance with US GDP pharmaceutical supply chain requirements. All transportation routes have also been verified. Cardinal Health's EPTN transportation routes have also passed supplier qualification and quality management system validation.

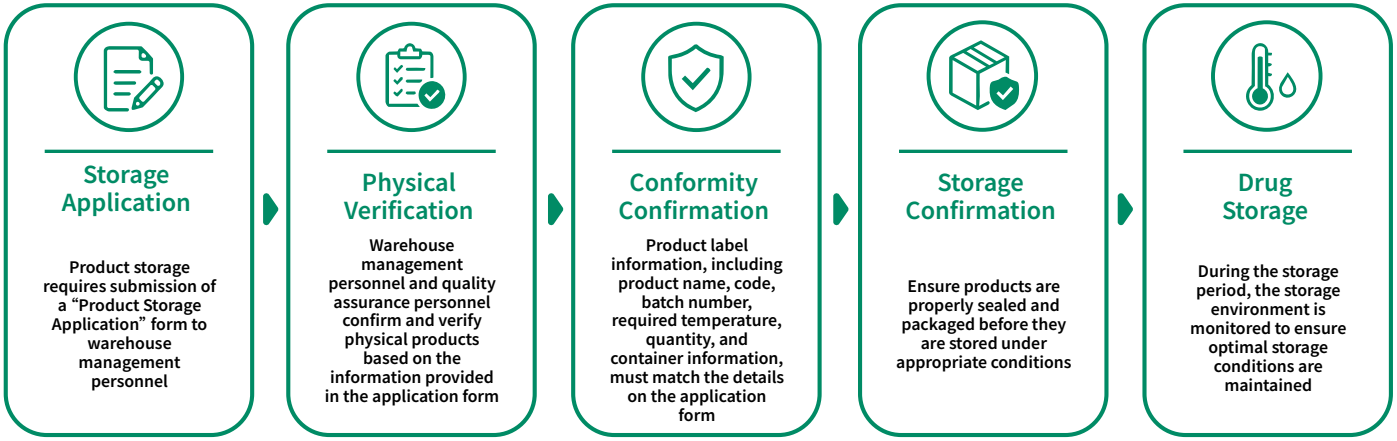
International Transportation and Warehousing Management Strategies

PharmaEssentia has established the "Product Receipt and Storage Management Operation Standards" and "Storage and Distribution Policy" to prevent negative impacts on product quality from environmental and operational factors. The Panco Logistics Center has established a "Storage Area Temperature Calibration Plan" which stipulates that temperature calibration should be conducted twice every three years to ensure warehouse environment quality.

Policies and systems	Strengthening actions	Management achievements
We continue to manage global transportation and warehousing in accordance with the following systems: ・Storage and Distribution Policy ・PIC/S GDP-compliant Product Distribution Management Procedure ・Import and Export Transportation Management Procedure ・Emergency Response and Handling Procedure	1.Enhance supply chain resilience ・We maintain at least 4 months of safety stock in the US in anticipation of climate change, natural disaster, and supply chain risks to ensure that patients in the US can receive their medications in a timely manner; relevant inventory data is considered to be sensitive information, and is therefore not disclosed. ・PharmaEssentia Japan's distribution system continues to align with Japanese GDP standards. ・We have expanded the number of collaborators in China and complete transportation verifications. 2.Climate risk adaptation ・We have incorporated extreme climate event scenario simulations. ・We strengthened backup solutions for coldchain equipment. 3.Optimize warehousing management ・Panco Logistics Center continues to implement temperature calibration procedures. ・We enhanced automation of environmental monitoring system data collection.	・Number of major transportation temperature deviations in 2025: 0 ・GDP-related major audit deficiencies: 0 ・Clinical and commercial product delivery interruptions: 0

Commercial supply and inventory data at PharmaEssentia USA is tracked and managed using the Anaplan enterprise system, which is used for monthly sales and operations planning (S&OP) processes in the US, as well as for meetings with the Taichung team which are convened every two weeks. Rolling demand forecasts are provided to PharmaEssentia (Taiwan)'s finance and CMC teams to monitor demand and maintain inventory levels.

Product Entry and Storage Process



Quality Control in Shipping and Transportation

PharmaEssentia has established the “Product Shipping Operations Standards” to ensure that distribution processes for products manufactured at our Taichung Plant and CMOs, as well as packaging and transportation processes at storage warehouses, are appropriately managed and all pharmaceuticals are transported under prescribed temperature conditions to uphold global drug transportation safety. No transportation incidents affecting product quality occurred in 2025.

Packaging operations	Transportation process
• Confirm that transportation boxes are clean and temperatures meet appropriate product storage conditions; a temperature recorder is placed in each box to monitor temperatures. • Ropeg, for example, must be stored between 2~8° C	• Comply with the “Storage and Distribution Policy” in executing appropriate storage and distribution procedures • Conduct pre-analysis scenario simulations to confirm that cooling conditions and equipment specifications meet product needs • Regularly check raw materials, intermediates, and products to ensure they are stored and managed appropriately

We continue to manage shipment and transportation quality in accordance with the “Product Shipping Operations Standards,” and strengthened the following monitoring measures:

Packing and pre-shipment verifications	Transportation process monitoring	Quality verifications
• Conduct scenario simulation and insulation performance analysis • Use verified temperature-controlled packaging materials • Place temperature loggers inside shipping containers, and increase deployment ratios	• Collect all temperature data throughout the transportation process • Implement timely notification mechanism for abnormal temperature events • Analyze temperature changes to prevent potential risks	• Add transportation route verification and confirmation processes • Track deviations and improvement measures through CAPA system

3.3 Pharmaceutical Marketing Ethics and Labeling

Product Marketing Ethics Principles

PharmaEssentia has established clear drug marketing ethical standards for employees who interact with healthcare professionals, and we continue to promote relevant policies each year. In 2025, we launched online training courses and established a comprehensive review process and management mechanism for all marketing activities, promotional materials, and routine operations.

We comply with the following 9 pharmaceutical marketing ethics principles:

- Prioritize patient well-being.
- Achieve quality, safety, and efficacy standards that meet regulatory requirements.
- Maintain professionalism and ethical conduct when interacting with medical and related organizations, and do not provide or supply any goods or services that may directly or indirectly cause undue influence.
- Provide accurate, balanced, and scientifically based product information.
- Ensure that marketing activities and promotional content are ethical and do not contain misleading information. Product marketing materials should include accurate information on product risks, risk-benefit assessments, and appropriate usage methods.
- Respect and protect patient privacy and personal information.
- Sponsor external clinical research and scientific activities to promote medical advancement and enhance patient benefits, and to maintain transparency of industry-sponsored human clinical trials.
- All materials that may be viewed by the FDA as being used for promotional or external communication purposes (including promotional materials, non-promotional materials, advertisements, and digital media) are required to undergo triple Medical-Legal-Regulatory (MLR) review by the MLR Committee to ensure they contain no misleading information, comply with regulations, and contain scientifically accurate information.
- Implement drug safety and risk management, report adverse reactions, and publicly disclose drug approval statuses. We also disclose pharmacological effects, indications, pregnancy classifications, dosages and administration methods, side effects, contraindications, and precautions to provide a balanced report on benefits and risks.

Material Topics	Drug Marketing and Labeling
Significance for PharmaEssentia	PharmaEssentia prioritizes patient health and well-being, adheres to ethical management principles and medical ethics when marketing registered drugs, and provides patients with professional and trustworthy products. We regulate the drug marketing behaviors of our colleagues, organize annual internal promotions of drug marketing ethics policies for employees who have business interactions with healthcare professionals, and review processes for marketing promotions and business activities to avoid legal violations.
Policies and Commitments	PharmaEssentia adheres to the Ethical Corporate Management Best Practice Principles and the Operational Procedures and Code of Conduct for Ethical Management, and implements pharmaceutical marketing and labeling management in accordance with core integrity, transparency, and accountability principles. We ensure all of our promotional information is authentic, complete, and compliant with regulatory requirements, and we regularly review marketing compliance, labeling accuracy, and risk control so that patient rights and product trust are not jeopardized by misleading information or improper business dealings. We continue to strengthen employee awareness of marketing ethics and compliance requirements through education and training, ensuring that global market operations comply with the highest professional and sustainable development standards.
Responsible Units	• PharmaEssentia Taiwan and subsidiary marketing departments and medical affairs teams • US Medical, Legal, and Regulatory Affairs Review Committee: Conducts medical, legal, and regulatory reviews to ensure the appropriateness and regulatory compliance of advertising and promotion content • Sustainability Development Center Product Ethics and Safety Team and Access to Medicine Team: Responsible for compiling and managing material sustainability topics
Response Strategies, Associated Measures, and Management Actions	Related teams regularly conduct internal inspections to ensure effective execution Remediation and grievance measures: • We collect grievances and feedback from external stakeholders through the “Contact us” page on our official website. • PharmaEssentia has established a customer hotline to handle product quality issues and general customer complaints, and to safeguard consumer, client, and patient rights.
Evaluation Mechanism	Compliance and ethics of marketing activities are regularly reviewed and assessed by the marketing, medical affairs, and MLR committees
Targets for 2025	Zero marketing ethics violations
Achievements in 2025	• In 2025, PharmaEssentia (Taiwan) and all subsidiaries complied with pharmaceutical marketing ethics regulations, and incurred zero marketing communications violations.
Short-Term Targets (1 Year)	• Achieve internal review completion rate of 100% for marketing materials and promotional activities • Incur zero marketing or labeling non-compliance incidents that result in penalties or corrective measures by competent authorities • Achieve annual regulations and ethics training completion rates of 100% for marketing, sales, and medical affairs personnel • Achieve post-training examination pass rates exceeding 90%
Mid-Term Targets (3-5 Years)	• Strengthen collaboration among marketing, medical affairs, and regulatory review units to ensure accuracy and compliance. • Establish consistent and serialized marketing and labeling management processes to lower violation risks
Long-Term Targets (More Than 5 Years):	• Build a corporate culture that prioritizes patient health and well-being through drug marketing and labeling • Continue to enhance marketing ethics and information transparency to enhance the trust of healthcare professionals and the public • Keep the number of compliance grievances and disputes relating to healthcare professionals low or at zero over the long term

Product Marketing Ethics Principles

PharmaEssentia has established clear drug marketing ethical standards for employees who interact with healthcare professionals, and we continue to promote relevant policies each year. In 2025, we launched online training courses and established a comprehensive review process and management mechanism for all marketing activities, promotional materials, and routine operations.

We comply with the following 9 pharmaceutical marketing ethics principles:

1.Prioritize patient well-being.

2.Achieve quality, safety, and efficacy standards that meet regulatory requirements.

3.Maintain professionalism and ethical conduct when interacting with medical and related organizations, and do not provide or supply any goods or services that may directly or indirectly cause undue influence.

4.Provide accurate, balanced, and scientifically based product information.

5.Ensure that marketing activities and promotional content are ethical and do not contain misleading information. Product marketing materials should include accurate information on product risks, risk-benefit assessments, and appropriate usage methods.

6.Respect and protect patient privacy and personal information.

7.Sponsor external clinical research and scientific activities to promote medical advancement and enhance patient benefits, and to maintain transparency of industry-sponsored human clinical trials.

8.All materials that may be viewed by the FDA as being used for promotional or external communication purposes (including promotional materials, non-promotional materials, advertisements, and digital media) are required to undergo triple Medical-Legal-Regulatory (MLR) review by the MLR Committee to ensure they contain no misleading information, comply with regulations, and contain scientifically accurate information.

9.Implement drug safety and risk management, report adverse reactions, and publicly disclose drug approval statuses. We also disclose pharmacological effects, indications, pregnancy classifications, dosages and administration methods, side effects, contraindications, and precautions to provide a balanced report on benefits and risks.

We executed the following practices in accordance with our marketing ethics policies in 2025:

1. Provided accurate, balanced, and scientifically based product information	• Complete product benefits and risks were disclosed in all marketing materials, and we did not include any misleading information.
2. Ensured that interactions with healthcare professionals and patient organizations complied with ethical standards	• Prohibited provision of any goods or services that could affect professional judgment. • Maintained independence of collaborating organizations and partners.
3. Implemented transparent MLR reviews	• All marketing and non-promotional materials were jointly reviewed by the medical, legal, and regulatory departments to ensure that the information was compliant, scientific, and complete. • Regularly updated review standards in accordance with the latest regulations.
4. Continued to strengthen disclosures of drug safety information	• Continuously monitored post-marketing safety, collected safety information from all countries where our products have been approved, and used collected information to update DSURs/PSURs, and to assess BESREMi® risks and benefits. • Actively conducted safety signal detection procedures, and monitored and conducted literature reviews on pharmaceutical alerts and safety signals issued by medically advanced countries. • Actively collected information via registration trials/IITs and patient support programs
5. Monitored digital and social media information	• The MLR Committee reviewed all digital materials that could potentially be considered promotional

Product Labeling

All drug labels complied with local regulations and included the content required by the competent authorities of the countries where our products have been approved, including permit numbers, product names, item numbers, instructions, batch numbers, expiration dates, and manufacturer/importer information. We also adopted anti-counterfeiting designs for serialized products by:

- Adding unique product identification codes on outer packaging
- Using holographic seals with anti-counterfeiting features and traceable serial numbers to reduce counterfeiting risks

We did not incur any incidents of non-compliance concerning marketing communications or any related legal litigations in 2025, and have not experienced any disputes or legal litigations related to misleading marketing information over the past five years. Therefore, we did not suffer any associated monetary losses.

PharmaEssentia has established a customer hotline to safeguard consumer, client, and patient rights. Complaints are mainly divided into two categories:

1. Product quality-related grievances (including refunds or replacements handled in accordance with quality management procedure)
2. General customer complaints

04

Sustainable Environment

Energy and Waste Management

04

PharmaEssentia's climate governance framework aligns with TCFD and ISO 14064-1 standards. We continually assess climate risks and opportunities while promoting carbon-reducing processes and managing emission intensities. We also improve energy efficiency and reduce operational emissions by implementing our ISO 14001 environmental management system and utilizing energy-saving equipment. In terms of water resource management, we continue to monitor water consumption and promote wastewater recycling/reuse to generate water recycling benefits. Our waste management measures focus on source reduction, recycling and reuse, and waste disposal compliance, as well as use of pollution prevention equipment to reduce potential environmental impacts from our operations. In 2025, we issued the "PharmaEssentia Biodiversity and No Deforestation Commitment" to ensure that our factory development and operating activities do not affect ecological environments, and we are working to form a comprehensive sustainability framework encompassing management of factors associated with climate, resources, and ecosystems.

Main Stakeholders

Achievement Highlights

- The Energy Efficiency Leadership Program at our Taichung Plant reduced electricity usage by **354,649 kWh** (approximately **168.1 tCO_2e**) in 2025
- Recycled water volumes for 2025 reached 10.05 million liters, an **increase of 3.31%** compared to the previous year (9.728 million liters of water were recycled in 2024)
- Waste intensity for 2025 was reduced by **12.5%** compared to 2024, and has been trending downward for the past three years
- Our Taipei Headquarters and Taichung Plant completed ISO 14064-1 certification audits in 2025
- Formulated "PharmaEssentia Biodiversity and No Deforestation Commitment"

Material Topics	Energy and Waste Management
Significance for PharmaEssentia	PharmaEssentia processes from product R&D, production, to logistics are associated with a number of environmental issues such as energy consumption, greenhouse gas emissions, water usage, and waste and pollution prevention. We demonstrate our commitment to the environment and sustainable operations by implementing multiple management systems that reduce negative environmental impacts.
Policies and Commitments	Environmental management is implemented through our Greenhouse Gas Management Procedures, Waste Management Procedures, Chemical Hazard Management Procedures, and other procedural documents. Additionally, the ISO 14001 environmental management system at our Taichung Plant mitigates environmental impacts, enhances environmental management efficiency, and reduces negative environmental impacts from production and operational processes.
Responsible Units	Taipei Headquarters: Occupational health and safety promotion team Taichung Plant: Greenhouse gas promotion team (GHG promotion team) Material sustainability topics: Compiled and managed by the Executive Center for Corporate Sustainability Environmentally Friendly Team
Response Strategies, Associated Measures, and Management Actions	• In 2025, PharmaEssentia invested NT$8.32 million in environmental costs • Education and training: As of 2025, a total of 61 employees have obtained ISO 14064-1 internal auditor certification • TCFD/greenhouse gas inventory training hours: A total of 2 persons received 2 hours of training • Appointed dedicated personnel to participate in regulatory training, policy promotion, and professional environmental lectures hosted by competent authorities • Continued to control air pollutant emissions and ensure zero leakages • Increased waste reuse rates (including waste foam, waste glass, and waste plastic recycling volumes) to reduce waste incineration volumes and promote circular economy principles
Evaluation Mechanisms	• Short-, medium-, and long-term management indicators: Waste intensity, energy intensity, and greenhouse gas emissions intensity • Internal audits: • Non-periodic audits of waste handling vendors • Periodic inspections of internal waste storage areas • Periodic assessments of waste intensities at each unit • External audits: Inspect legality of routine items in accordance with regulations established by environmental authorities • Quarterly on-site promotion meetings with Taichung City Department of Environmental Protection and Central Taiwan Science Park Administration, as well as engagement through communications and meetings
Targets for 2025	• Complete construction on Zhubei Plant and apply for green building certification • Achieve an energy intensity of less than 5 GJ/NT$ million • Achieve a greenhouse gas emission intensity of less than 1 tCO_2e/NT$ million • Achieve a waste intensity of less than 0.01 metric ton/NT$ million • Increase waste recycling and reuse ratios to reduce waste incineration/landfill volumes • Incur zero penalties associated with waste management • Incur zero penalties from environmental impact assessments of drug production processes
Achievements in 2025	• Completed main structure of Zhubei Plant and submitted green building certification applications • Achieved a waste intensity of 0.28 metric ton/NT$ million, a 12.5% reduction compared to 2024 • Waste recycling and reuse volumes in 2025 were increased by 44.19% compared to 2024 • Zero pollution incidents associated with waste management • Zero pollution incidents associated with pollution prevention assessments
Short-Term Targets (1 Year)	• Incur zero penalties associated with waste management • Incur zero penalties from environmental impact assessments of drug production processes • Incur zero major environmental violations
Mid-Term Targets (3-5 Years)	• Continue to maintain and increase waste volumes transferred to solid recovered fuel vendors for reuse • Incorporate ISO 14001 environmental management system at Taipei Headquarters by 2027
Long-Term Targets (More Than 5 Years):	• Complete construction of Houli Plant, and begin providing smart pharmaceutical manufacturing and warehousing services to Taoyuan Aerotropolis • Incorporate green building concepts into new plants during planning and designing stages, and aim to obtain green building certifications

PharmaEssentia Environmental Management Indicators

To effectively manage environmental performance and reduce negative impacts, PharmaEssentia implemented ISO 14001 and ISO 14064-1 energy management systems to improve energy efficiency. We established metrics and targets adhering to the TCFD framework. Our waste management measures focus on reduction, recycling, and compliance, and we have established metrics and targets to balance operational growth and environmental responsibilities.

PharmaEssentia Environmental Management Indicators					
Management Aspect	Management Metric	Targets for 2025	Achievements in 2025	Short-Term Targets (1 Year)	Mid-Term Targets (3-5 Years)
Greenhouse gas emissions and energy usage	Energy intensity (GJ/NT$ million)	≦ 5	3.35	≦ 5	≦ 5
	Greenhouse gas emission intensity (tCO_2e/NT$ million)	<1	0.46	<1	<1
Waste management	Waste intensity (metric tons/NT$ million)	<0.01	0.0028	<0.01	<0.01

4.1 Climate and Nature Actions

PharmaEssentia used the Task Force on Climate-Related Financial Disclosures (TCFD) framework to identify climate-related risks and opportunities, and also assessed potential financial impacts from climate-related risks and opportunities under different scenarios. PharmaEssentia climate actions and initiatives were categorized according to the four aspects of the TCFD framework: climate governance, strategy, risk management, and metrics and targets. Our internal operations and external environments underwent no major changes in 2025. We therefore continued to use climate-related risks and opportunities identified in 2024, and updated related metrics and targets using achievements from 2025. We also conducted organizational greenhouse gas inventories aligned with ISO 14064-1:2018 standards to support climate mitigation and adaptation through carbon management. Our Taichung Plant and Taipei Headquarters have both established ISO 14064-1:2018 greenhouse gas inventory management systems and obtained third-party certification.

Governance: Supervision and Management of Climate Issues by the Board of Directors and Senior Executives

The Board of Directors is the highest climate governance unit at PharmaEssentia, and is responsible for supervising and formulating strategies associated with climate change from a sustainable development perspective, as well as responding to domestic and foreign net zero initiatives. In 2025, PharmaEssentia pursued sustainable management while fulfilling corporate social responsibilities, established an Environmental Policy, introduced an environmental management system aligned with ISO 14001 standards, and implemented environmental policies and goals to continuously enhance environmental performance. The Board authorized the Executive Center for Corporate Sustainability and the Environmentally Friendly Team to promote climate change management actions. Executive units include the environmental safety department and related units such as the R&D, production, logistics, warehousing, and engineering departments, which all implement different tasks. The environmental safety department convenes biweekly meetings/monthly factory meetings, and reports project progress to senior managers. The Executive Center for Corporate Sustainability presents ESG project progress reports to the Board every quarter.

PharmaEssentia Climate Governance Organizations

Board: Oversees and formulates climate governance strategies
Executive Center for Corporate Sustainability: Promotes and manages climate change responses and adaptation actions, and makes regular progress reports to the Board
Environmentally Friendly Team: Plans and implements various action plans

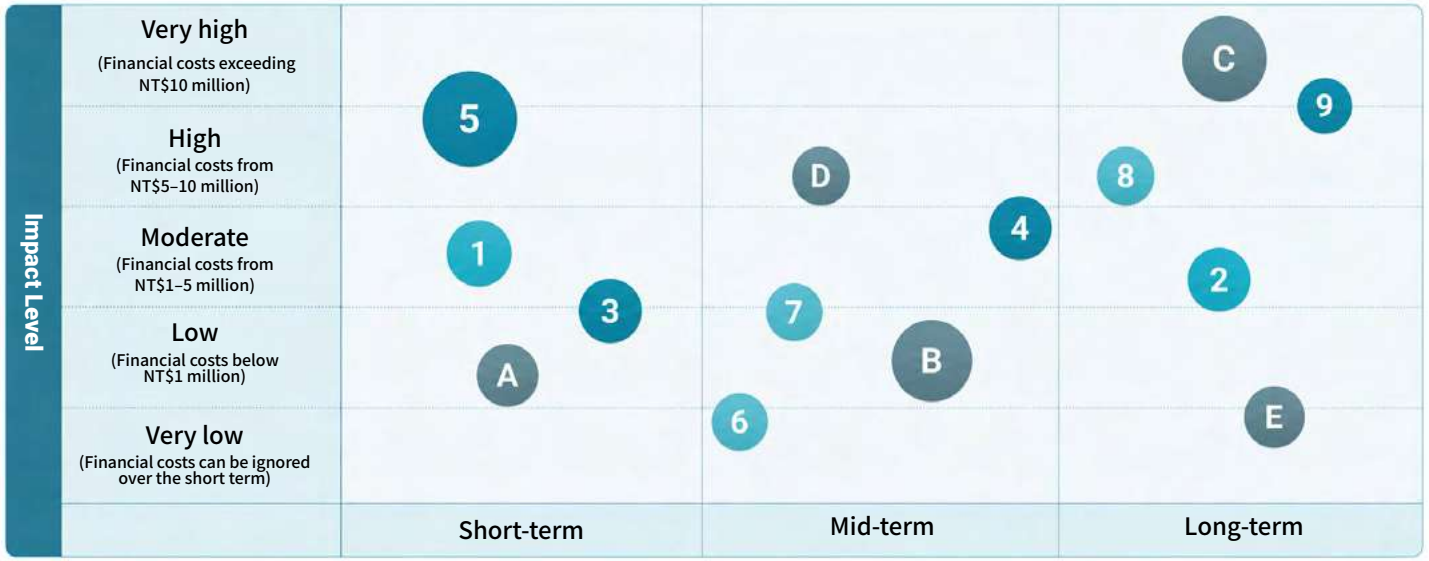
Strategy: PharmaEssentia Global Climate Strategies

To assess impacts on organizational operations from short-, medium-, and long-term climate-related risks and opportunities, PharmaEssentia and external consultants conducted interviews, surveys, and discussions with managers from related departments to identify climate-related risks and opportunities, and also worked with responsible departments to actively formulate solutions.

Physical Risks:
We assessed climate change impacts to our main operational sites and determined that the probability of operational interruptions from severe climate impacts was low to extremely low, as we had already considered flood and drought risks when constructing factories at our production sites. We will closely track operational impacts from climate-related risks and adjust inventory levels accordingly.

Transition Risks:
Taiwan has already established laws on 2050 net zero emissions targets, so short-term risks arising from carbon reporting obligations and carbon fees are highly probable. PharmaEssentia has already prepared for these risks by completing greenhouse gas inventories and verifications in advance of Financial Supervisory Commission requirements. Our Taichung Plant introduced an ISO 14001-compliant environmental management system in 2024 and implements annual PDCA maintenance procedures, enabling continuous improvement of environmental performance by taking "Plan (identify significant environmental aspects)," "Do (set goals and controls)," "Check (conduct internal audits)," and "Act" actions. We conduct internal audits and external re-evaluations every year to ensure system effectiveness and regulatory compliance, thereby reducing environmental risks as we make progress toward sustainable management. We plan to introduce an ISO 14001-compliant environmental management system at our Taipei Headquarters in 2027 to strengthen environmental and energy management.

Short-, Medium-, and Long-Term Climate Risks and Opportunities Matrix



Financial costs were estimated using current data based on price levels for 2023. Evaluation results may differ under other background conditions. Circle sizes represent financial cost volumes.

PharmaEssentia's climate risk management strategy focuses on managing and adapting to relatively significant climate risks over the short term (1-3 years), using management actions to reduce mid- to long-term risk impacts, and formulating possibilities for climate opportunities.

PharmaEssentia's short-term climate risks include "Raw Material Shortage Pressures," "Greenhouse Gas Management and Carbon Fees," and "Legally Mandated Net Zero Targets." We therefore prioritized management of these three risks. Mid- and long-term climate risks include "Legally Mandated Renewable Energy Proportions" and "Uncertainties in New Energy and Carbon Reduction Technologies"; we plan to observe conditions associated with these risks which are likely to occur over the medium to long term, and confirm whether immediate management is required for these risks when conducting assessments next year. In terms of climate opportunities, our Taichung Plant identified "Carbon Reduction Benefits from Resource Efficiency Enhancements" as a climate opportunity. We are planning to upgrade existing energy-saving equipment as well as install energy-saving equipment at our new factories.

Transition Risks	Physical Risks	Climate-Related Market Opportunities
1 Greenhouse gas management and carbon fees	6 Floods caused by extreme climatic conditions	A Carbon reduction benefits from resource efficiency enhancements
2 Legally mandated renewable energy proportions	7 Droughts caused by extreme climatic conditions	B Emerging business models under low-carbon and energy conservation trends
3 Legally mandated net zero targets	8 Rising temperatures	C Market opportunities generated by treatments for diseases caused by climate change
4 Uncertainties in new energy and carbon reduction technologies	9 Rising sea levels	D High-efficiency buildings
5 Raw material shortage pressures		E Investment in renewable energies or participation in carbon trading markets

Scenario Simulation Analysis

We assessed impacts from climate-related risks and opportunities under different scenarios, as well as possible response measures. We considered three of the United Nations Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) scenarios (RCP 2.6, RCP 4.5, and RCP 8.5), and estimated impacts on our main facilities based on current climate data for Taiwan under each RCP scenario.

- RCP 2.6 is a mitigation scenario with extremely low radiative forcing, and represents a pathway where global warming is maintained at below 2°C above pre-industrial levels
- RCP 4.5 is a moderate and stabilized scenario
- RCP 8.5 is a scenario with high greenhouse gas emissions, and represents a pathway where all governments do not implement any greenhouse gas reduction measures

PharmaEssentia Scenario Simulation Analysis Results

RCP 2.6		RCP 4.5		RCP 8.5	
Taiwan (Taichung Plant)					
Average temperature increases of 0.3~2.1°C from 2031–2050	Average rainfall volumes from 2031–2050 -5.3~12%	Average temperature increases of 0.7~2.4° C from 2031–2050	Average rainfall volumes from 2031–2050 -4.7~13.6%	Average temperature increases of 1.0~3.1° C from 2031–2050	Average rainfall volumes from 2031–2050 -7.7~13%
Situation: Rising temperatures may increase the temperatures of factory and surrounding areas, and extreme climates may increase the probabilities of drought or heavy rainfall, but the depth and breadth of impacts are relatively limited under this temperature-controlled scenario.		Situation: Rising temperatures may increase the temperatures of factory and surrounding areas, lowering production efficiency. Extreme climates may lead to droughts or floods from heavy rainfall.		Situation: Very high temperatures and changes in annual average rainfall volumes intensify extreme climate impacts. Factories may encounter blackouts or be unable to operate due to droughts or floods, and therefore require additional costs for improvements.	
Responses: • PharmaEssentia: Our factories are currently located in science park areas, so risks are low. • Supply chain: Warn against possible supply delays due to natural disasters, and establish second/ third backup sources.		Responses: • PharmaEssentia: Our factories are currently located in science park areas, so risks are low. • Supply chain: Warn against possible supply delays due to natural disasters, and establish second/ third backup sources.		Responses: • PharmaEssentia: Apart from strengthening our own disaster prevention capabilities to meet extreme climate conditions, we also plan to conduct supply chain and transportation route disaster prevention drills and strengthen business continuity plans • Supply chain: Warn against possible supply delays due to natural disasters, establish second/third backup sources, switch materials, or rebuild supply chains	

Source: Taiwan Climate Change Projection Information and Adoption Knowledge Platform (TCCIP)

Transition Risk Scenarios

In terms of transition risks, PharmaEssentia assessed transition risk scenarios using the Shared Socioeconomic Pathways (SSPs) detailed in the IPCC Sixth Assessment Report (AR6).

SSP Scenarios and Impacts to PharmaEssentia

Scenario	Low-risk scenario	Moderate-risk scenario	High-risk scenario
Scenario description	SP1-1.9 pathway: Orderly global transition to net zero by 2050.	SSP1-2.6 pathway: Delayed global transition toward Paris Agreement <2° C target.	SSP4-6.0 pathway: No new carbon reduction actions and all countries maintain current policies.
Temperature increase by century’ s end	1.4° C	1.6° C	>3° C
Transition risks	Gradual implementation of climate policies starting from 2021	Rapid implementation of climate policies starting from 2031	Maintain status quo with no new policies
Impacts to PharmaEssentia	As the Taiwanese government has already legislated 2050 net zero targets, we plan to implement phased carbon reduction targets in accordance with national targets. We are already conducting ISO 14064-1:2018 organizational greenhouse gas inventories and plan to formulate carbon reduction plans based on inventory results.	PharmaEssentia will monitor implementations at all operational sites based on local market conditions.	PharmaEssentia will monitor implementations at all operational sites based on local market conditions.

Analysis of Financial Impacts from Climate Change

After considering organizational and operational impacts from the aforementioned climate-related risks and opportunities, PharmaEssentia actively formulated related responses and adaptation actions to enhance climate resilience.

Analysis of Financial Impacts on PharmaEssentia from Climate Change

	Transition Risks		Physical Risks	Climate-Related Opportunities	
Issues	• Greenhouse gas management and carbon fees • Legally mandated renewable energy proportions • Legally mandated net zero targets • Uncertainties in new energy and carbon reduction technologies	Raw material shortage pressures	• Floods caused by extreme climatic conditions • Droughts caused by extreme climatic conditions • Rising temperatures • Rising sea levels	• Carbon reduction benefits from resource efficiency enhancements • Emerging business models under low-carbon and energy conservation trends • Market opportunities generated by treatments for diseases caused by climate change	• High-efficiency buildings • Investment in renewable energies or participation in carbon trading markets
Potential financial impact	• Increases in operational costs associated with carbon management: Carbon taxes in overseas markets, carbon fees in Taiwan, and energy-related taxes will increase operational costs • Increased costs from investments in renewable energy planning and equipment purchases • Increased operational costs from investments in energy and carbon reduction resources; allocation of resources to inventory, verify, and disclose organizational greenhouse gas emissions; and further expansion of inventory scope to carbon footprints across entire product lifecycles	Raw material shortages and increased transportation costs due to climate change	• Natural disasters may cause operational interruptions or situations that exceed current emergency response measures, affecting production and leading to financial losses and revenue declines • Natural disasters (such as snowstorms in the US) may cause shipping delays, damage to local equipment, and personnel injuries, increasing operational costs • Natural disasters may disrupt raw material sources, halt production, interrupt product shipments, and affect operating income • Using insurance to reduce financial losses will increase factory flood prevention costs • Long-term temperature increases may increase energy consumption in factories or transportation cold chain costs	• In 2025, our Taichung Plan introduced an energy management system; and procurement costs amounted to NT$6.2 million • Potential carbon assets derived from carbon management (carbon rights)	• Potential carbon assets derived from carbon management (carbon rights) • Potential market opportunities may arise from developing solutions associated with climate-related disease domain
Financial impact assessments	• Carbon fees: Assuming that PharmaEssentia's annual carbon emissions are less than 5,000 tCO_2e and carbon fees are NT$300 per metric ton, annual costs would be around NT$1.5 million • Greenhouse gas inventories: We are gradually introducing management systems at all factories and undergoing verifications; we estimate that annual costs will be lower than NT$3 million • Greenhouse gas inventories, emission reductions, energy portfolios, and efficiency enhancements: We plan to calculate the costs associated with reducing greenhouse gases and enhancing energy efficiency at all factories	Our raw materials strictly comply with GMP regulations, so need verifications and certifications at each stage; increases in raw material costs are difficult to estimate, so we plan to avoid costs through advance preparation and by increasing inventory stock. We estimate that costs will increase by 10–20%, so our procurement costs will increase by NT$10 million each year	• Our Taichung Plant has measures in place to overcome water shortages lasting 3–4 weeks, so production is unlikely to be affected; additional financial costs under this condition are extremely low • If natural disasters interrupt transportation in our supply chains, our safety stock can maintain operations for 3–6 months; additional financial costs under this condition are extremely low • Additional energy consumption costs and transportation costs from long-term temperature increases require further evaluation • We are actively applying for marketing authorizations in different regions around the globe to diversify regional climate risks • We strive to diversify production bases, increase raw material procurement sources, and make relevant preparations	• Greenhouse gas inventories, emission reductions, energy portfolios, and efficiency enhancements: We plan to further evaluate the benefits generated from reducing greenhouse gases and enhancing energy efficiency at all factories • We strive to lower energy intensities and reduce energy dependencie	• There is currently insufficient information to estimate financial performance from emerging solutions

In response to the aforementioned financial analyses, we compiled the following climate-related risk and opportunity topics, and formulated PharmaEssentia's key response strategies as well as responses for all departments:

Analysis of Financial Impacts on PharmaEssentia from Climate Change

	Transition Risks		Physical Risks	Climate-Related Opportunities	
Issues	• Carbon management • Greenhouse gas inventory and reduction • Energy portfolios and efficiency enhancements	• Raw material management	• Operational damage caused by hurricanes, floods, and other extreme climate events, triggering the need to strengthen factory emergency response capabilities	• Resource efficiency enhancements	• Satisfy unmet medical needs
PharmaEssentia key response strategies	• Strengthen PharmaEssentia carbon management capabilities through continued implementation of: (1) Greenhouse gas inventories at all operational sites. (2) Phased greenhouse gas reduction targets. (3) Assessments of benefits from carbon neutrality or 2050 net zero targets through comprehensive consideration of carbon management costs and revenues.	• Increase raw material sources and evaluate new suppliers to enhance raw material management. • Incorporate climate change considerations in future R&D processes and add alternate options.	• Regularly assess factory response capabilities, provide risk warning and identification, and increase factory emergency response capabilities • New Zhubei Plant: PharmaEssentia's new Zhubei Plant adheres to green building standards and was built to withstand climate risks and impacts • Regular training and internal process improvements enhance climate resilience and response capabilities of all PharmaEssentia sites around the world	• Evaluate resource efficiency enhancements from upgraded or replaced equipment. • Evaluate benefits from renewable energy installations or participation in carbon trading markets.	• Diseases caused by climate change will become a future R&D focus of the biopharmaceutical industry. PharmaEssentia is also continuing to focus on associated trends while assessing unmet needs caused by climate-related diseases and feasibility of R&D innovations. • Panco is undertaking projects that require cold chain transportation services, and purchased temperature-controlled boxes in 2024 to reduce use of polystyrene boxes.

Departmental responses	• Production/environmental safety department: Our "Environmental Policy" serves as an internal guideline for environmental impact prevention and response, and we have also established "Greenhouse Gas Management Procedures"; our Taichung Plant, which is our main production site, was the first location where we conducted greenhouse gas inventories. We achieved carbon reduction milestone targets by enhancing current measures for improving resource efficiency.	• Procurement department: Conducts assessments based on raw material categories and source locales, expands backup procurement sources, seeks out green supply chains, and requires the top five suppliers by annual transaction volumes to reduce carbon emissions.
		• R&D department: Reduces environmental impacts through incorporation of bioengineering and digital transformation technologies, including:
		  • Reducing use of materials (reagents/solvents/toxicants)
		  • Assessing energy consumption and temperature controls in equipment/production methods/all production stages/all storage, transportation, and preservation processes
		  • Using eco-friendly and recyclable materials
		• Production department: Develops automated production processes as needed.
			• Environmental safety department: Assesses possible impact levels and corresponding emergency response measures, and increases assessment frequencies. Our Taichung Plant has established the "Factory Facility Emergency Response Management Standards" and associated emergency response mechanisms to ensure that all equipment can operate normally when natural disasters, equipment malfunctions, and hazard incidents occur so all personnel can conduct production processes in safe environments.
			• In general, we adhere to Central Taiwan Science Park and Hsinchu Science Park's response and management measures for preventing physical risks
				• Our Taichung Plant introduced an energy management system in 2025 to enhance energy efficiency. Chiller motor startup and shutdown operations were synchronized with chiller equipment to optimize motor operations. We also added refrigerant reclamation systems and variable frequency motors to conserve energy and enhance performance.
				• Our Zhubei Plant is working to obtain green building certification, apply for green building subsidies, and reduce organizational carbon emissions
				• We developed a contractor construction order system to digitalize information and reduce paper consumption
					• The R&D department and Executive Center for Corporate Sustainability Access to Medicine Team and Product Ethics & Safety Team jointly and regularly monitor related issues

Risk Management of Climate-Related Issues

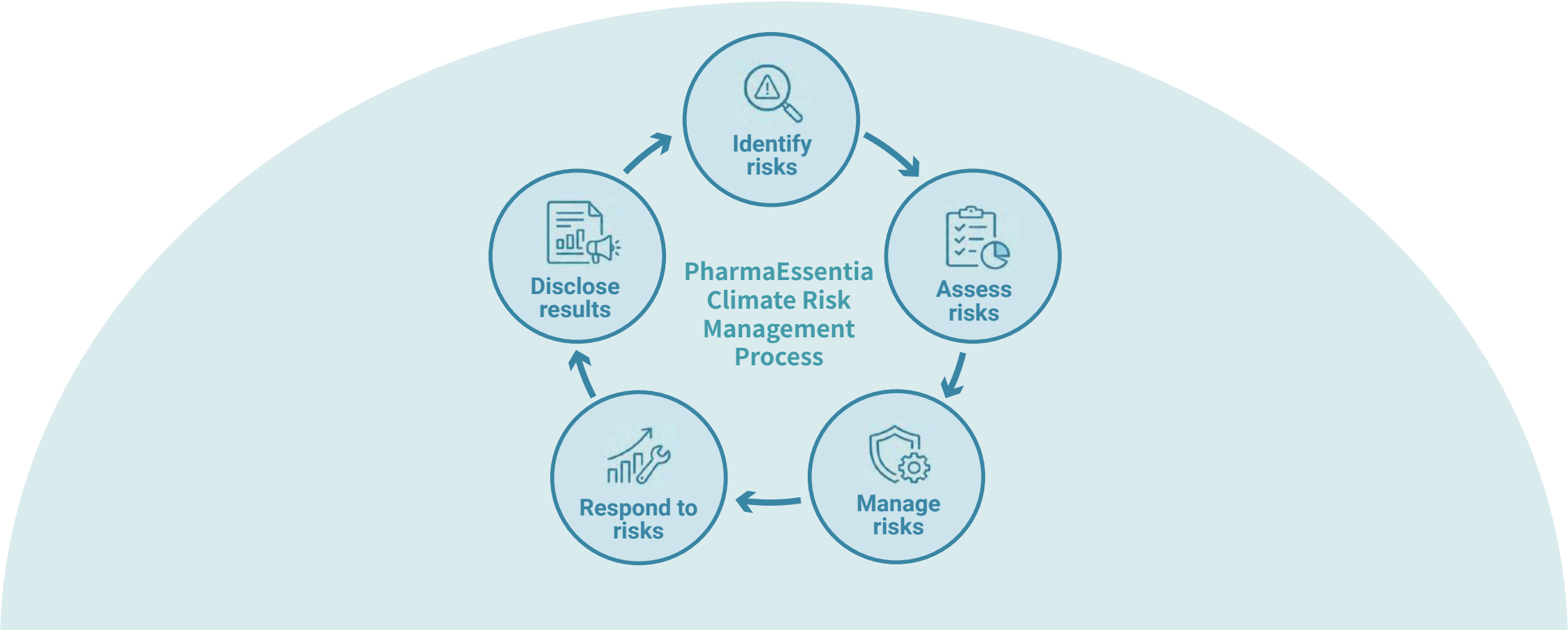
2.3 Risk Management describes our corporate risk management mechanisms and measures for lowering corporate impacts from different risk categories. This section further describes our management mechanisms and actions toward climate risks in accordance with the TCFD framework.

Risk Management Guidelines and Practices for Climate-Related Issues

We have established internal risk management policies, procedures, and internal controls based on related regulations to appropriately manage all risk issues, impacts, and corresponding material topics. Every year, the Board approves overall corporate risk management targets and policies, and assigns senior executives to oversee promotion and execution of various issues, as well as monitor risk management mechanisms to ensure that they are operating effectively.

Risk Management Processes for Climate-Related Issues

We lowered operational impacts from climate risks by adhering to climate-related risk management policies, assessment methodologies, and preventive measures. We continued to inventory major operational risks in 2025, implemented climate risk assessment processes and environmental risk training, and ensured that all departments implemented specific practices for handling various risks. We plan to conduct these processes every year to ensure full understanding and tracking of changes in associated risks, and will formulate relevant risk management procedures and measures as appropriate. We have established risk management targets and policies, and continue to monitor our risk management mechanisms to ensure that they are operating effectively.



Metrics and Targets

The biopharmaceutical industry's main climate change response actions are focused on carbon reduction. PharmaEssentia strives to reduce carbon emissions at all stages to achieve carbon reduction. We adhere to ISO 14064-1 greenhouse gas inventory standards, regularly inventory greenhouse gas emissions at all operational sites, manage key climate metrics, and have disclosed Scope 3 emissions data. We review climate risks and actions each year to determine whether revisions are required. We also actively invest in research of diseases caused by climate change, and work to find more solutions at the source through medical research.

Metrics and Targets for Main Topics

Issues	Carbon management	Rising raw material costs	Increasing severity of typhoons, floods, and other extreme weather events
Responses	Scope 1, Scope 2, and Scope 3 greenhouse gas emissions and related risks ・PharmaEssentia's greenhouse gas emissions primarily stem from Scope 2 emissions associated with purchased electricity. In 2025, our Scope 1 and Scope 2 greenhouse gas emissions were lower than 5,000 tCO_2e ・Our greenhouse gas emissions policy adheres to national 2050 net zero targets and the National Development Council's goal to achieve a 28% reduction in overall carbon emissions by 2030	・We track material usage by monitoring raw material consumption volumes/ revenues.	・We regularly assess factory response capabilities, provide risk warning and identification, and strengthen factory emergency response capabilities. ・New Zhubei Plant: PharmaEssentia's new Zhubei Plant adheres to green building standards and was built to withstand climate risks and impacts
Metrics and targets	・Greenhouse gas emission intensity (tCO_2e/NT$ million)	・Raw material consumption intensity: Raw material consumption volumes (g)/ revenues (NT$ thousand) ・Improved resilience: Reduce raw material procurement risks from environmental impacts.	・Regular implementation of emergency response measures
Achievements in 2025	・Combined greenhouse gas emissions intensity for PharmaEssentia (Taiwan) and Panco was 0.46 (tCO_2e/NT$ million) ・For more information on carbon emissions and carbon intensity calculation formulas, please refer to 4.3 Energy Management	・Raw material consumption intensity in 2025 was 0.74 g/ NT$ thousand, lower than the 2024 value of 1.06 g/NT$ thousand	・Carried out prevention measures aligned with Central Taiwan Science Park requirements ・Assessed and adjusted US market safety stock

Operational Sites and Biodiversity Conservation

PharmaEssentia's production base (Taichung Plant) is located in the Central Taiwan Science Park Taichung Science Park. We are currently constructing our Zhubei Plant in the Hsinchu Biomedical Science Park and are formulating plans to construct our Houli Plant at the Central Taiwan Science Park Houli Science Park (7th Redevelopment Zone section). These three factories are not located in environmental protection areas or protected species/restoration habitats, and therefore do not have direct biodiversity impacts. PharmaEssentia continues to track local environmental and conservation issues through the Central Taiwan Science Park Sustainable Development website, and supports conservation and environmental actions. In 2025, we continued to sponsor Jane Goodall Institute charity projects, and worked to enhance biodiversity and conservation awareness in schoolchildren as part of our biodiversity outreach initiative (please refer to 6.3 Philanthropic Activities). We issued the "Biodiversity and No Deforestation Commitment" in 2025 to serve as a management guideline for related issues, demonstrating our commitment to biodiversity protection.

4.2 Energy Management

Energy Usage

PharmaEssentia's energy consumption mainly stems from purchased electricity and natural gas. We continue to improve energy efficiency in production processes and are assessing investments in energy-saving equipment, including, but not limited to, magnetic suspension chillers, variable frequency air compressors, and energy-efficient equipment to reduce energy consumption and comply with Good Manufacturing Practice (GMP) requirements, which stipulate that production environments should maintain certain cleanliness and quality control standards. Specific achievements in 2025 included introducing an energy management system, optimizing chiller operations, adding refrigerant reclamation systems, and installing variable frequency motors to conserve energy and improve performance. Total investments amounted to NT$6.2 million, and we reduced energy usage by 354,649 kWh, equivalent to 168.1 tCO_2e of carbon emissions.

PharmaEssentia Energy Consumption Data

Energy type	Unit	2022	2023	2024	2025
Purchased electricity	GJ	24,383.01	24,697.91	32,570.99	37,882.04
Natural gas		9,499.14	11,287.08	13,976.93	14,470.60
Diesel		18.44	9.28	17.50	4.24
Gasoline		19.99	10.15	7.95	6.75
Total energy consumption		33920.58	36,004.43	46,573.36	52,363.63

PharmaEssentia Energy Intensities

Indicator	Unit	2023	2024	2025
Energy intensity	GJ/NT$ million of revenue	7.05	4.78	3.35
Change in energy intensity compared to previous year	%	-40%	-32%	-28.7%

Greenhouse Gas Emissions

PharmaEssentia' s largest source of greenhouse gas emissions is Scope 2 emissions associated with purchased electricity. ISO 14064-1 greenhouse gas inventories have been conducted at our Taipei Headquarters, our Taichung Plant, and Panco. We obtained third-party verification of 2025 greenhouse gas emissions data in 2026, and are currently working to obtain greenhouse gas emissions verifications for 2026. Greenhouse gas inventory results are used as a reference for continued improvement of energy efficiency to achieve our target of lowering greenhouse gas emission intensities.

PharmaEssentia Greenhouse Gas Emissions

Item	ISO 14064-1	Description	Unit	2023	2024	2025
Scope 1	Category 1	Stationary/mobile combustion source emissions, process emissions, fugitive emissions	tCO_2e	716.10	1,152.19	953.80
Scope 2	Category 2	Electricity from Taiwan Power Company		4131.03	4,368.18	4,605.61
Scope 3	Category 3	Upstream raw material transportation, downstream product transportation, employee commuting, business travel		123.22	343.48	211.82
	Category 4	Purchased goods, waste treatment, delivery services		994.97	821.91	1,344.77
Totoal				5,965.32	6,685.76	7,116.00

PharmaEssentia Greenhouse Gas Intensities

Indicator	Unit	2023	2024	2025
Greenhouse gas emissions intensity	tCO_2e/NT$ million	1.16	0.69	0.46
Change in greenhouse gas emission intensity compared to previous year	%	-	-40.95%	-33.74%

Note 1: The reporting boundaries of greenhouse gas data shown in this table were as follows: 2023–2024 encompassed PharmaEssentia (Taiwan) and Panco; 2025 encompassed PharmaEssentia Taiwan, Panco, and the Panco Logistics Center. Revenue figures used for calculating intensities encompassed the entire Company.

Note 2: Inventoried greenhouse gases included carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and trifluoride nitrogen (NF_3).

Note 3: These figures were calculated using the "emission factor method." The emission factors for purchased electricity referenced information released by the Ministry of Economic Affairs Energy Administration. Electricity emission factors for 2022, 2023, and 2024 were 0.495, 0.494, and 0.474 $kgCO_2e$/kWh, respectively. Electricity emissions factors for 2025 have not yet been released. Greenhouse gas emissions from natural gas combustion were calculated using the lower heating value and emission factor announced by the Ministry of Environment, then converted to CO_2e values using the Global Warming Potential (GWP) values in the IPCC Sixth Assessment Report (AR6) released in 2021.

Note 4: Total product sales for the year (NT$ million) were used to measure usage intensity and emission intensity.

Energy Management Highlight for 2025: Technologically Driven Digital Transformation

PharmaEssentia's Taichung Plant launched the Energy Efficiency Leadership Plan in 2025 amid steadily expanding production capacity, and saved 354,649 kWh of electricity in 2025 by introducing an energy management system and utilizing low-carbon technologies. These electricity savings represented a 5.9% reduction compared with 2024, and carbon reductions for the year amounted to 168.1 tCO_2e. Core strategies and technological implementations included:

01

Cutting-edge energy conservation technologies: Refrigerant reclamation system optimizations

Adopted an industry-first strategy of installing refrigerant reclamation systems which utilized free electron technology to prevent molecular clustering in refrigerant pipes, significantly improving heat exchange efficiency and reducing compressor load by optimizing refrigerant molecular structures. This not only extended equipment service lives, but also reduced energy consumption at the source without affecting the low temperatures required by operational processes.

02

Dynamic system transformations: Chiller flow optimizations

Completely eliminated pump system fixed-frequency (60 Hz) operational modes in response to chiller load fluctuations caused by seasonal and production conditions. We achieved intelligent "cooling-on-demand" variable-flow control by installing variable frequency drives (VFDs) that enabled precise monitoring of supply and return water temperature differentials. This dynamic mechanism ensures that motor speeds automatically match on-site loads, maximizing energy utilization.

03

Digital governance enhancements: Energy management system (EMS) situation room

We established a real-time energy information dashboard and big data platform in our central control room to enable visualizations of energy management information. Our "energy management situation room" integrates different types of energy consumption data to enhance transparency of energy use, which not only improves monitoring efficiency, but also provides a scientific basis for subsequent energy optimizations.

4.3 Water Stewardship

Water Withdrawal, Water Discharge, and Recycled Water

Tap water was the main water withdrawal source for PharmaEssentia operational sites in Taiwan and Panco. According to the World Resources Institute water risk mapping tool, our operational sites were all located in areas with low to moderate water stress in 2025.

Our Taichung Plant is our main production site. Water withdrawal volumes included water used for production processes and domestic usage; wastewater was discharged through the Central Taiwan Science Park Taichung Science Park sewage treatment plant. Our Taichung Plant regularly renews its water pollution control permits in accordance with relevant regulations, conducts production operations and related filing procedures in accordance with permit requirements, and commissions testing institutes certified by the Ministry of Environment Environmental Management Administration to conduct water quality tests on discharged water every six months to ensure compliance with Ministry of Environment and Central Taiwan Science Park Administration discharge standards. Our Taichung Plant recycles process reverse osmosis brine and wastewater for use in air-conditioner cooling towers to enhance water reuse efficiency. In 2025, we recycled 10.05 million liters of water, an increase of 9.728 million liters (3.31%) compared to 2024. PharmaEssentia's Executive Center for Corporate Sustainability also collaborates with environmental health and safety units to disseminate environmental awareness announcements and strengthen promotion activities associated with water resource protection.

Both our Taipei Headquarters and Taichung Plant saw reductions in total water withdrawal volumes compared with the previous year; please refer to the following table for more information.

Water Consumption Data for PharmaEssentia Main Operational Sites

		2023			2024			2025		
Operational sites	Unit	Water withdrawal	Water discharge	Water consumption	Water withdrawal	Water discharge	Water consumption	Water withdrawal	Water discharge	Water consumption
Taipei Office	Million liters	7.63	7.63	-	22.89	22.89	-	13.15	0.01	13.14
Taichung Plant		14.13	5.74	8.98	22.97	9.77	13.2	21.90	0.01	21.89
Panco		1.4	1.4	-	0.11	0.11	-	0.12	0.12	-
Total		23.16	14.77	8.98	45.97	32.77	13.2	35.17	0.14	35.03

Water Pollution Control and Wastewater Discharge Metrics

Wastewater discharged from our Taichung Plant undergoes appropriate treatment at the Central Taiwan Science Park Administration (Taichung Science Park) sewage treatment plant before being discharged. Water quality is monitored once every six months by certified testing institutes in accordance with Ministry of Environment regulations. Test results for 2025 all complied with applicable discharge standards and there were no significant material environmental pollution risks.

Taichung Plant Water Discharge Management

Factory	Operations Center	Manufacturing Center
Discharge handling method	Regulated discharge	Regulated discharge
Inspection items	None	pH, COD, BOD, SS, water temperature, true color, free available residual chlorine
Discharge standards and standard sources (Environmental indicators and regulatory compliance)	Taichung Science Park underground sewage discharge standards	Taichung Science Park underground sewage discharge standards
Discharge location	Commercial building	3F, No. 28, Keya West Road, Hengshan Village, Daya District, Taichung City (Taichung Plant)

4.4 Waste and Pollution Management

In 2025, PharmaEssentia's total investments in waste management and air pollution management amounted to approximately NT$8.32 million, and included investments in pollution prevention equipment, waste treatment (such as for biopharmaceutical waste), management activity expenditures, and pollution prevention expenditures. PharmaEssentia regularly attends Taichung City Department of Environmental Protection, Central Taiwan Science Park Administration, and on-site facility promotion meetings to implement management measures and reduce negative environmental impacts.

Air Pollution Prevention

PharmaEssentia does not use or discharge ozone-depleting substances (ODS) listed in the Montreal Protocol or any persistent organic pollutants (POPs). We conduct regular tests and file reports on stationary air pollution sources in accordance with Ministry of Environment regulations. All test results showed our discharged air pollutants were lower than regulatory limits. Our overall discharge volumes have increased as global sales demands have driven an increase in total production volumes, but pollutant discharge volumes remain lower than regulatory limits. PharmaEssentia did not violate any air pollution regulations in 2025.

PharmaEssentia Primary Discharged Gas Volumes

Discharged gas	Unit	2023	2024	2025
NOx	kg	425.7	578.4	612.54
SOx		32.3	30.4	0
Volatile organic compounds (VOCs)		17.1	12.6	19.41
Hazardous Air Pollutants (HAPs)		607.9	700.4	1,130.13
Particulate matter (PM)		7.4	9.8	18.36
Hydrogen chloride (HCl)		0.2	0.6	162.5
Total		1,090.6	1,332.2	1,942.94

Note 1: The data in this table were taken from PharmaEssentia's Taichung Plant; Panco Healthcare did not discharge any of the air pollutants listed in this table.

Waste Management and Circular Economy Principles

PharmaEssentia is gradually establishing a global footprint, and our production capacity and efficiency have improved significantly. We remain deeply committed to sustainable resource use as we pursue excellence in production, and have set "reduce waste volumes, improve unit output efficiency, and lower unit waste intensity" as our core management targets. We adhere to clear short-, medium-, and long-term action pathways when refining management guidelines for our factories and implementing practical actions.

Waste generated at PharmaEssentia mainly encompasses general industrial waste from production and manufacturing, as well as small amounts of chemicals used for R&D and experiments. All waste is strictly separated, recorded, and properly handled in accordance with local environmental regulations to minimize environmental pollution risks. We also continue to monitor international circular economy regulations and policy trends as we work to integrate "circular economy" concepts into our manufacturing processes and product lifecycle management.

Current Circular Economy Actions

PharmaEssentia commits to source reduction through R&D, process design adjustments, Design for Environment processes, and selection of eco-friendly supplementary materials and recyclable structural designs to overturn traditional linear "extraction, manufacturing, use, disposal" models and transition to sustainable "closed-loop resource cycle" operations while adhering to Current Good Manufacturing Practice (cGMP) standards and ensuring product quality and patient safety.

We not only commit to optimizing circular use of factory resources within our operational control boundaries and improving the utilization rates of consumable materials, but also proactively leverage our core advantages. We work with value chain partners to promote safe disposal of downstream medical waste and recovery of energy resources as part of our eco-friendly practices and ecological protection actions that adhere to our sustainable development commitment.

Waste Generation and Treatment

PharmaEssentia reviewed waste generation, disposal, treatment, recycling, and other processes from a product lifecycle perspective, and carefully recorded input material amounts and generated waste amounts. We also commissioned a qualified third-party waste treatment company to dispose of our waste.

Inputs and Outputs

Input characteristics	Activity records	Impact assessments
Waste is generated from manufacturing and production processes, QC test analyses, and laboratory R&D work. Hazardous waste (which includes small amounts of toxicants used in laboratories) and infectious waste is first sterilized under high heat in our factories and laboratories. Infectious waste is usually treated as general waste following this sterilization process, but we still treat hazardous waste as infectious waste following sterilization to ensure compliance with related control measures.	We carefully record usage and inventory amounts for toxic chemicals, and also calculate generated waste volumes. In 2025, we generated 53.72 metric tons of waste; volumes were higher than the previous year mainly due to increases in process production batches.	Factory production processes, QC test analyses, and laboratory R&D work all adhere to pharmacopeia regulations. Raw materials used cannot be arbitrarily replaced by toxic compounds, and all processes must comply with GMP regulations to prevent process contamination and impacts on subsequent drug quality. Waste is recycled from back-end processes to reduce environmental impacts.

Handling and Monitoring

Categorization and handling	Monitoring by multiple parties
Hazardous waste, biopharmaceutical infectious hazardous waste, solid/liquid hazardous waste, and non-hazardous waste are handled separately.	Our contracted waste treatment vendors are all legally established Class A or Class B certified waste disposal/treatment vendors. We also use a “linked three-party cross-check process” that requires relevant forms to be confirmed by PharmaEssentia, waste handling companies, and final treatment companies before reports can be filed and completed on the Environmental Protection Administration official website. This enables us to control and manage final waste destinations. We organize annual vendor audits on disposal/treatment processes and also conduct route inspections each year to ensure that waste is handled appropriately. We did not discover any legal violations incurred by vendors during previous audits.

Generated Waste Volumes

PharmaEssentia's waste reuse and resource recycling volumes for 2025 increased by 44.19% compared with 2024. Waste intensity for 2025 decreased by 12.5% compared with the previous year, and has decreased year over year.

PharmaEssentia Waste Volumes

Waste Category		Unit	2024	2025
Non-hazardous waste	Recycling and reuse	metric tons	6.63	9.56
	Landfill		-	-
	Incineration		22.81	33.43
	Other		-	-
	Total		**29.44**	**42.99**
Hazardous waste	Recycling and reuse		-	-
	Recycled resources		-	-
	Landfill		-	-
	Incineration, biopharmaceutical waste		2.10	2.48
	Incineration, organic liquid waste		5.84	8.22
	Incineration, non-organic liquid waste		0.53	0.03
	Other		-	-
	Total		**8.47**	**10.73**
Total waste volumes		metric tons	37.91	53.72
Total recycled/reused waste volumes			6.63	9.56
Proportion of recycled/reused waste		ratio	17.49%	17.8%

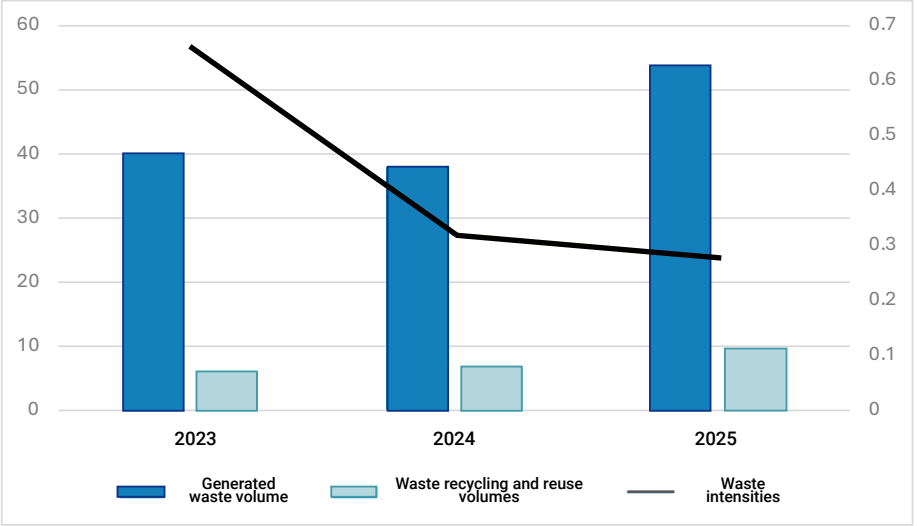
Note: The data in this table were taken from our PharmaEssentia headquarters, Panco, and our Taichung Plant.

PharmaEssentia Waste Intensities

Indicator	Unit	2023	2024	2025
Waste intensity	metric ton/NT$ million	0.0066	0.0032	0.0028
Change in waste intensity compared to previous year	%	-26%	-51%	-12.5%

Note: Waste intensity = (Total waste volumes - Total recycled and reused waste volumes)/NT$ million in revenue for the year

Generated waste volumes, recycling and reuse volumes, and intensities over past three years



Production and Packaging Management

Our Taichung Plant is a Good Manufacturing Practice (GMP) factory. In order to comply with regulatory requirements, many of the materials used during operating processes must be disposable, particularly materials used for packaging semi-finished or completed products. To prevent cross-contamination and ensure that products are adequately protected, we avoid reusing these packaging materials. Non-renewable materials used in 2025 primarily included disposable bags used during production processes, as well as pipe fittings/filters and other consumables that come into contact with products, accounting for 81.47% of all materials. Renewable materials mainly included cardboard boxes/package inserts and other packaging materials.

PharmaEssentia Product Packaging Materials

Category	Sub-categories	Unit	2023	2024	2025
Renewable materials	Cardboard boxes/package inserts (FP)	metric tons	0.1	0.14	0.386
Non-renewable materials	Disposable consumables used during production processes (FP)		0.09	0.11	0.13
	Blister packs/syringe labels/plunger rods/safety needles (FP)		0.1	0.13	0.287
	Disposable bags used during production processes		1.35	1.29	1.28
	Total non-renewable materials		1.54	1.53	1.697

Note 1: The data in this table was taken from our Taichung Plant.

Management of Toxic Chemicals and Chemical Substances of Concern

PharmaEssentia uses small amounts of toxic chemicals and chemical substances of concern listed by the Ministry of Environment during R&D and production processes (including machine cleaning processes). We therefore pay special attention to source control when managing these substances, properly classify and store all substances, and keep written records of amounts used to monitor usage, prevent environmental pollution, and prevent hazards to human health. No incidents involving spills of chemical substances or waste occurred in 2024.

Toxicant Categorization and Controls

PharmaEssentia categorizes chemical substances in accordance with the “Toxic and Concerned Chemical Substances Control Act” and stores toxicants in laboratory fume hoods by category. As we use many different types of chemicals, we have established the “Chemical Hazard Management Procedures” to regulate the procurement, usage, storage, and disposal of toxicants; stipulate clear responsibilities and control measures; and ensure accurate recordkeeping of used and stored chemical amounts.

Our subsidiary Panco is a logistics center which uses no chemicals and is mainly engaged in processing and labeling activities. Panco has established the “Cleanup Procedures for Processing and Labeling Lines” to ensure proper on-site handling of pharmaceutical breakages and spill incidents that may occur during processing and labeling activities. No pharmaceutical breakage incidents occurred at PharmaEssentia or Panco in 2025.

Toxicant Disaster Response Actions

PharmaEssentia has 16 general-level professional response personnel and has established “Chemical Spill Emergency Response Standard Operating Procedures” to enable safe and rapid completion of response procedures by our colleagues. Our laboratories are equipped with comprehensive emergency response equipment, and we check equipment conditions and safety stock every month to ensure they can be used instantly in the event of an emergency.

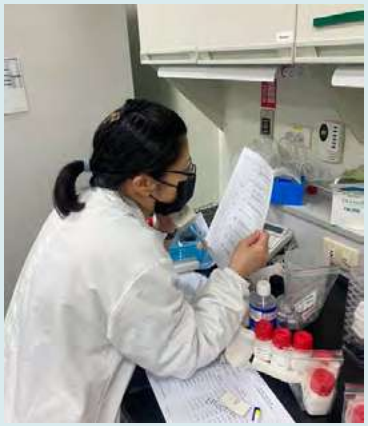
We conduct annual toxicant spill and disaster handling drills each year to enhance employee emergency response capabilities and minimize disaster impacts. We have established professional toxicant response personnel at our factories in accordance with the “Regulations for Management of Professional Response Personnel for Toxic Chemicals and Chemical Substances of Concern”; disaster units are responsible for adopting protection, response, and disposal measures when emergencies occur, and professional response personnel from other units carry out supporting disaster response tasks. We continue to implement in-facility management of toxicant disaster response procedures and training for personnel handling toxicants. PharmaEssentia conducted a toxicant disaster response drill in December 2025 which simulated a scenario where a QC staff member retrieved a toxic substance from the toxic chemical storage cabinet in the chemical laboratory, but caused an acetonitrile bottle to fall to the floor due to improper handling, resulting in an acetonitrile spill. The drill covered donning of protective clothing, containment of the toxic spill, clean-up procedures, and other response measures. To strengthen emergency response capabilities, PharmaEssentia also participates in biennial official disaster drills jointly hosted by science park administrations and fire departments for different toxic substances.

Additionally, our Taipei Headquarters and Taichung Plant have both joined regional joint defense organizations and regularly assign staff to attend seminars hosted by these organizations to acquire the latest emergency response knowledge and training. PharmaEssentia complies with regulations issued by competent authorities and rigorously manages storage and handling of toxic chemicals and chemical substances of concern. In addition to installing lockable explosion-proof fume hoods and assigning dedicated management and inventory personnel, we also file monthly operating volume reports on the official website designated by competent authorities. In 2025, we achieved a record of zero violations and zero defects during competent authority audits, and the Taipei City Department of Environmental Protection nominated us for the Ministry of Environment Outstanding Operators Commendation, which recognized us as one of the ten outstanding operators in the nation.

PharmaEssentia Ministry of Environment 2025 Outstanding Operators Commendation Award

PharmaEssentia 2025 Toxic Chemical Disaster Response Drill

Toxic chemical spill



Report spill

Delineate controlled area

Response team dons protective clothing

Containment of spill area

Removal of toxic chemical from spill area; waste collection and treatment

PPE decontamination and cleaning

PPE removal

05

Employee Well-Being

5.3 Talent Cultivation and Career Progression
5.4 Talent Attraction and Retention

05

PharmaEssentia formulated a Human Rights Policy and formed commitments to employee rights in accordance with international human rights regulations, and works to create a diverse, equal, and healthy workplace environment.

We actively invest in employee training resources, established a diverse talent cultivation framework, helped employees develop management and professional competencies, and formulated individual development plans for potential managers to accumulate future management talent. We also launched a digital learning platform which provides employees with self-paced learning resources to strengthen training quality as we continue to build a strong foundation on outstanding talent.

This year, we established a health and safety committee, and elevated the environmental health and safety management unit to a dedicated first-level unit to strengthen environmental safety and health management across different factories and different departments.

Main Stakeholders

Achievement Highlights

- Employee retention
- PharmaEssentia (Taiwan) and Panco turnover rates were **below 10%**
- Executive retention rate **exceeded 95%**
- Launched digital learning platform Contains more than **3,000 courses**
- Group employee utilization rate reached 70% and total training hours amounted to **2,314 hours**
- Education and training
- Average training hours per person at PharmaEssentia (Taiwan) exceeded **34 hours**
- No incidents involving occupational accidents or occupational diseases

5.1 Human Rights Assurance

Human Rights Policies and Commitments

We adhere to international human rights regulations and have established a Human Rights Policy which encompasses workers at all operating sites, subsidiaries, sub-subsidiaries, affiliates in which the Company holds de facto 50% control or more,, suppliers, contractors, business partners, consumers, and community residents. Our Human Rights Policy has been signed and approved by our chairperson, and has been communicated to employees and stakeholders. The full Policy can be found at this link. We regularly implement human rights management processes to identify potential human rights risks in operational activities, and formulate mitigation and remediation measures for identified risks.

Human Rights Regulations

- Universal Declaration of Human Rights
- United Nations Global Compact
- Guiding Principles on Business and Human Rights
- International Labour Convention
- International Labour Organization Declaration on Fundamental Principles and Rights at Work
- International Labour Organization Tripartite Declaration of Principles
- Concerning Multinational Enterprises and Social Policy
- OECD Guidelines for Multinational Enterprises

PharmaEssentia Human Rights Policy Commitments

- Ensure equality and anti-discrimination
- Prohibit use of forced labor and human trafficking
- Prohibit use of child labor
- Protect freedom of association and collective bargaining rights
- Provide fair and reasonable salaries, benefits, and working conditions
- Provide safe and healthy workplace environments
- Protect information security
- Implement human rights protections

Human Rights Management System

1.Actions to prevent workplace bullying

PharmaEssentia upholds a zero tolerance policy towards discrimination and harassment. We amended and announced the “Workplace Sexual Harassment Prevention, Correction, Complaint, and Punishment Measures” in 2024. In 2025, we continued to implement training for prevention of sexual harassment and unlawful infringement, and added a seminar explaining how to prevent workplace sexual harassment and other unlawful infringements on the LMS online learning platform to promote human rights protection measures for preventing workplace sexual harassment and workplace bullying, thereby incorporating our Human Rights Policy in management practices. The fourth edition of the Guidelines for Preventing Unlawful Infringement During Performance of Duties was released in February 2025 and the Occupational Safety and Health Act was amended on December 19, 2025 to include provisions for preventing workplace bullying. We therefore revised our internal policies to align with these regulations. After completing regulatory integration processes, we updated our training materials and disseminated the information to all employees to ensure that our management mechanisms adhere to regulations, ensuring the legality and effectiveness of our workplace unlawful infringement management mechanisms.

Operational site	Related measures	Participating personnel
PharmaEssentia (Taiwan)	Seminar on preventing workplace sexual harassment and other unlawful infringements	All employees
	New employee orientation	New employees
Panco	Seminar on preventing workplace sexual harassment and other unlawful infringements	All employees
	New employee orientation	New employees
PharmaEssentia USA	Dissemination of measures for preventing harassment, sexual harassment, and retaliation actions Overview of US federal and state regulations	We provided state-specific training for managers and employees residing in regions such as California or Massachusetts.
PharmaEssentia Japan	Announcement of whistleblower system	-

Human Rights Due Diligence

PharmaEssentia referenced international human rights conventions and the Pharmaceutical Supply Chain Initiative (PSCI) when establishing a list of human rights risk issues. We regularly assess salient human rights risks to determine potential risks arising from our operations, and also identify mitigation and remediation measures for salient human rights issues to reduce negative impacts. In 2025, our human rights evaluations encompassed our own operations (PharmaEssentia Taiwan, Panco, PharmaEssentia USA, and PharmaEssentia Japan) and our suppliers, and the scope of stakeholders included employees, women, children, and indigenous people. We used surveys, external public regulatory violation records, and internal grievance records to assess potential human rights risks faced by our employees during the course of our operations. We also used United Nations human rights resources and international databases to assess potential human rights risks faced by our suppliers. Assessment results revealed that the salient human rights risks faced by our employees in 2025 included "Pay Disparity," "Excessive Working Hours," "Workplace Violence and Harassment," "Occupational Health and Safety" and "Information Security and Privacy Rights"; and the salient human rights issues faced by our suppliers were "Pay Disparity," "Information Security and Privacy Rights," "Excessive Working Hours," and "Occupational Health and Safety." PharmaEssentia has formulated mitigation and remediation measures at all operational sites to lower human rights risks.

Human rights policy	Risk identification	Response measures	Performance tracking	Communications and disclosures
Formulated a Human Rights Policy aligned with international human rights conventions	Established a human rights issues list and conducted regular assessments of salient human rights risks in our own and supplier operations	Formulated mitigation and remediation measures for salient human rights risks	Established grievance and tracking mechanisms	Disclosed human rights measures through sustainability reports

Remediation measures

Grievance channels: Official website and email addresses

Human Rights Risks Assessment Results for 2025

Human rights risks		Value chain stakeholders	Percentage of total assessed (%)	Percentage of total assessed where risks have been identified (%)	Percentage of risk with mitigation actions taken (%)
Discrimination Workplace violence and harassment Pay disparity Forced labor Human trafficking Child labor and underage workers	Excessive working hours Unreasonable salaries Freedom of association Collective bargaining and group agreements Information security and privacy rights Occupational health and safety	Empoyees	100%	41.67%	100%
		Suppliers	100%	33.33%	100%

Note 1: Percentage of total assessed (%): The scope of risk assessments conducted for employees and suppliers encompassed PharmaEssentia (Taiwan), Panco, PharmaEssentia USA, and PharmaEssentia Japan.

Note 2: Percentage of total assessed where risks have been identified (%): We identified five salient human rights issues faced by our employees and five salient human rights issues faced by our suppliers as priority issues of concern. The risk proportion refers to the proportion of salient issues to all identified issues.

Note 3: Percentage of risk with mitigation actions taken (%): PharmaEssentia (Taiwan), Panco, PharmaEssentia USA, and PharmaEssentia Japan have implemented mitigation and remediation measures for human rights risks faced by employees and suppliers.

Salient human rights risks	Mitigation measures	Remediation measures
Pay disparity	1. Formulated Human Rights Policy and Labor Practices Commitment to promote equal, fair, and reasonable salaries, benefits, and working conditions. 2. Participated in Willis Towers Watson (WTW) salary surveys 3. The human resources department regularly tracks statutory minimum wage standards for all locations and analyzes employee salary conditions 4. Regularly reviewed gender pay gaps	The human resource department immediately carries out important and necessary measures for substantiated grievances, including ongoing communications with involved parties, prompt loss containment, damage remediation, and adjustment of remuneration system mechanisms as needed.
Excessive working hours	1. Adhered to labor regulations and human rights policies; provided fair and reasonable salaries, benefits, and work conditions; and tracked and avoided excessive working hours. 2. Clearly stipulated "normal maximum working hours," "monthly maximum working hour extensions," and established regulations for rest times and rest days following consecutive working hours for operational sites in all countries. 3. Established attendance settings on human resources system to provide reminders and formulate response measures for abnormal shift schedules, and set limits on working hour extensions to avoid work schedules that violate regulations 4. Our human resources system records employee attendance data, and responsible departments tracked weekly working hours and overtime, and reviewed production capacity and manpower needs 5. Conducted regular inspections of schedules, overtime, and vacations for each department to confirm compliance with labor laws, ensuring that our working hours, shift rotations, and overtime payments adhere to regulations	1. The "Abnormal Working Hours Care Program" will be initiated for employees with excessively high monthly overtime hours, following which the human resources department and direct supervisors will actively assess said employee's work conditions, and implement adjustments or related measures 2. Investigated and examined reasons for excessive working hours, and propose improvement plans 3. Impose internal penalties and improve systems if any regulatory violations occur 4. Established flexible scheduling and manpower support systems to prevent similar incidents from recurring 5. Established a grievance mechanism which provides confidentiality and protection for complainants
Workplace violence and harassment	1. Formulated Workplace Sexual Harassment Prevention, Complaint, and Disciplinary Measures. 2. Continued to conduct training for preventing sexual harassment and unlawful infringement, and uploaded courses to our online education platform	1. Upon receiving workplace grievances, the human resources department will establish a workplace violence handling committee to conduct investigation and review procedures, while ensuring that no unfavorable changes are made to complainant salaries or work conditions 2. Take appropriate isolation measures based on complainant wishes to prevent similar incidents from recurring, and also provide or refer employees to counseling, medical, or psychological support services 3. Impose disciplinary actions on respondents depending on the severity of the circumstances, or refer the case to the competent court in accordance with law 4. For reports involving sexual harassment, the sexual harassment grievance handling committee imposes warnings, disciplinary actions, or other penalties on perpetrators based on incident severity, and perpetrators may even be terminated in serious cases. 5. We conduct post-incident reviews of sexual harassment incidents to ensure that our disciplinary actions and coaching measures are operating effectively, and we also adjust workplace environments and systems 6. We have established tracking mechanisms to confirm associated grievance and judicial review outcomes
Occupational health and safety	**PharmaEssentia (Taiwan) and Panco** 1. Adhered to the "Occupational Safety and Health Policy," "Occupational Health and Safety Work Rules," "Environmental Safety and Health Policy," and "Maternal Health Protection Management Measures" to improve employee health management; marriage, childbirth, and parenting benefits; and health promotion initiatives 2. Established "Important Facility Operator Test," "Factory Health and Safety Regulations," "Contractor Factory Entry Procedures," and "Emergency Response Procedures" to regulate factory entry, facility operation, and factory safety processes 3. Provided occupational health services such as employee health examinations, special health examinations, health promotion seminars, maternal health protection measures, assessments of diseases triggered by abnormal workloads, on-site professional medical and nursing services, and consultation services 4. Employees regularly receive on-the-job health and safety training, operational personnel and supervisors are deployed in accordance with law for statutory operation items, and non-operating personnel are not allowed to carry out operational tasks **PharmaEssentia (Taichung Plant)** 1. Conducted annual hazard identification and risk assessment procedures in accordance with the ISO 45001 occupational health and safety management system, formulated improvement measures for potential high-risk items, incorporated explosion-proof equipment into occupational safety management projects based on classifications of areas with explosion risks, implemented regular tracking procedures, and listed key items in internal audits 2. Installed emergency notification equipment in laboratories to lower disaster risks 3. Implemented permit, chemical, machinery, and other management procedures. 4. Conducted regular fire drills and organized emergency first aid training courses 5. Continuously monitored trends in traffic accidents involving company vehicles and improved employee understanding of safe driving practices through training **PharmaEssentia Japan** 1. Conducts disaster preparedness drills once every year 2. Organized safe driving promotion activities and established vehicle inspection times	1. Implement emergency response procedures to prevent incident escalation and personnel injuries, prioritize personnel safety, and provide appropriate care for injured personnel 2. Notify unit managers and environmental safety units by phone or in person to request support at the first instance, and determine whether there is need to seek support from external institutes (the fire department or environmental incident specialist teams) 3. Inventory equipment in accordance with the "Incident Investigation and Handling Regulations"; incident units and environmental safety personnel jointly carry out investigation procedures and complete accident investigation forms to identify direct, indirect, and root causes of incidents. 4. Formulated improvement measures, appointed responsible units based on survey results, and set time limits for implementing improvements while continually monitoring progress 5. Our human resources department assisted personnel in obtaining medical treatment documentation for occupational injuries and diseases, and facilitated insurance claims and applications for occupational injury leave 6. Our environmental safety department reports occupational accident statistics to competent authorities on a monthly basis and compiles data on an annual basis; we alert our colleagues of important information through internal announcements if necessary

Employees

Salient human rights risks	Mitigation measures	Remediation measures
Information security and privacy rights	1. Formulated "Information Security Control Measures" and "Privacy Policy" 2. Formed information security management team to coordinate information security matters, and established personal information protection and trade secrets management promotion team, information system security maintenance team, and auditing department to assist with planning and implementation 3. Implemented ISO 27001 management system and established information security management framework 4. Conducted information security training and formulated plans to introduce a digital information security training platform in 2026 to provide information security training 5. Conducted irregular phishing email drills to enhance employee information security judgment capabilities and awareness 6. Ensure employees understand and comply with information security policies through regular system monitoring and assessments **PharmaEssentia Japan** 7. Conducts at least one Personal Data Protection Act training course each year 8. Implemented online information security training	Implement response and notification procedures upon occurrence of cybersecurity incidents

Suppliers

Salient human rights risks	Mitigation measures	Remediation measures
Pay disparity	1. PharmaEssentia's Human Rights Policy, Labor Practices Commitment, and Supplier Code of Conduct require suppliers to jointly promote equal, fair, and reasonable wages, benefits, and working conditions 2. Supplier self-assessment surveys encompass diversity and equality issues associated with employment, remuneration, and dismissal, and we regularly evaluate supplier diversity and equality management	1. We plan visits to supplier sites based on supplier self-assessment survey results, and share domestic and international sustainability trends and benchmark practices 2. If our suppliers incur any regulatory violations, relevant units will conduct investigations and help suppliers make improvements through communication and engagement 3. If repeated communication does not yield concrete improvements, we may consider terminating collaborations
Information security and privacy rights	1. PharmaEssentia's Human Rights Policy and Supplier Code of Conduct require suppliers to comply with privacy and data protection regulations to safeguard the personal information of clients, employees, and patients 2. Supplier self-assessment surveys encompass information security and privacy issues, and we regularly evaluate supplier information security and privacy management	
Excessive working hours	1. PharmaEssentia's Human Rights Policy and Supplier Code of Conduct require suppliers to set overtime limits in accordance with law to avoid excessive working hours 2. We incorporated social criteria (including prohibition of forced labor and excessive working hours) in our supplier screening processes 3. Supplier self-assessment surveys encompass issues such as forced overtime and overtime pay in accordance with law, and we regularly evaluate supplier overtime management practices	
Occupational health and safety	1. PharmaEssentia's Human Rights Policy and Supplier Code of Conduct require suppliers to provide employees with healthy and safe work environments 2. We incorporated social criteria (including maintenance of employee health and safety) in our supplier screening processes 3. Supplier self-assessment surveys encompass occupational health and safety issues, and we regularly evaluate supplier occupational health and safety management 4. Established contractor management procedures and developed management mechanisms for all construction stages to reduce the likelihood of accidents	

Internal Communication and Grievance Channels

If stakeholder rights are infringed upon, complaints can be submitted through a variety of grievance channels such as our official website and email addresses. We initiate investigation processes in accordance with grievance procedures and provide confidentiality and protection for complainants.

PharmaEssentia (Taiwan) and Panco grievance channels are as follows:

External: The “Contact us” page on the PharmaEssentia website provides a channel for external stakeholders to submit grievances and feedback.

Internal: Employee suggestion box: voice@pharmaessentia.com; unlawful infringement in the workplace: hr@pharmaessentia.com

Note: PharmaEssentia Japan engaged an external service provider to operate an internal grievance channel where employees can submit grievances through email

No discrimination incidents occurred at any PharmaEssentia (Taiwan) operational sites in 2025, and we received no complaints associated with employment of child labor, forced labor, or freedom of association and collective bargaining violations.

Minimum Notice Periods for Operational Changes

We disseminate different types of internal policies and important information through quarterly employee meetings and announcements to help employees keep informed of current operational conditions. Material operating changes are handled in accordance with the advance notice periods associated with labor contract terminations stipulated in the Labor Standards Act.

Diverse Labor-Management Communication Channels

Communication channels	Frequency	Communications and achievements
Labor-management meetings	Once every three months	PharmaEssentia hosts annual labor-management meetings to discuss matters related to employee health, environmental safety, salaries and benefits, and other related topics. Meeting participants are composed of 50% employer representatives and 50% labor representatives, and the meeting minutes are posted on our internal website for review by our employees. In 2025, PharmaEssentia’s Taipei Office and Taichung Plant each convened four labor-management meetings.
Employee conferences	Quarterly	PharmaEssentia hosts quarterly employee conferences to communicate operational goals and important matters, enabling all employees to keep informed of the latest corporate developments while strengthening consensus on corporate goals. In 2025, PharmaEssentia and Panco hosted a total of four employee conferences attended by all 1,400 employees.
Employee Welfare Committee	Quarterly	PharmaEssentia established an Employee Welfare Committee which convenes quarterly meetings. Employees can submit proposals on employee benefits for organization and implementation by the Employee Welfare Committee.
Department meetings	At least once a month	PharmaEssentia hosts regular communication meetings with senior executives and department personnel to convey the Company’s vision and culture, build consensus on targets, and strengthen departmental communications.

Note: PharmaEssentia Japan has not established a labor union. Therefore, all employees elected an employee representative to serve as a communication channel between employees and the Company in accordance with law.

Labor Practices Commitment and Programs

PharmaEssentia upholds a human-oriented sustainable management philosophy, and commits to compliance with international human rights standards and regulations in Taiwan. Our "Labor Practices Commitment" has been approved by our chairperson and is applied to all formal and informal employees at PharmaEssentia. We also communicate with suppliers, contractors, and partners to enable joint compliance with consistent standards. In 2025, we continued to implement our employee management plan, which encompasses issues such as salaries and benefits, management of working hours, gender equality, labor-management negotiations, and competency training. We established a safe, healthy, equal, and mutually respectful workplace environment through systemic management and transparent communication mechanisms.

Align remuneration with the cost of living

PharmaEssentia adjusts salaries in accordance with market standards and the cost of living, and is committed to providing remuneration above market standards to support employee economic stability and career development. In 2025, the average salary of our full-time non-managerial employees reached NT$1.51 million, significantly higher than the average salary in Taiwan's labor market, demonstrating our leadership in remuneration competitiveness. We implement diverse salary adjustments based on annual operating performance, individual performance, and third-party remuneration survey reports. Salaries may be adjusted due to annual performance, promotions, or structural changes. Our transparent and incentive-based remuneration system helps to ensure the basic living needs of employees and their families.

Management of working hours and overtime

PharmaEssentia has established an early warning and management mechanism to control working hours. Our attendance system enables real-time monitoring of daily and monthly working hour extensions, and we have set a maximum limit on the number of extended hours: Up to 4 hours on workdays, up to 12 hours on rest days, no overtime on holidays, and up to 46 hours each month. If an employee's monthly overtime hours are found to be excessively high, the "Abnormal Working Hours Care Program" will be initiated. The human resources department and direct supervisors will actively assess said employee's work conditions, and implement adjustments or related measures to reduce risks from excessive working hours and to protect employee health. PharmaEssentia adheres to Labor Standards Act regulations, ensures that all overtime work is conducted voluntarily, and provides overtime pay in accordance with law. Employees can choose to receive overtime pay or compensatory leave. We automatically calculate and distribute overtime payments based on system information. Compensatory leave which has not been used by the end of the year is automatically converted to overtime payments to ensure fair and transparent compensation.

Promote labor-management relations

We regularly convene labor-management meetings and employee conferences to enable transparent bidirectional communications, build consensus and trust, and continue to optimize work conditions. (For more information, please refer to 5.1 Human Rights Assurance: Diverse Labor-Management Communication Channels

Implement equal remuneration for men and women

We uphold a principle of "equal pay for equal work." and strictly prohibit differential treatment based on non-job-related factors such as gender, age, ethnicity, religion, or marital status. We provide fair and consistent remuneration and career development opportunities to our colleagues with comparable responsibilities and performance, and continually review our remuneration system to maintain competitiveness and fairness. PharmaEssentia conducts annual employee surveys on basic salary ratios by gender to examine gender pay gaps; survey results are disclosed in our sustainability reports.

Provide employee social protection and welfare benefits beyond public programs

Our employee benefits exceed regulatory and market standards, and include five days of fully paid sick leave, project bonuses, long-term employee incentive programs, flexible leave, the option to work from home, maternity allowances, and childcare services. (For more information, please refer to 5.4 Talent Attraction and Retention: Employee Benefits and Care)

Safeguard employee rights to take leave

PharmaEssentia employees are entitled to annual leave, personal leave, maternity leave, paternity leave, sick leave, and other paid leave; our provisions for paid sick leave exceed regulated standards. We encourage our employees to make proper use of their leave to promote their work-life balance, enhance their physical and mental health, and improve their workplace well-being.

5.2 Diversity and Inclusion

PharmaEssentia upholds principles of fairness and honesty in talent recruitment, selection, cultivation, promotion, and retention. We prohibit all forms of discrimination based on age, gender, ethnicity, or region. We ensure that employees with the same job responsibilities and performance receive equal compensation, thereby building a diverse and inclusive workplace environment that strengthens cultivation of well-rounded talent and attracts diverse talent. In 2025, the employee gender ratio at PharmaEssentia (Taiwan) was approximately 1:1, the ratio of female managers was 38.46%, and the ratio of senior female executives reached 45.83%.

		PharmaEssentia (Taiwan)						Panco					
Category	Group	Male		Female		Total		Male		Female		Total	
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Employees (Position)	Management executives (executives at the general Manager level and above)	2	66.67%	1	33.33%	3	0.78%	0	0 %	1	100 %	1	4 %
	Senior executives (directors and above)	11	52.38%	10	47.62%	21	5.44%	0	0 %	1	100 %	1	4 %
	Mid-level managers (managers and above)	34	72.34%	13	27.66%	47	12.18%	3	75 %	1	25 %	4	16 %
	Entry-level managers (team leaders)	16	50 %	16	50 %	32	8.29%	4	100 %	0	0 %	4	16 %
	General employees	123	43.46%	160	56.54%	283	73.32%	11	73.33%	4	26.67%	15	60 %
	All employees	186	48.19%	200	51.81%	386	100 %	18	72 %	7	28 %	25	100 %
Employees (Age)	Ages 30 and under	22	33.85%	43	66.15%	65	16.84%	1	100 %	0	0 %	1	4 %
	Ages 31-50	141	49.47%	144	50.53%	285	73.83%	16	80 %	4	20 %	20	80 %
	Ages 51 and above	23	63.89%	13	36.11%	36	9.33%	1	25 %	3	75 %	4	16 %
	All employees	186	48.19%	200	51.81%	386	100 %	18	72 %	7	28 %	25	100 %
Employees (Education)	Doctorate degree	28	68.29%	13	31.71%	41	10.62%	1	100 %	0	0 %	1	4 %
	Master’ s degree	114	46.72%	130	53.28%	244	63.21%	4	66.67%	2	33.33%	6	24 %
	Bachelor’ s degree	41	45.05%	50	54.95%	91	23.58%	12	70.59%	5	29.41%	17	68 %
	Other	3	30 %	7	70 %	10	2.59%	1	100 %	0	0 %	1	4 %
	All employees	186	48.19%	200	51.81%	386	100 %	18	72 %	7	28 %	25	100 %
Non-employees		0	0 %	1	100 %	1	100 %	0	0 %	0	0 %	0	0 %
Total		186	48.06%	201	51.94%	387	100 %	18	72 %	7	28 %	25	100 %

Note: Non-employees work on general administrative tasks, and relevant fees are paid to staffing agencies.

Category	Group	PharmaEssentia USA								PharmaEssentia Japan					
		Male		Female		Not specified		Total		Male		Female		Total	
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Employees (Position)	Management executives (executives at the general Manager level and above)	0	66.67%	0	0 %	0	0 %	0	0 %	3	100 %	0	0 %	3	5.45%
	Senior executives (directors and above)	26	52.38%	24	48 %	0	0 %	50	27.17%	3	100 %	0	0 %	3	5.45%
	Mid-level managers (managers and above)	51	72.34%	67	55.83%	2	1.67%	120	65.22%	7	63.64%	4	36.36%	11	20 %
	Entry-level managers (team leaders)	0	50 %	0	0 %	0	0 %	0	0 %	22	64.71%	12	35.29%	34	61.82%
	General employees	2	43.46%	11	78.57%	1	7.14%	14	7.61%	2	50 %	2	50 %	4	7.27%
	All employees	79	48.19%	102	55.43%	3	1.63%	184	100 %	37	67.27%	18	32.73%	55	100 %
Employees (Age)	Ages 30 and under	2	33.85%	7	77.78%	0	0 %	9	4.89%	1	100 %	0	0 %	1	1.82%
	Ages 31-50	31	49.47%	49	59.76%	2	66.67%	82	44.57%	18	69.23%	8	30.77%	26	47.27%
	Ages 51 and above	46	63.89%	46	49.46%	1	33.33%	93	50.54%	18	64.29%	10	35.71%	28	50.91%
	All employees	79	48.19%	102	55.43%	3	100 %	184	100 %	37	67.27%	18	32.73%	55	100 %
Employees (Education)	Doctorate degree	17	68.29%	10	35.71%	1	33.33%	28	15.22%	7	87.50%	1	12.5%	8	14.55%
	Master’ s degree	23	46.72%	29	55.77%	0	0 %	52	28.26%	2	66.67%	1	33.33%	3	5.45%
	Bachelor’ s degree	35	45.05%	56	60.22%	2	66.67%	93	50.54%	28	65.12%	15	34.88%	43	78.18%
	Other	4	30 %	7	63.64%	0	0 %	11	5.98%	0	0 %	1	100 %	1	1.82%
	All employees	79	48.19%	102	55.43%	3	100 %	184	100 %	37	67.27%	18	32.73%	55	100 %
Non-employees		0	0 %	0	0 %	0	0 %	0	0 %	3	30 %	7	70 %	10	100 %
Total		79	48.06%	102	55.43%	3	7.5%	184	100 %	40	61.54%	25	38.46%	65	100 %

Note: Non-employees work on general administrative tasks, and relevant fees are paid to staffing agencies.

Employee nationalities

Approximately 98.7% of employees at PharmaEssentia (Taiwan) and all Panco employees are Taiwanese.

PharmaEssentia (Taiwan)

Category	Group	Taiwan		US		Vietnam		Malaysia		Total	
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Employees (Position)	Management executives (executives at the general Manager level and above)	3	100 %	0	0 %	0	0 %	0	0 %	3	0.78%
	Senior executives (directors and above)	19	100 %	0	0 %	0	0 %	0	0 %	19	4.92%
	Mid-level managers (managers and above)	46	95.83%	2	4.17%	0	0 %	0	0 %	48	12.44%
	Entry-level managers (team leaders)	32	96.97%	1	3.03%	0	0 %	0	0 %	33	8.55%
	General employees	281	99.29%	0	0 %	1	0.35%	1	3.33%	283	73.32%
	All employees	381	98.7%	3	0.78%	1	0.26%	1	3.33%	386	100 %

Employee nationalities

PharmaEssentia (Taiwan) and Panco employees are all of Asian ethnicity. Employees at PharmaEssentia USA represent a diverse range of ethnicities which are detailed in the table below. PharmaEssentia Japan employees are all of Asian ethnicity.

PharmaEssentia USA (ethnicities)

Group	Asian		African		Hispanic or Latino		Caucasian		Pacific Islander or other regions		Multiracial		Other		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Management executives (executives at the general Manager level and above)	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %
Senior executives (directors and above)	6	12 %	1	2 %	0	0 %	34	68%	0	0 %	0	0 %	9	18 %	50	27.17%
Mid-level managers (managers and above)	12	10 %	11	9.17%	0	0 %	73	60.83%	1	0.83%	3	2.5%	20	16.67%	120	65.22%
Entry-level managers (team leaders)	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0%
General employees	1	14.29%	0	0 %	0	0 %	7	50 %	0	0 %	0	0 %	6	42.86%	14	7.61%
All employees	19	10.33%	12	6.52%	0	0 %	114	61.96%	1	0.54%	3	1.63%	35	19.02%	184	100 %

Total personnel over all four companies

Group	Asian		African		Hispanic or Latino		Caucasian	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Workforce proportion	485	74.62%	12	1.85%	0	0 %	114	17.54%
Executive proportion	182	54.49%	12	3.59%	0	0 %	107	32.04%

Group	Indigenous employees		Pacific Islander or other regions		Multiracial		Other		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Workforce proportion	0	0 %	1	0.15%	3	0.46%	35	5.38%	650	100 %
Executive proportion	0	0 %	1	0.3%	3	0.90%	29	8.68%	334	100 %

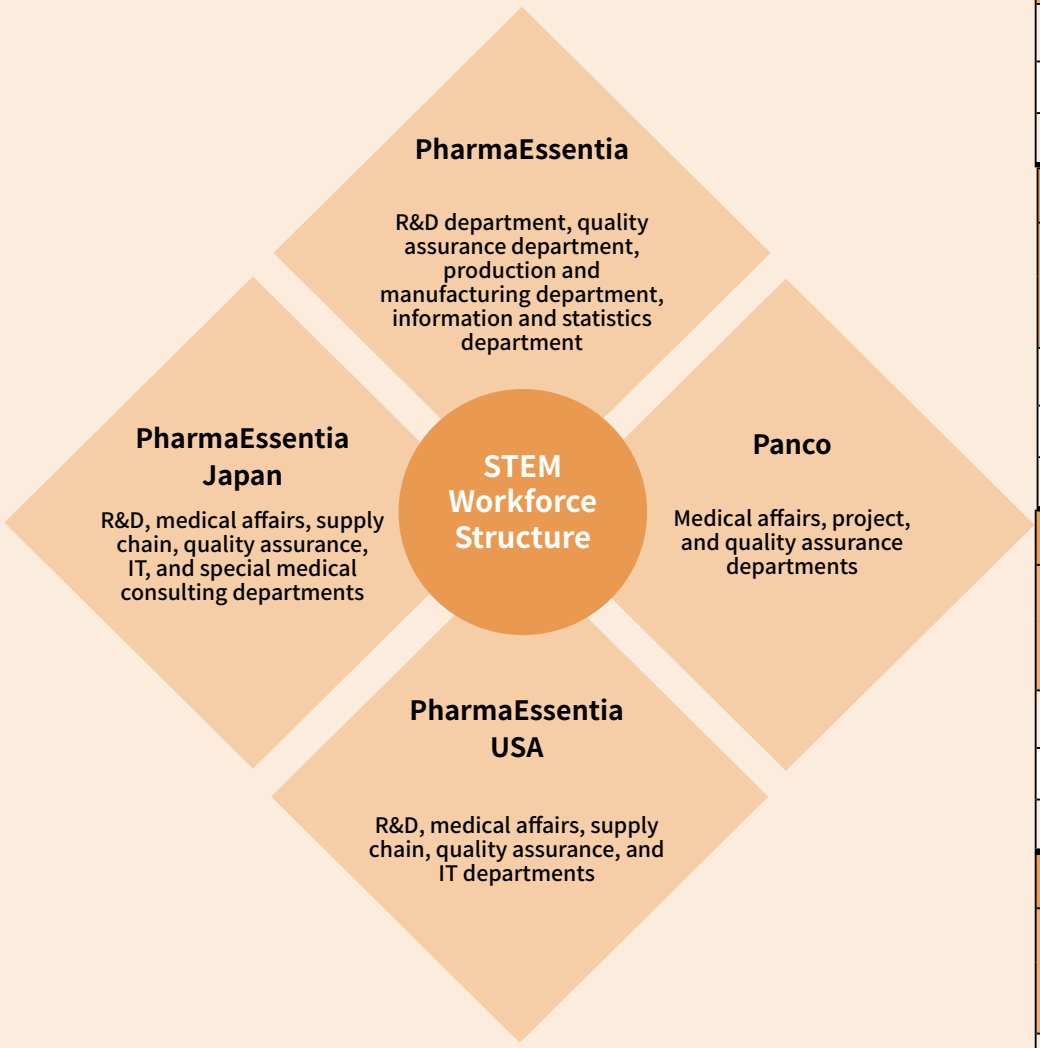
Note: Executives include entry-level managers, mid-level managers, senior executives, and management executives.

Workforce Structure of Revenue-Generating Units

PharmaEssentia (Taiwan)	Sales unit that comes into direct contact with end users
Panco	Sales unit that comes into direct contact with end users
PharmaEssentia USA	Sales unit and marketing unit
PharmaEssentia Japan	Hematology business unit, regional business unit, senior regional business unit, sales and marketing unit

	PharmaEssentia (Taiwan)						Panco					
Revenue-generating units	Male		Female		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Executives	1	25 %	3	75 %	4	57.14%	2	100 %	0	0 %	2	28.57%
Non-executives	1	33.33%	2	66.67%	3	42.86%	4	80 %	1	20 %	5	71.43%
Total	2	28.57%	5	71.43%	7	100 %	6	85.71%	1	14.29%	7	100 %

	PharmaEssentia USA						PharmaEssentia Japan					
Revenue-generating units	Male		Female		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Executives	17	44.74%	21	55.26%	38	20.99%	23	85.19%	4	14.81%	27	93.1%
Non-executives	62	43.36%	81	56.64%	143	79.01%	2	100%	0	0%	2	6.9%
Total	79	43.65%	102	56.35%	181	100 %	25	86.21%	4	13.79%	29	100%



	PharmaEssentia (Taiwan)					
Category	Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
STEM	141	49.65%	143	50.35%	284	73.58%
Non-STEM	45	44.12%	57	55.88%	102	26.42%
Total	186	48.19%	200	51.81%	386	100 %

	Panco					
Category	Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
STEM	5	62.5%	3	37.5%	8	32 %
Non-STEM	13	76.47%	4	23.53%	17	68 %
Total	18	72 %	7	28 %	25	100 %

	PharmaEssentia USA							
Category	Male		Female		Not specified		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
STEM	13	65 %	6	30 %	1	5 %	1	5 %
Non-STEM	66	40.24%	96	58.54%	2	1.22%	2	1.22%
Total	79	42.93%	102	55.43%	3	1.63%	3	1.63%

	PharmaEssentia Japan					
Category	Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
STEM	9	60%	6	40%	15	27.27%
Non-STEM	28	70%	12	30%	40	72.73%
Total	37	67.27%	18	32.73%	55	100%

Proportion of Female Employees

Employee structure indicators	Total personnel over four companies	
	Number of female employees	Proportion (0-100%)
(1) Share of women in total workforce (%)	327	50.3%
(2) Share of women in all management positions, including junior, middle and top management (%)	150	44.9%
(3) Share of women in junior management positions (%)	28	40%
(4) Share of women in top management positions (%)	37	45.1%
(5) Share of women in management positions in revenue-generating functions (%)	28	39.4%
(6) Share of women in STEM-related positions (%)	158	48.3%

Intergenerational Communication and Inclusive Leadership

To strengthen our workplace culture of diversity and inclusiveness, PharmaEssentia (Taiwan) and Panco strengthened communications between managers and employees through education and training, and also designed prospective intergenerational management approaches, including:

1.Empathetic and agile communication: Our Employee Assistance Program (EAP) courses guide department supervisors and employees in developing empathy and moving beyond communication approaches centered on annual and quarterly performance appraisals. In December 2025, we hosted an Empathetic Dialogue and Mutual Benefits Communication course, which was attended by 202 employees. The course garnered a satisfaction score of 4.4 out of 5 points, effectively strengthening trust among our employees.

2.New-generation management competencies: Due to generational diversity in the workplace, we formulated an employee education and training team in 2025, and expect to formally incorporate “new-generation leadership and management” topics to enhance the communication skills of executives leading intergenerational teams, bridge generational gaps among employees, and create a more inclusive workplace.

5.3 Talent Cultivation and Career Progression

Material Topics	Human Capital Management and Development
Significance for PharmaEssentia	In an era of rapidly changing global markets and intense competition, talent has become an important sustainability cornerstone for corporations. PharmaEssentia strengthens employee engagement and sense of belonging through a diverse and inclusive workplace environment, diverse talent cultivation channels, and employee remuneration and benefits. This approach reduces risks from loss of professional talent and knowledge gaps, and helps to build stability in new drug development and operations over the long term.
Policies and Commitments	PharmaEssentia has established several talent cultivation pillars based on our core values, leadership management, and professional capabilities. These pillars include “Diverse Training Channels,” “Fostering Autonomous Learning,” “Cultivating International Professional Talent,” and “Career Development Plans.” We continue to expand our learning platforms and industry-academia collaborations to attract outstanding talent and build our succession management team while fostering a supportive and safe workplace environment that inspires employee engagement and encourages a long-term commitment to career development.
Responsible Units	・Human resources department and executive managers ・Unit and department heads ・Executive Center for Corporate Sustainability Employee Wellbeing Team: Responsible for compiling and managing material sustainability topics
Response Strategies, Associated Measures, and Management Actions	1.Built diverse and inclusive workplace environments ・Planned and implemented diverse recruitment plans, and used “AI tools” and “orientation tests” for objective talent selection ・Formulated long-term benefits for female employees and raised the proportion of female executives 2.Implemented diverse training channels and career development plans to encourage autonomous learning in employees, and cultivated international professional talent ・Implemented “Education and Training Management Regulations” and “Talent Recommendation and Incentive Regulations” to cultivate talent ・Hosted competitions to identify outstanding employees, commend outstanding performance in employees, and strengthen employee engagement ・Promoted talent reserve mechanisms to build a succession echelon ・Continued to add courses on digital education and training platform ・R&D talent cultivation program: Identified key talent and provided growth avenues such as capability building, career planning, and domestic and international rotation and training programs 3.Provided competitive remuneration and benefits ・Implemented performance, promotion, and structural salary adjustments based on annual operational target achievements, personal performance appraisals, and commissioned surveys on salaries and benefits ・Regularly participated in market salary surveys to ensure competitive remuneration; we also used diverse incentives to motivate our employees ・Established related procedures and incentives to protect the salaries and benefits of entry-level employees in response to governmental low-income salary adjustment policies ・Provided work benefits and flexible work conditions more favorable than Labor Standards Act requirements to attract talent ・Long-term incentives: Provide new restricted employee shares (see PharmaEssentia’s company prospectus) to new employees as well as to supervisors and key talent that made special contributions to important corporate developments. We also offer employee stock options to attract and retain outstanding talent (see PharmaEssentia’s company prospectus) ・Implemented employee assistance program which utilizes external professional resources, provides employee consultation and guidance services, and ensures that employees receive comprehensive care and support associated with psychological fitness, career management, health enhancement, and quality of life ・Hosted regular employee activities to improve employee quality of life ・Conducted employee engagement surveys every two years; the next survey is scheduled to be conducted in 2026

Evaluation Mechanisms	"New employee appraisals," "routine appraisals," and "annual appraisals" are used for evaluating talent cultivation and development, rotation, promotion, salary adjustment, and career planning measures ・Dual communication mechanisms: Supervisors regularly review performance, provide real-time correction tracking and guidance suggestions; adjust personal targets and implementation plans as necessary based on organizational needs, compile records of quarterly performance interviews, and set clear targets, action plans, and subsequent review times ・Management of mid-year targets: Our colleagues update target achievement status and meet with supervisors to jointly review discrepancies between actual progress and targets, receive feedback on completed targets, and formulate improvement plans for unachieved targets to make adjustments for the second half of the year as needed ・Performance self-assessments: Our colleagues complete performance self-assessments at the end of each year, and supervisors evaluate annual performance and capabilities, conduct interviews, provide feedback, and work with employees to formulate work performance and capability development plans for the next year ・Employee engagement surveys
Targets for 2025	・Optimize performance and incentive systems ・Improve new employee training and on-the-job training ・Strengthen cultivation of international talent
Achievements in 2025	1. Optimized performance and incentive systems ・Salaries and benefits exceeded industry standards ・Developed a systematic training blueprint and used third-party tools to assess supervisor leadership capabilities and formulate individual training plans ・Executive retention rate exceeded 95% 2. Improved new employee training and on-the-job training ・Launched a digital learning platform with more than 3,000 courses and achieved an employee usage rate of 70%; total training hours amounted to 2,314 hours ・Incorporated digital learning platform into new hire education and training system, and achieved 100% completion rates on new hire training courses and key regulatory training courses ・Average training hours per person at PharmaEssentia (Taiwan) exceeded 34 hours 3. Strengthened cultivation of international talent ・Provided employees with language training and cross-cultural communication courses to enhance internal competitiveness ・Organized overseas exchanges and training programs to build international perspectives, and provided opportunities to conduct professional technical exchanges with personnel from overseas subsidiaries ・PharmaEssentia (Taiwan) achieved a turnover rate of less than 10% ・Our summer internship program achieved a satisfaction score of 4.72 out of 5 points, and helped our interns develop a pharmaceutical industry mindset
Short-Term Targets (1 Year)	1.Optimize recruitment processes ・Streamline application processes and establish recruitment systems to improve recruitment efficiency and digital management ・Utilize diverse recruitment channels (LinkedIn, job banks, social media) 2.Improve employer brand visibility ・Post information about corporate culture and benefits systems on corporate website and social media platforms ・Organize campus promotions to attract potential talent 3.Optimize performance and incentive systems ・Establish transparent and fair performance assessment systems ・Design incentive systems and promotion channels 4.Improve new employee training and on-the-job training ・Establish systemic new hire training programs to help new employees quickly adapt to our corporate culture and master work skills ・Provide training associated with professional skills, interdepartmental collaborations, legal knowledge, and foreign language skills to current employees to improve overall team capabilities ・Provide flexible and diverse learning resources through digital learning platform to meet employee autonomous learning needs

Short-Term Targets (1 Year)	5.Strengthen cultivation of international talent ・Provide employees with language training and cross-cultural communication courses to enhance internal competitiveness ・Organize overseas exchanges and training programs to build international perspectives, and provide opportunities to conduct professional technical exchanges with personnel from overseas subsidiaries 6. Optimize the Company's job grading and ranking framework, enable all employees to better understand their career paths, and create a reference for promotion and training 7. Leverage AI tools to effectively improve HR administrative efficiency and optimize related systems
Mid-Term Targets (3-5 Years)	1.Establish effective employee training and development mechanisms ・Strengthen new employee training and on-the-job training programs ・Provide subsidies for professional certifications and interdepartmental rotation opportunities 2.Build good working environments ・Regularly conduct and improve employee satisfaction surveys ・Strengthen internal communication and supervisor coaching mechanisms 3.Establish key talent cultivation program ・Identify employees with good potential and provide customized development plans to cultivate future mid- to senior-level leadership, reduce talent shortage risks, and ensure a talent pipeline for key positions ・Encourage employees to participate in interdepartmental programs that expand their perspectives and skills, thereby cultivating well-rounded talents 4.Optimize personnel career developments ・Formulate personal career development pathways based on performance appraisal results and help employees understand their strengths and career paths to enhance work satisfaction ・Formulate career development blueprints encompassing capability and position considerations so employees can formulate career path plans 5. Effectively leverage AI tools and digital systems
Long-Term Targets (More Than 5 Years)	1.Develop talent reserve and succession plans ・Establish succession echelon for key positions ・Provide leadership cultivation programs for high potential (HiPo) talents 2.Build an attractive corporate culture ・Build a value-oriented (innovative, respectful, and sustainable) corporate culture ・Develop diversity, equity, and inclusion (DEI) strategies to attract talents with international diverse backgrounds 3.Strengthen long-term influence of employer brand ・Become the industry employer of choice ・Actively contribute to social responsibility and sustainable development issues to enhance corporate image 4.Build systems to enhance knowledge sharing ・Build knowledge management systems to promote knowledge sharing and transfer, and create a constantly learning organization ・Track learning achievements, calculate returns on talent development investments, and continue to optimize talent development strategies 5.Promote diversity, mutual prosperity, and sustainable development ・Build friendly work environments to promote exchanges and collaborations between employees with different backgrounds ・Promote corporate social responsibilities and encourage employees to participate in volunteer services and charity activities ・Incorporate sustainable development into talent development strategies to cultivate employees with a sense of social responsibility 6.Use technology to improve talent development efficiency ・Introduce talent management systems to improve recruitment, training, and performance management efficiency ・Use data analytics to predict talent needs, assess talent potential, and provide accurate talent development suggestions ・Use AI tools to provide employees with personalized learning suggestions and career development plans

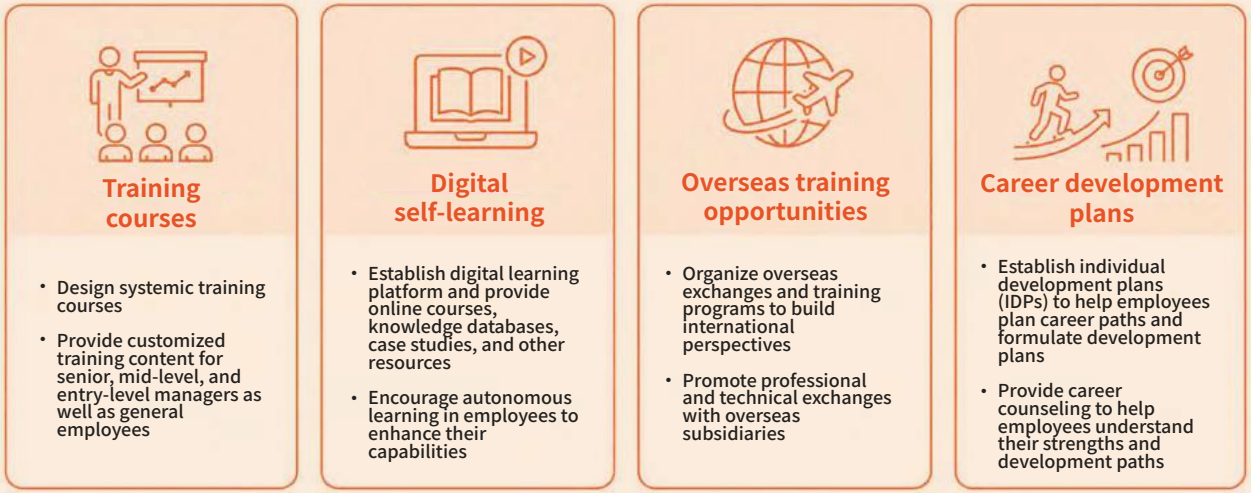
Talent Cultivation Strategies

PharmaEssentia cultivates talent from three functional aspects (core values, management and leadership, and professional capabilities), thus building a comprehensive talent cultivation system. We linked our corporate culture and global strategies to create a dual-track training framework that balances development of management and professional competencies, and focused on continued cultivation of mid- and senior-level talent as well as key personnel to lower risks from talent gaps and ensure stability in our talent pipeline.

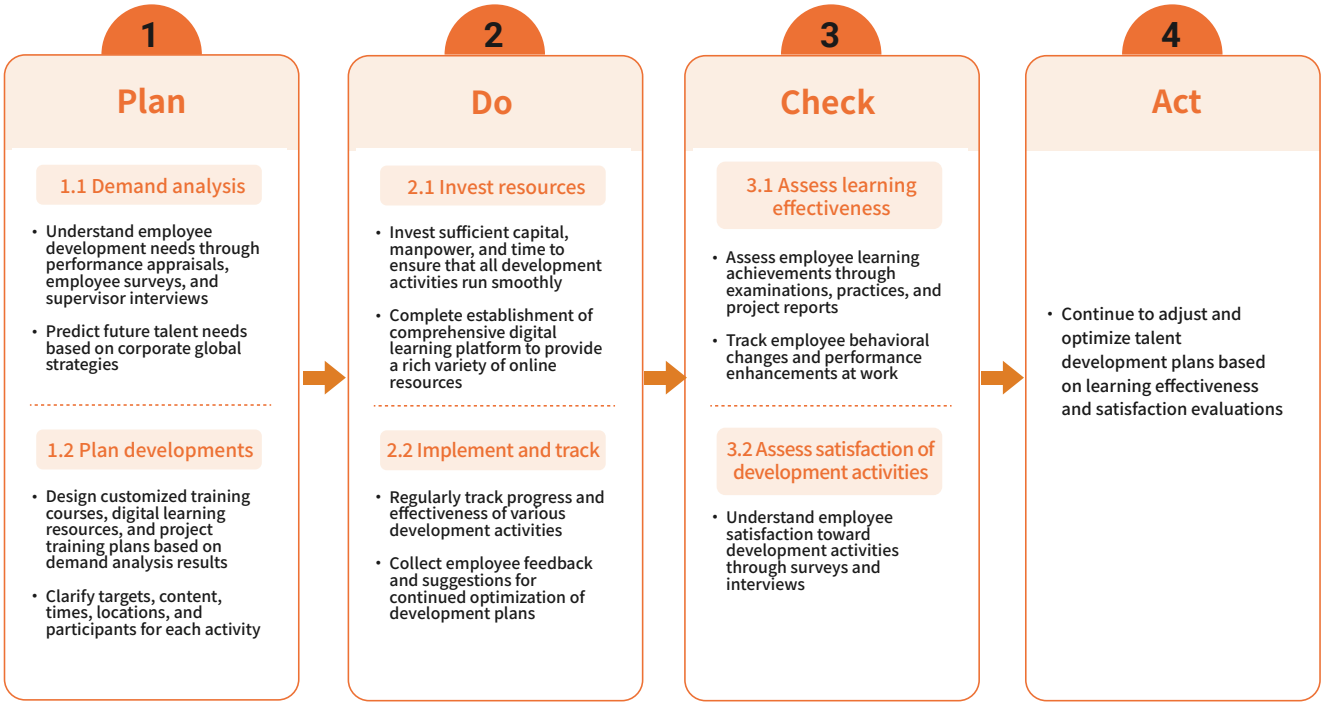
We have established a variety of learning channels that include on-the-job training, practical learning resources, in-person courses, and digital resources. We transfer knowledge and expertise through a workplace mentor system, and also provide overseas training opportunities and international rotation opportunities to promote professional and technical exchanges across different countries, cultivate a global perspective in our employees, and strengthen our global competitiveness.

Diverse Dual-Track Talent Development Framework

PharmaEssentia's talent development framework encompasses the two development tracks of "professional competencies" and "management competencies." This dual-track talent development framework combines diverse learning and career development plans to meet employee needs, enabling them to realize their full potential and helping us nurture diversified talent. PharmaEssentia emphasizes development of mid- and senior-level talent on both the management and professional competency tracks, and works to cultivate future mid- and senior-level managers, ensure a sustainable talent pipeline, reduce risks from talent gaps, and continually enhance long-term competitiveness. global competitiveness.



Our talent development framework is implemented in accordance with PDCA processes to ensure effective talent cultivation and continued optimization.



Employee Development Programs

1.Strengthen digital learning platform applications and foster a proactive culture of autonomous learning

We officially launched our Group digital learning platform in 2025. Platform courses are offered around the globe in multiple languages and encompass topics such as common functional competencies and legal compliance. The platform now has more than 3,000 courses and achieved an employee usage rate of 70%; total training hours amounted to 2,314 hours. We continue to add courses on the learning platform, optimize effectiveness evaluations to increase employee usage rates, and encourage our employees to develop personalized learning plans based on their Individual Development Plans (IDPs). In 2025, the digital learning platform was officially incorporated into our new hire training system, and helped new employees quickly develop core competencies and adapt to our corporate culture.

2.Competency management enhancement program

We established a systematic training blueprint to help Group executives strengthen leadership and management capabilities. In 2025, we used the Willis Towers Watson Management Competency Assessment tool for the first time to assess the leadership capabilities of 95 executives across the Group in order to identify key executive talent, help them set career plans and goals, develop individual development plans (IDPs) and Coaching plans, and build our management succession echelon. In 2025, we prioritized training for key management competencies. The first wave of training focused on performance management. We organized three 8-hour, in-person courses taught by renowned industry lecturers to strengthen professional capabilities associated with goal setting and performance feedback in executives.

3.Digital transition program

Starting in 2023, PharmaEssentia gradually began incorporating digital management systems such as the corporate BPM system, requisition and procurement system, human resources system, performance appraisal system, and learning management system to enhance Group management efficiency. To help employees adapt to and learn to use these digital tools, we actively sought out resources that support employee learning. For example, we invited industry AI experts to deliver training. The Group organized a total of 20 system training courses in 2025.

4.External lecturers and community learning

We invited consultants to share industry experiences and best practices to help our team enhance work efficiency. We also encouraged employees to participate in industry association and professional community activities, thereby promoting information sharing between employees, helping them gain a better understanding of the latest technological trends, and expanding employee networks.

5.Retirement resources

Our Employee Assistance Programs (EAP) provides legal, psychological, financial, management, and health consultation services. All employees, including permanent employees, employees preparing to retire, or employeespreparing to change careers, can all use our Employee Assistance Programs to consult with professionals on retirement plans and career transition plans, and learn about related resources.

In 2025, PharmaEssentia's average employee training hours reached 34 hours, and our employee retention rate exceeded 95%, achieving the targets set for 2025.

Summer Internship Program

PharmaEssentia believes in talent sustainability and is dedicated to cultivation of future biotechnology talent. This year, we transformed our internship program from a one-way industry-academia collaboration to a bidirectional value co-creation system. We brought together 16 outstanding students from 10 universities and colleges around the world to participate in an internship program that lasted from 4 to 8 weeks. Guided by senior colleagues and led by mentors, the program enabled interns to gain in-depth exposure to complete pharmaceutical processes from new drug development and clinical trials to production of biologics through a variety of courses (including GMP quality system training and knowledge of pharmaceutical manufacturing processes) and practical departmental drills.

Apart from imparting industry knowledge, we also provided a platform for these students to demonstrate their professional capabilities. This year, we launched two innovative initiatives for the first time, "Digital Empowerment" and "Cross-Disciplinary Perspectives," encouraging interns with information technology capabilities to develop digital solutions for actual facility needs. We implemented an interdepartmental internship model which allowed our interns to gain a full picture of biologic processes from development to production so they could cultivate a broader perspective on the industry.

The average satisfaction score for our 2025 internship program reached 4.72 out of 5 points. One intern stated that, "I not only experienced core industry operations, but also learned to view every procedure and associated responsibilities through a pharmaceutical industry perspective for the first time." The growth and insights gained by our interns clearly demonstrate the value of this program. PharmaEssentia will continue to build industry-academia collaborations and cultivate future industrial talent.

Employee Training

PharmaEssentia USA provided employees with on-the-job training, digital learning resources, cross-functional training, autonomous learning resources, and instructor-led training resources. We strengthened leadership capabilities in high-potential employees and incorporated these employees into our succession plans. Total employee training investments amounted to NT$17.3745 million.

In 2025, PharmaEssentia (Taiwan) employees received an average of 34.43 hours of training; the employees in our four companies received an average of 46.89 hours of training. The average education and training expenditure of our four companies was approximately NT$43,517.

Investments in training and development	2022	2023	2024	2025
Average training hours	7.64	18.88	41.87	46.89
Average training expenditures	4,804.13	69,903	44,362	43,517

Note: The figures for 2022 only included information taken from PharmaEssentia (Taiwan) and Panco.

Employee Training Hours

Unit: Hours

	PharmaEssentia (Taiwan)						Panco					
Rank	Total training hours			Average training hours			Total training hours			Average training hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	2,306	1541	3,847	36.60	38.53	37.35	163	37	200	23.29	12.33	20
Non-executives	3,522	5,922	9,444	28.63	37.01	33.37	183.3	251	434.3	16.66	62.75	28.95
Total	5,828	7,463	13,291	31.33	37.32	34.43	346.30	288	634.3	19.24	41.14	25.37
Age	Total training hours			Average training hours			Total training hours			Average training hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Ages 30 and below	352	1476	1828	16	34.33	28.12	0	0	0	0	0	0
Ages 31-50	4,833	5,544	10,377	34.28	38.50	36.41	345.3	266	611.3	21.58	66.50	30.57
Ages 51 and above	643	443	1,086	27.96	34.08	30.17	1	22	23	1	7.33	5.75
Total	5,828	7,463	13,291	31.33	37.32	34.43	346.3	288	634.3	19.24	41.14	25.37

Type of training	Male	Female	Total	Male	Female	Total
Executives and general employees	1,508	1,643	3,151	46.3	44	90.3
English enhancement program	4,320	5,820	10,140	300	240	540

Employee Training Hours

Unit: Hours

	PharmaEssentia USA						PharmaEssentia Japan					
Rank	Total training hours			Average training hours			Total training hours			Average training hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	1,426	1,813	3,239	82	93	175	1,748	76	1,824	52.9	5.42	38.8
Non-executives	4,877	6,615	11,492	109	110	219	0	0	0	0	0	0
Total	6,303	8,428	14,731	191	203	394	1,748	76	1,824	52.9	4.75	37.22
Age	Total training hours			Average training hours			Total training hours			Average training hours		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Ages 30 and below	94	686	780	77	97	174	0	0	0	0	0	0
Ages 31-50	2,716	4,254	6,970	115	122	237	1,140	76	1,216	67.06	12.57	52.86
Ages 51 and above	3,493	3,489	6,982	90	104	194	608	0	608	38	0	23.38
Total	6,303	8,429	14,732	282	323	605	1,748	76	1,824	52.9	4.75	37.22
Type of training	Male		Female		Total		Male		Female		Total	
Executives and general employees	6,303		8,428		14,731		1,748		76		1,824	

Performance Appraisals

PharmaEssentia adopted a cyclical appraisal process which encompasses goal setting, mid-year performance reviews, and year-end performance appraisals to help employees and managers establish consensus on work goals. We assess employee work performance through new hire evaluations, routine evaluations, and annual evaluations, and provide recommendations for work improvements, related courses, and resources to help employees continuously optimize and enhance work efficiency, thereby achieving our operational goals. Performance appraisals are used as a basis for reviewing employee career developments in combination with our corporate professional competency training blueprint to help our employees plan their career paths and develop their potential, enabling us to cultivate outstanding internal talent.

In 2025, all permanent employees of PharmaEssentia (Taiwan), Panco, PharmaEssentia USA, and PharmaEssentia Japan (excluding employees who had not yet completed their probationary periods and employees on unpaid leave) underwent performance appraisals and career development reviews. We achieved a performance appraisal rate of 100%. We also award trophies and bonuses as incentives to employees with outstanding performance on annual performance appraisals. In 2025, PharmaEssentia (Taiwan) commended 54 employees and promoted 66 employees, while Panco commended 5 employees and promoted 2 employees.

Performance Appraisal System

Team-based performance appraisals: We use a normalized distribution and calibration system that spans three levels (departments, centers, and the entire Company) to compare individual and team performance within the broader context of overall organizational performance, thereby ensuring that appraisal results are fair and transparent. This approach not only enables comprehensive evaluations of performance across multiple dimensions, but also strengthens the objectivity of team performance functions, making it possible for us to cross-reference individual and team performance appraisals, and avoid deviations from organizational goals due to single perspectives or partial viewpoints. We continue to optimize related system processes to ensure the consistency and reliability of appraisal results, and improve work efficiency through agile dialogue. Senior executives receive bonuses based on the performance of associated business centers and factories at the end of each year.

Management by objectives: Objectives are established jointly by employees and their supervisors. Employees submit individual targets to our system at the beginning of the performance appraisal process, and their supervisors can add suggestions or adjustments in the system, and also assign department goals and propose recommendations for individual targets. Employees submit progress reports to the system during mid-year performance appraisals so their supervisors can track their progress and provide timely feedback. The system also supports quarterly and annual performance appraisals, ongoing adjustments to work conditions and targets, and long-term employee developments. The SAP GMPM system has multidimensional performance appraisals functionality and enables 360-degree appraisals. In future, we plan to incorporate appraisals on actual practices while promoting formulation of related policies and organizing training courses to ensure that our appraisals are oriented toward performance targets.

Performance Appraisal Items

To improve individual performance, motivate continued improvement in our colleagues, and build high-performance teams and organizations, PharmaEssentia appraised the following items:

Item	Appraisal target	Frequency	Appraisal method
New employee appraisals	New employees	-	After completing their probationary periods, new hires have to undergo a performance interview and appraisal conducted by relevant supervisors in accordance with the provisions of their employment contracts. New hires who pass the interview and appraisal are formally confirmed in their positions. New employees who fail to meet standards are informed by department supervisors whether their probationary periods can be extended (and for how long), or appropriate actions are taken in accordance with the Labor Standards Act.
Regular appraisals	All employees	Ongoing	Our current appraisal process is as follows: (December) Initial target setting → (April) Supervisors and employees complete quarterly performance interviews → (June) Mid-year target review (employees update progress on targets or add targets for the second half of the year) → (October) Supervisors and employees complete quarterly performance interviews → (November) Annual performance appraisals (employee self-assessments) → (November) Annual performance appraisals (supervisor interviews and assessments) → (December) Performance reports, calibrations, and employee acknowledgments. In addition to this standard timeline which applies to the entire Company, we consider ongoing communications with supervisors and appropriate recordkeeping to be equally important components. Quarterly interviews primarily encompass progress reviews and target adjustments. Although these interviews do not directly impact final appraisal results, they aim to achieve the following goals through timely communication and recordkeeping: Provide immediate assistance to employees on correcting targets or behavioral deviations Strengthen performance transparency and reduce the risk of emergency situations during year-end appraisals Support annual performance appraisals and ensure that the information is complete and clear Routine performance communication and recordkeeping are not supporting tools, but key elements in ensuring smooth operations of our performance management system over the year In summary, routine appraisals are conducted continually and are not limited to quarterly appraisals.
Annual appraisals	All employees	Twice a year	We conduct performance appraisals twice each year: Performance interviews for the first half of the year are conducted in June and annual performance appraisals are conducted in December.

Performance Appraisal Data

Unit: Persons

	PharmaEssentia (Taiwan)				Panco			
	Male		Female		Male		Female	
	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees
Annual performance appraisals	187	187	200	201	18	18	7	7
	PharmaEssentia USA				PharmaEssentia Japan			
	Male		Female		Male		Female	
	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees
Annual performance appraisals	74	81	98	103	36	37	18	18

	PharmaEssentia (Taiwan)		Panco		PharmaEssentia USA		PharmaEssentia Japan	
Rank	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees	Number of appraised employees	All employees
Management executives (executives at the general Manager level and above)	4	4	1	1	0	0	3	3
Senior executives (directors and above)	21	21	1	1	51	52	3	3
Mid-level managers (Managers and above)	47	47	4	4	108	118	10	11
Entry-level managers (team leaders)	33	33	4	4	13	14	34	34
General employees	282	283	15	15	172	184	4	4

Note: Employees who had not completed their probationary periods or who were on leave without pay did not undergo performance appraisals

Electronic System Incorporation

Item	Practical actions	Achievements
Education and training system Learning Management System (LMS)	The Group launched a Learning Management System (LMS) in 2024 and fully implemented the system in 2025. The system offers courses on common competencies and global legal compliance matters in multiple languages. The LMS enables automated management and significantly reduces manual workloads and paperwork processes while facilitating systematic tracking, strengthening management of internal employee training records (including completion rates on pharmacovigilance training) and related procedures, improving operational efficiency, and enhancing our education and training system.	1. Enhanced management efficiency and decision-making quality Systematic management processes converted dispersed paper records into digital data, allowing managers to track employee training progress in real time and optimize future training strategies in accordance with associated data. 2. Strengthened compliance and risk controls The biotechnology industry emphasizes GMP/GDP and pharmacovigilance training. The LMS ensures record integrity and traceability, effectively reducing compliance risks caused by human oversight, and forming a highly important qualitative advantage when responding to external factory audits. 3. Promoted a culture of autonomous learning The LMS breaks through time and geographical constraints, enabling employees to access consistent training resources at any time, so they can shift their focus from passive training to autonomous learning based on their individual development goals (IDP). 4. Optimized administrative processes The LMS reduces tedious manual operations and paperwork processes, enabling the Employee Wellbeing Team and management personnel of each department to devote time to training and higher-value strategies instead of routine administrative tasks. 5. Integrated more than 3,000 online courses 6. Achieved 100% completion rate on new hire and key regulation training (including pharmacovigilance training).
Courses taught by industry experts	We invited a renowned AI expert to teach our employees about the latest digital tools in our “AI × Excel Functions and Pivot Table Course” to strengthen employee AI and Excel skills.	1. Lowered the threshold for digital transformation and empowered employees without engineering backgrounds (Digital Empowerment) Combining use of ChatGPT with Excel formulas or simple VBA code enabled our administration, finance, and sales employees without programming backgrounds to leverage AI technologies, overcome technical barriers, automate workflows, and build an AI-empowered corporate culture. 2. Optimized administrative procedures to reduce risks from human error (Process Optimization). Converted tedious report conversion, file naming, and data sorting tasks from manual processes to automated system executions. This not only stopped repetitive tasks from consuming employee time, but also significantly reduced risks of information errors or omissions caused by manual operations, thereby enhancing data governance quality. 3. Released high-value human resources and allowed them to focus on important tasks (High-Value Focus). Our automated system addressed repetitive administrative tasks and redirected time and effort to high-value data analysis, strategic planning, and management tasks, thereby enhancing the overall human capital effectiveness of our team.

5.4 Talent Attraction and Retention

Process for Determining Remuneration

PharmaEssentia’s remuneration policy complies with local labor laws and was formulated in accordance with our Salary Management Regulations, Performance Management Regulations, and Articles of Incorporation. We implement performance, promotion, and structural salary adjustments based on annual operational conditions, personal annual performance appraisals, third-party remuneration and benefits reports, and other reference materials, and strive to provide salaries that exceed industry standards. PharmaEssentia USA complied with local regulations and referenced AoN Radford Lifesciences Benchmarking Data when establishing remuneration standards to provide competitive salaries and bonuses. PharmaEssentia Japan’s remuneration standards were determined in accordance with corporate regulations and approval procedures, and bonuses were adjusted based on employee performance.

Long-Term Incentive Plan for Employees

We offer a variety of profit-sharing incentives to retain talent, including employee stock options, participation in cash capital increases through employee share subscriptions, and new restricted employee shares. Employee stock options and employee shares issued through cash capital increases are distributed in accordance with employee performance appraisal results. In 2025, approximately 23% of employees below the level of senior executives participated in employee stock options and cash capital increases through employee share subscriptions.

Note: Performance appraisal indicators included ESG indicators.

New Employees Hires and Employee Turnover

PharmaEssentia actively works to attract talent. In 2025, we achieved an employee growth rate of 27.45% and a new hire rate of 27.41%. PharmaEssentia (Taiwan) recruited a total of 66 new employees and recruitment costs amounted to NT$3,214,689. We also actively promote internal talent: A total of 77 employees underwent internal rotation at PharmaEssentia, representing an internal rotation rate of 9.7%. PharmaEssentia (Taiwan) also commended 54 employees and promoted 65 employees.

A total of 73 employees departed from PharmaEssentia in 2025, and the turnover rate was 12.59%. PharmaEssentia (Taiwan)’s turnover rate in 2025 was 6.04%, representing a downward trend compared with the turnover rate in 2024 (9%), demonstrating that PharmaEssentia’s diverse training programs, career planning measures, remuneration and benefits, and retention programs effectively reduced personnel turnover. Turnover rate rates at PharmaEssentia (Taiwan) and Panco were both below 10%, and all departed employees resigned voluntarily.

Note 1: Employee new hire rate: [Number of new hires in 2025 / (Number of employees at the beginning of 2025 + Number of employees at the end of 2025) / 2] * 100%

Note 2: Employee growth rate: [(Number of employees at the end of 2025 - Number of employees at the beginning of 2025) / Number of employees at the beginning of 2025] * 100%

Note 3: Annual turnover rate = Number of departed employees in 2025 / [(Number of employees at the beginning of 2025 + Number of employees at the end of 2025) / 2] * 100%

New Hire Rates

Age	PharmaEssentia (Taiwan)						Panco					
	Male		Female		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Ages 30 and under	10	40 %	15	60 %	25	37.88%	1	100 %	0	0 %	1	33.33%
Ages 31-50	20	48.78%	21	51.22%	41	62.12%	2	100 %	0	0 %	2	66.67%
Ages 51 and above	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %
Subtotal	30	45.45%	36	54.55%	66	100 %	3	100 %	0	0 %	3	100 %

Age	PharmaEssentia USA								PharmaEssentia Japan					
	Male		Female		Not specified		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Ages 30 and under	0	0 %	5	100 %	0	0 %	5	7.04%	1	100 %	0	0 %	1	5.26%
Ages 31-50	12	30.77%	25	64.10%	2	5.13%	39	54.93%	10	62.5%	6	37.5%	16	84.21%
Ages 51 and above	14	51.85%	12	44.44%	1	3.70%	27	38.03%	2	100 %	0	0 %	2	10.53%
Subtotal	26	36.62%	42	59.15%	3	4.23%	71	100 %	13	68.42%	6	31.58%	19	100 %

Employee Departure Procedures

PharmaEssentia (Taiwan) and Panco's employee departure procedures comply with current regulations and respect employee views and preferences. When employees tender their resignations, their direct supervisors and the human resources department organizes exit interviews to understand their reasons for resignation. Internal job transfers or adjustments are generally announced several weeks in advance, and we fully discuss and communicate related matters with supervisors and employees to ensure respect for employee work preferences and arrangements, as well as smooth handover of job responsibilities. For involuntary employee departures involving unsatisfactory performance and other factors, departure procedures are handled in accordance with labor laws. We comply with statutory notice requirements and provide severance pay and pay in lieu of notice to protect employee rights and livelihoods.

The human resource department regularly compiles and analyzes exit interview results and employee departure data. These analysis results are used as a reference for improving human resources policies and employee welfare, identifying opportunities to enhance employee satisfaction and lower turnover risks, and continuously optimizing workplace environments.

Turnover Rates

	PharmaEssentia (Taiwan)						Panco					
Age	Male		Female		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Ages 30 and under	3	50 %	3	50 %	6	27.27%	0	0 %	0	0 %	0	0 %
Ages 31-50	7	50 %	7	50 %	14	63.64%	0	0 %	1	100 %	1	100 %
Ages 51 and above	0	0 %	2	100 %	2	9.09%	0	0 %	0	0 %	0	0 %
Subtotal	10	45.45%	12	54.55%	22	100 %	0	0 %	1	100 %	1	100 %
	PharmaEssentia USA						PharmaEssentia Japan					
Age	Male		Female		Total		Male		Female		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Ages 30 and under	1	50 %	1	50 %	2	4.76%	0	0 %	0	0 %	0	0 %
Ages 31-50	6	35.29%	11	64.71%	17	40.48%	0	0 %	2	100 %	2	28.57%
Ages 51 and above	14	60.87%	9	39.13%	23	54.76%	5	100 %	0	0 %	5	71.43%
Subtotal	21	50 %	21	50 %	42	100 %	5	71.43%	2	28.57%	7	100 %

Turnover Rates

		PharmaEssentia (Taiwan)		Panco		PharmaEssentia USA		PharmaEssentia Japan		Total employees over four companies	
Number of employees in 2025	Number of employees at the beginning of the year	342		23		101		44		510	
	Number of employees at the end of the year	386		25		184		55		650	
	Average number of employees	364		24		142.5		49.5		580	
Turnover rate	Rank and category	PharmaEssentia (Taiwan)		Panco		PharmaEssentia USA		PharmaEssentia Japan		Total employees over four companies	
		Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate
Voluntary departures	Senior executives	2	0.55%	0	0 %	7	4.91%	0	0 %	9	1.55%
	Mid-level managers	4	1.1%	0	0 %	24	16.84%	7	14.14%	35	6.03%
	Professional personnel	16	4.4%	1	4.17%	0	0 %	1	2.02%	18	3.1%
	Other	0	0 %	0	0 %	2	1.4%	0	0 %	2	0.34%
	Total	22	6.04%	1	4.17%	33	23.16%	8	16.16%	64	11.03%
Involuntary departures	Senior executives	0	0 %	0	0 %	7	4.91%	0	0 %	7	1.21%
	Mid-level managers	0	0 %	0	0 %	1	0.7%	0	0 %	1	0.17%
	Professional personnel	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %
	Other	0	0 %	0	0 %	1	0.7%	0	0 %	1	0.17%
	Total	0	0 %	0	0 %	9	6.32%	0	0 %	9	1.55%
Total employee departures		22l	6.04%	1	4.17%	42	29.47%	8	16.16%	73	12.59%

Turnover rate by age	Category	PharmaEssentia (Taiwan)		Panco		PharmaEssentia USA		PharmaEssentia Japan		Total employees over four companies	
		Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate	Number of employees	Turnover rate
Voluntary departure	Ages 30 and under	6	1.65%	0	0 %	2	1.4%	0	0 %	8	1.38%
	Ages 31-50	14	3.85%	1	4.17%	14	9.82%	8	16.16%	37	6.38%
	Ages 51 and above	2	0.55%	0	0 %	17	11.93%	0	0 %	19	3.28%
	Total	22	6.04%	1	4.17%	33	23.16%	8	16.16%	64	11.03%
Involuntary departures	Ages 30 and under	0	0 %	0	0 %	0	0 %	0	0 %	0	0 %
	Ages 31-50	0	0 %	0	0 %	3	2.11%	0	0 %	3	0.52%
	Ages 51 and above	0	0 %	0	0 %	6	4.21%	0	0 %	6	1.03%
	Total	0	0 %	0	0 %	9	6.32%	0	0 %	9	1.55%
Total employee departures		22	6.04%	1	4.17%	42	29.47%	8	16.16%	73	12.59%

Salaries of Full-Time Non-Managerial Employees

Unit: NT$ thousands

	PharmaEssentia (Taiwan)			PharmaEssentia USA			PharmaEssentia Japan		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of employees	282	305	349	127	101	184	-	47	55
Total salaries	332,713	362,962	527,801	779,324	627,072	1,173,410	-	66,464	8,856
Average salaries	1,180	1,190	1,512	6,136	6,209	6,697	-	2,462	2,952
Median salaries	918	936	1,230	6,240	6,538	6,413	-	2,567	2,952

Note 1: Employee headcount was based on the definition of "non-managerial full-time employees" released by the Taiwan Stock Exchange, namely all local and foreign full-time or permanent personnel, excluding employees in managerial positions (managers), employees at overseas subsidiaries, part-time employees, and exempt employees.

Note 2: PharmaEssentia USA and PharmaEssentia Japan used the same basis to calculate employee headcount as PharmaEssentia Taiwan.

Note 3: As there are relatively fewer employees at Panco, salaries are not disclosed to protect employee privacy.

Note 4: In 2024, PharmaEssentia Japan adjusted its organizational job classifications, and therefore there is a relatively large discrepancy in the total salaries of non-managerial employees at PharmaEssentia Japan between 2024 and 2025.

Entry-Level Employee Salaries and Ratio to Local Minimum Wage

Operational site	Ratio of wages for male entry-level employees to local minimum wage	Ratio of wages for female entry-level employees to local minimum wage
PharmaEssentia (Taiwan)	1.40 : 1	1.47 : 1
Panco	1.73 : 1	1.74 : 1
PharmaEssentia USA	5.7 : 1	5.4 : 1
PharmaEssentia Japan	3.7 : 1	2.7 : 1

Gender Pay Indicators

Unit: NT$

Executive level (base salary only)	1:1.08
Executive level (base salary + other cash incentives)	1:0.88
Management level, including mid-level executives and entry-level managers (base salary only)	1:1.20
Management level, including mid-level executives and entry-level managers (base salary + other cash incentives)	1:1.23
Non-management level (base salary only)	1:1.10

Note: The gender pay ratio was calculated using the average salary of male employees as the baseline (1), and the calculation scope encompassed PharmaEssentia (Taiwan), PharmaEssentia USA, and PharmaEssentia Japan.

Female-to-Male Basic Salary Ratio

		PharmaEssentia (Taiwan)		PharmaEssentia USA		PharmaEssentia Japan	
Category	Group	Male	Female	Male	Female	Male	Female
Employee rank	Management executives (executives at the general Manager level and above)	1	0.41	1	-	1	-
	Senior executives (directors and above)	1	1.17	1	1	1	0.96
	Mid-level managers (managers and above)	1	0.41	1	0.95	1	0.98
	Entry-level managers (team leaders)	1	1	-	-	-	-
	General employees	1	1.22	1	0.88	-	1

Parental Leave

	PharmaEssentia (Taiwan)		Penco		PharmaEssentia USA		PharmaEssentia Japan	
Indicator	Male	Female	Male	Female	Male	Female	Male	Female
Number of employees eligible for parental leave without pay in 2025	12	15	3	1	66	75	0	0
Actual number of applicants for parental leave without pay in 2025	3	5	0	0	2	2	0	0
Number of expected reinstatements in 2025 (A)	2	4	0	0	2	2	0	0
Number of actual reinstatements in 2025 (B)	2	4	0	0	2	2	0	0
Reinstatement rate for 2025 (B/A)(%)	100 %	100 %	0 %	0 %	100 %	100 %	0 %	0 %
Number of total reinstatements in 2024 (C)	1	4	0	0	0	2	0	0
Number of people still in service 12 months after reinstatement in 2024 (D)	0	4	0	0	0	2	0	0
Retention rate for 2025 (D/C)(%)	0 %	100 %	0 %	0 %	0 %	100 %	0 %	0 %

Note: These figures are based on the number of employees who applied for maternity leave or paternity leave from January 1 to December 31, 2025, and who were still employed as of December 31, 2025.

Employee Benefits and Care

PharmaEssentia's Employee Welfare Committee convenes four meetings each year. The Company and the Employee Welfare Committee jointly plans employee welfare activities, and provides employee benefits that exceed regulatory requirements and industry standards:

- Paid sick leave: Five days of fully paid sick leave
- Bonuses and dividends: Bonuses for three major festivals, project bonuses, performance bonuses, employee dividends, and platform points
- Long-term employee incentive plans: Includes employee stock options, new restricted employee shares, participation in cash capital increases through employee share subscriptions, employee share ownership trusts, and treasury stock distributions
- Insurance plans: Group insurance and overseas travel insurance
- Employee activities: Health examinations, weight loss activities, relaxing massages, leave without pay, EAP health lectures, commendations of outstanding employees, special store discounts, free taxis for night shift workers, family day events, quarterly employee meetings, spring banquet and year-end banquet activities, employee travel subsidies, club activity subsidies, emergency relief and injury/illness subsidies, and marriage and bereavement allowances.
- Flexible leave system: Some components superior to Labor Standards Act leave regulations
- Flexible working hours: We help our employees balance work and family time through flexible working hours (8:00-9:30 at Taipei Office and 8:00-8:30 at Taichung Plant) so our employees can use their time more effectively.
- Friendly workplace environments: Employee maternity allowances, childcare services, marriage allowances, and marriage leave.
- Friendly childcare measures: Pregnancy-friendly parking spaces; lactation rooms established according to law; maternity allowance of NT$6,000; childcare programs offered by collaborating kindergartens, pre-partum/post-partum maternity health protection regulations; and pregnancy, childbirth, and parental leave without pay.
- In 2025, PharmaEssentia (Taiwan)'s total employee welfare expenditures amounted to NT$8.95 million, an increase of 45% compared with the previous year, and a total of 1,694 employees applied for various welfare benefits.

Note: Taiwan's Labor Standards Act stipulates that half pay should be provided for sick leave. PharmaEssentia offers fully paid sick leave, which exceeds regulated standards.

Employee Support Programs

1. EAP counseling services: Qualified professionals provide counseling services to employees, help them adapt to stress, improve their mental health, and address issues that might affect work performance. As of 2025, 11 employees have undergone counseling.
2. Sports and health initiatives:
   - Hiking and trekking activities: Employee clubs organize occasional hiking, trekking, and road running activities.
   - Fitness and stress-relief activities:
     - Fitness management: Our "Move Together, Lose Weight Together, Stay Healthy GO!" campaign promoted positive improvements in overall health indicators, effectively enhancing health awareness in our colleagues. A total of 132 people participated in this activity.
     - Physical fitness exercises: We hosted a physical fitness class, which was attended by 58 participants.
     - Stress-relief courses and lectures: We organized three stress-relieving arts and crafts courses attended by 85 participants. We organized a relaxation lecture attended by 53 participants.
3. Flexible working hours and work-from-home policy
   PharmaEssentia encourages employees to maintain a work-life balance. Employees at our Taipei Office have 1.5 hours of flexibility on clock-in and clock-out times, and employees at our Taichung Plant have 0.5 hours of flexibility on clock-in and clock-out times. We also offer a flexible break period from 15:30 to 15:45 for all employees.
4. Working-from-home arrangements.
   PharmaEssentia USA and PharmaEssentia Japan have implemented a policy allowing employees to work from home for up to two days per week, thereby reducing employee commuting times and increasing work flexibility.
5. Emergency assistance and relief: We formally established the "Emergency Relief Measures" in 2025 to extend employee benefits to emergency support measures. We provide economic support for two types of emergencies: serious illnesses/injuries or fatalities. In 2025, two of our employees applied for assistance due to serious illness/injury. We allocated the funds after confirming that they met relevant requirements, and fulfilled our corporate commitment toward employee happiness and safety.
6. Childcare policies and measures
   - Pregnancy-friendly parking spaces
   - NT$6,000 childcare subsidy
   - Childcare services provided by collaborating kindergartens
   - Pre-partum/post-partum maternal health protection regulations
     - Nursing care services: We responded to maternal and infant health and safety policies by providing consultation and follow-up services to pregnant employees (from the start of pregnancy to one year after childbirth) related to physical hazards, ergonomics-related hazards, work stress, and personal health risks.
     - Childcare and child protection: To protect infant and child health, our regulations stipulate that female employees are not allowed to work on tasks that are harmful to infants during pregnancy and breastfeeding periods.
   - Welcoming breastfeeding rooms: PharmaEssentia set up breastfeeding rooms in accordance with law, and received the Taipei City Government Department of Health Excellent Breastfeeding Room Certification in 2023. This certificate is valid from 2023 to 2026.
   - Breastfeeding facilities: Employees with breastfeeding needs and who have children under two years of age are allowed 60 minutes of breastfeeding time in addition to regular break times; breastfeeding time is regarding as working time.
   - Pregnancy leave, maternity leave, and parental leave without pay

     Paid parental leave for primary caregivers: We offer up to 33 weeks of leave (including government allowances for parental leave without pay)
     - Parental leave without pay allowances: Employees on parental pay without leave receive 6 months (24 weeks) of parental leave allowances from competent authorities in accordance with the Employment Insurance Act.
     - Prenatal checkup leave: Pregnant employees are granted seven days (one week) of fully paid prenatal checkup leave.
     - Maternity leave: Pregnant employees are required to suspend work and take leave before and after childbirth. They are also required to suspend work if they experience a miscarriage. The leave period includes rest days and holidays. Personnel who have been employed for more than six months receive full pay during leave periods, while personnel who have been employed for less than six months receive half pay.
     - Pregnant employees are relieved from work before and after childbirth, and are granted eight weeks of maternity leave.
     - Employees who miscarried after more than three months of pregnancy are relieved from work and

granted four weeks of maternity leave.

- Employees who miscarried after two months of pregnancy but before three months of pregnancy are relieved from work and granted one week of maternity leave.
- Employees who miscarried before two months of pregnancy are relieved from work and granted five days of maternity leave.

Maternity Leave Policy

- Employees are granted seven days (one week) of paternity leave to accompany their spouses for pregnancy checkups or childbirth. Apart from leave taken to accompany spouses to prenatal checkups, employees taking paternity leave to accompany their spouse during childbirth may do so within a period of 15 days before and after the date of delivery, with wages paid in full.

PharmaEssentia was awarded the Excellent Breastfeeding Room Certification from the Taipei City Department of Health

PharmaEssentia (Taiwan), Panco Healthcare, PharmaEssentia Japan, and PharmaEssentia USA all provide parental leave benefits. PharmaEssentia Japan also offers flexible working hours and work-from-home opportunities. Primary caregivers can apply for more than 30 weeks of paid leave and non-primary caregivers can apply for more than four weeks of paid leave. In 2025, 31 employees at PharmaEssentia and Panco were eligible to apply for parental leave without pay, and 8 employees actually applied for parental leave without pay. Reinstatement rates and retention rates both reached 100%. No employees at PharmaEssentia Japan were eligible to apply for parental leave without pay.

Japanese regulations mandate that companies should offer flexible working arrangements to employees during parental leave, and allow employees to work from home or work fewer hours; the frequencies of these arrangements are not limited to a maximum of two times per week.

Retirement System

PharmaEssentia (Taiwan) and Panco Healthcare provide retirement pension plans under both the old and new pension systems in accordance with law.

Old pension system: We appropriate 2% of monthly salaries to a pension reserve account at the Bank of Taiwan.

New pension system: We appropriate 6% of monthly salaries to individual pension accounts.

PharmaEssentia Japan adopted the Japanese government's iDeCo+ plan and appropriates an additional ¥22,000 to retirement pensions each month. Employees can also contribute at their own discretion.

Employee Engagement Surveys

PharmaEssentia conducts employee engagement surveys every two years to understand employee opinions on issues associated with corporate vision, work purpose, job satisfaction, and well-being. We commissioned a third-party consulting company to conduct an employee engagement survey in the fourth quarter of 2024. A total of 433 employees around the globe participated in this survey, achieving an overall participation rate of 72%. Survey results indicated that more than 90% of employees understood their job responsibilities and clearly understood our vision and overall targets; our employees also expressed high levels of recognition toward our goal communications, their job responsibilities, and support received from direct supervisors. Compared with industry peers, our workplace environment, management change communications, and innovation promotion also received recognition from our colleagues. However, employees had high expectations regarding their own potential, trust in leadership, empowerment, and customer-oriented processes, showing that there is still room for continued improvement. The results of this employee engagement survey were reported to senior executives to help the management team better understand employee opinions. Our human resources department has organized improvement action workshops to propose specific action plans for important items, facilitate subsequent implementation and tracking, compile improvement strategies and employee communication results, and incorporate strategies and targets. Our next employee engagement survey is scheduled to be conducted in mid-to-late 2026.

We also conduct activity satisfaction surveys to understand employee satisfaction on activities and collect feedback, so we can better improve our subsequent activity plans.

5.5 Occupational Health and Safety

Occupational Health and Safety Organizations

We established "Occupational Health and Safety

Committees" at our Taipei Office and Taichung Plant in accordance with the Occupational Safety and Health Act and related laws to serve as important platforms for executing and overseeing occupational health and safety management. Occupational Health and Safety Committees are composed of employer representatives, executives from each unit, dedicated occupational health and safety personnel, healthcare professionals, and labor representatives. Labor representatives must exceed one-third of committee members to ensure that employee opinions can be fully incorporated during discussion and decision-making processes related to occupational health and safety policies, measures, and improvement plans, thereby promoting labor-management communications and collaborations.

The Occupational Safety and Health Committees convened one regular meeting each quarter as well as ad hoc meetings as necessary to enable prompt responses to potential risks, incidents, or regulatory changes. Improvements discussed in committee meetings are clearly assigned to responsible units for implementation, and executions and achievements are tracked in subsequent meetings to ensure effective implementation of risk control and improvement measures that continuously strengthen our occupational health and safety management performance.

The Occupational Health and Safety Committees primarily review the following matters, including, but not limited to:

- Formulation and review of occupational health and safety policies, targets, and annual work plans
- Workplace hazard identification, risk assessment, and evaluations of control measure effectiveness
- Investigation, statistical analysis, prevention and improvement measures for occupational accidents, and near-misses
- Employee health management, occupational disease prevention, and health promotion measures
- Occupational health and safety training plans and implementations
- Contractor health & safety management and legal compliance
- Other issues related to improving workplace environment

health and safety

PharmaEssentia upholds “Safety First” principles. In 2025, we aligned our systems with international standards and implemented organizational structure changes to strengthen governance. We implement health and safety policies across our global facilities through institutionalized management, systematic oversight, and continuous improvement to create a safe, healthy, comfortable, and friendly workplace environment, and to protect employee safety and health.

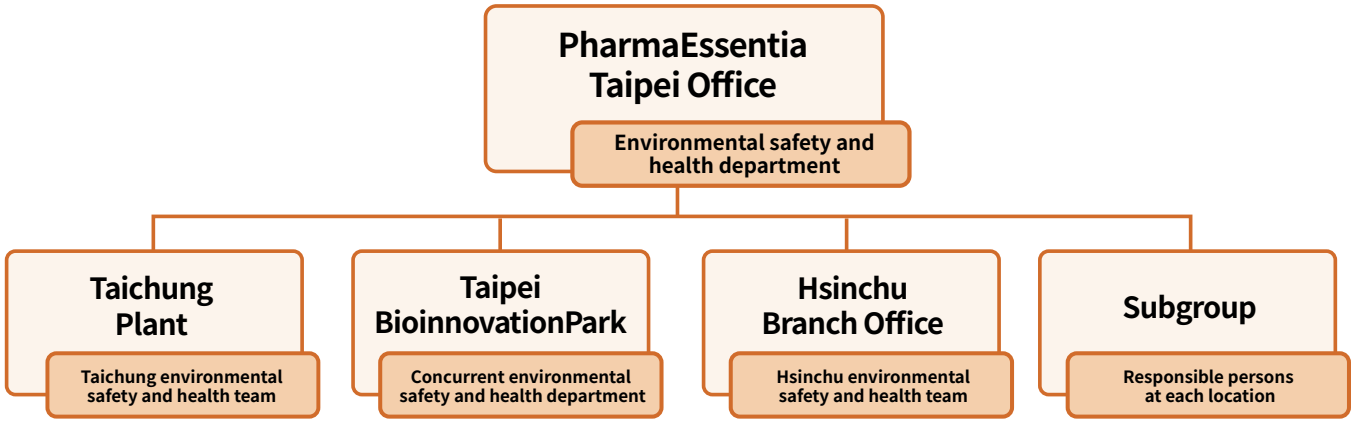
1.Established dedicated first-level unit: In 2025, we formally completed organizational adjustments to elevate the environmental health and safety management unit to a dedicated first-level unit that directly reports to the general manager. PharmaEssentia (Taiwan) carries out unified planning and management procedures, and integrates and coordinates matters across different factories and departments to strengthen environmental safety and health management.

Functional positioning: This unit is dedicated to formulating corporate health and safety policies, implementing regulations, and coordinating business operations, and has the authority to conduct independent audits and interdepartmental coordination.

Governance enhancement: Establishment of a first-level unit ensures that environment and safety resources (such as budgets and manpower) receive the highest priority, and dedicated environmental and safety personnel regularly make performance reports to the Executive Center for Corporate Sustainability to achieve robust top-down governance.

2.Regular management meetings: The environmental health and safety department convened regular meetings to formulate, review, and examine our occupational safety and health policies as well as work-related matters, and continuously assessed the applicability and effectiveness of various management measures. If existing control measures cannot effectively lower risks, we promptly formulate and implement other appropriate and effective control measures to reduce the likelihood of occupational accidents.

3.Systematic management and risk prevention: We continued to implement the ISO 45001:2018 management system which was introduced at our Taichung Plant in 2024, and we extended the experiences of the Taichung Plant to all Group subsidiaries.



Occupational Health and Safety Management Systems

PharmaEssentia upholds a business philosophy oriented around sustainable management and formulated the “Environmental Protection Policy.” We strictly comply with all laws, regulations, and standards related to environmental protection and occupational health and safety, and are committed to preventing occupational accidents, protecting employee health, and reducing environmental impacts. We strengthen employee awareness of and sense of responsibility for environmental protection, safety, and health issues by establishing internal systems and conducting training. We also implemented risk prevention and improvement measures while making strides toward our goals, which include zero major occupational accidents, energy conservation and waste reduction, and safe and healthy workplaces.

Our Occupational Health and Safety Committee formulated the Occupational Safety and Health Policy to prevent occupational injuries from occurring to employees and related personnel, and to reduce risks from operational disruptions. This Policy was approved by our chairperson, and encompassed PharmaEssentia (Taiwan) and Panco Healthcare, achieving a coverage rate of 100%. The Occupational Health and Safety Policy stipulates the following action plan commitments:

- Establish and continually improve ISO 45001 occupational health and safety management system
- Establish occupational health and safety policies, and monitor effectiveness of implementations
- Establish and implement health and safety goals to reduce occupational injuries
- Implement comprehensive health and safety education and training to enhance awareness
- Comply with local occupational health and safety laws, regulations, and standards
- Continue to improve workplace health and safety performance to achieve sustainable development targets

Taichung Plant: Enhance Process Safety and Employee Transportation Safety

Strengthen Workplace Environment Safety

To address risks from flammable vapors generated by organic solvents used in manufacturing processes, hazardous areas are classified into Zone 0, Zone 1, and Zone 3 areas according to their explosion hazard levels, and explosion protection measures have been incorporated into our annual occupational health and safety improvement program. Related measures included replacing non-explosion-proof sockets within explosion-proof areas, upgrading explosion-proof lighting fixtures, and removing or replacing general-purpose equipment that were not necessary for manufacturing processes. We ensured that all measures met the requirements for their respective explosion hazard levels and reduced risks from incidents that could potentially arise from solvent vapors. Progress and implementations on related indicators are regularly monitored by the Occupational Health and Safety Committee, and are listed as a key internal audit items for strengthening process safety and protecting workplace environments.

Strengthen Defensive Driving Mindsets

We reviewed risks associated with employee commutes and safety of company vehicles, and discovered that traffic incident rates for the first half of 2025 had increased compared to the first half of 2024. We therefore invited professional instructors to conduct training, strengthen employee defensive driving capabilities, and enhance employee hazard perception capabilities and response skills in emergency situations. The traffic incident rate decreased by 80% in the second half of 2025, showing that we had effectively enhanced employee safe driving and risk identification capabilities. We will continue to monitor accident trends and incorporate this indicator into our annual occupational health and safety improvement plans and Occupational Safety and Health Committee internal audit items as we continuously optimize management of transportation safety.

Duration	January 2024 ~ July 2024	January 2025 ~ July 2025	August 2025 ~ December 2025
Number of traffic incidents	2	5	1

Occupational Health and Safety Management Goals and Performance

Management goals	Achievements in 2025
Zero major employee occupational accidents	CCB chemical classification management coverage rate reached 100%
	Work environment monitoring compliance rate reached 100%
	Priority chemical reporting rate reached 100%
	Factory hazardous materials reporting rate reached 100%
	Hazardous equipment inspected by external institutes achieved 100% pass rate
	Maintained a record of zero occupational injuries
Zero contractor occupational accidents	No contractor occupational injuries or occupational diseases occurred at PharmaEssentia or Panco workplaces.

Hazard Identification, Risk Assessment, and Incident Investigation

PharmaEssentia adopted the ISO 45001 occupational health and safety management system to ensure effectiveness and applicability of occupational health and safety risk assessments. For high-risk items, we established systematic hazard identification and risk assessment mechanisms, and conduct comprehensive hazard identification and risk assessment procedures each year to systematically evaluate potential environmental health and safety impacts, consequences, and effects, serving as a basis for planning risk management and improvement measures.

1. Risk assessments and quantitative indicators

- Severity: Assess potential personnel, facility, or operational impacts from an incident or hazardous event.
- Likelihood of occurrence: Assess likelihood and frequency of hazard occurrence
- Risk control effectiveness: Assess integrity and effectiveness of existing control measures

2. Identify high-risk items

Comprehensive assessment of the aforementioned indicators enables us to identify high-risk items for priority management and improvement. When changes are made to equipment, processes, raw materials, products, services, or related operational activities, we require relevant units to conduct hazard identification and risk assessments prior to these changes, confirm potential hazards and risks arising from these changes, and ensure that occupational health and safety risks are properly controlled during change processes.

3. Improvement planning

We implemented a risk management system that applies to all employees. Workers in all units are equipped with hazard identification capabilities and have learned to break down procedures and assess potential risks. We also grant employees the right to refuse unsafe work. Our colleagues can refuse to carry out tasks in unsafe environments, and their supervisors are not allowed to impose punishments.

PharmaEssentia values the health and safety of all employees, and has adopted a cyclical process (“Hazard Identification → Risk Assessment → Improvement Planning”) to transform occupational health and safety management focuses from passive prevention to active pursuit of improvement opportunities. We also incorporated ESG clauses into procurement contracts with contractors and suppliers, and explicitly require compliance with occupational health and safety regulations. If violations occur and no corrections are implemented, we reserve the right to terminate these contracts.

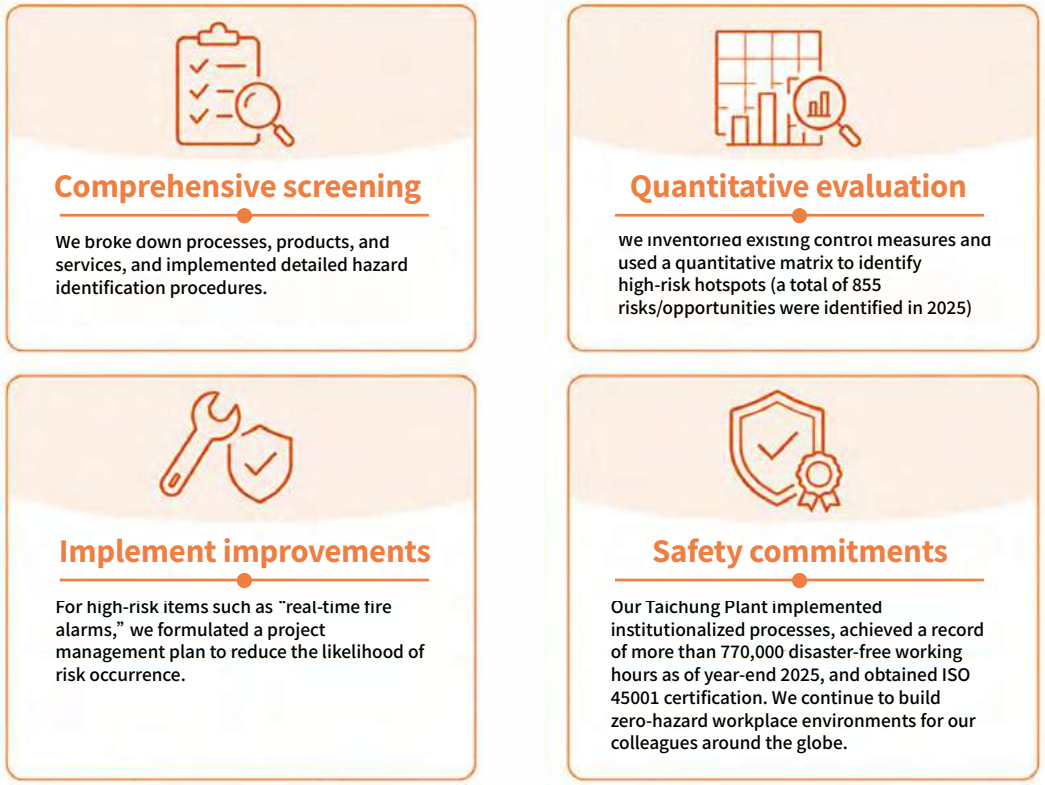
Risk Assessment Results and Management Solutions

We assessed likelihoods of occurrence and impact severities for different events. Risk assessment results for 2025 found a total of 855 occupational health and safety risks and opportunities. After quantitative scoring, approximately 5% (45 items in total) were rated as high-risk items (320 points). Based on the assessment results for 2025, we implemented mitigation measures for items with potentially significant impacts, and prioritized installation of chemical fume exhaust hoods and early fire detection systems.

Employees in all units were required to participate in the hazard identification procedures of their respective units and complete 100% of relevant pre-employment and on-the-job training, thereby ensuring that all colleagues are equipped with frontline risk screening and opportunity assessment capabilities.

Note 1: High-risk items (320 points): Composite indicator scores (severity × likelihood of occurrence × control failure risk) for these items reached the high-risk threshold, meaning that they could have significant impacts on employee health or asset safety if not corrected.

Occupational Health and Safety Risk Management: From Source Identification to Continuous Improvement



Incident Prevention Mechanisms/Impact Assessments

PharmaEssentia strives to maintain high-quality workplace environments with zero occupational accidents and zero incidents. In 2025, we strengthened our factory defenses through organizational restructuring and management of high-risk equipment to ensure that our health and safety policies were effectively implemented across all global facilities.

1.Management of high-risk facilities and hazardous equipment: We adopted a dual-track mechanism that combines "preventive maintenance" with "statutory inspection" for high-risk equipment in our facilities to ensure operational safety.

- 100% compliance for hazardous equipment: We strictly implemented regulatory requirements for hazardous equipment and commission external inspection agencies to conduct regular inspections of our 13 Class 1 pressure vessels every year. All units obtained compliance certificates in 2025, confirming that our equipment are operating safety and stably.
- Professional personnel deployment: All personnel operating hazardous equipment are required to hold required statutory licenses and receive regular refresher training.
- Emergency notification equipment: To reduce risks from accidents that employees may face while working alone (including during overtime hours), we installed emergency notification equipment in our laboratories in 2025 to facilitate immediate reporting of emergency incidents and reduce risks of accidents.

2.Facility safety and contractor regulations: The environmental health and safety unit and all departments strengthened the health and safety of all facility personnel by establishing standardized operating procedures:

- Facility operation regulations: We rigorously conduct equipment operator tests to ensure that all operators hold required statutory licenses and possess practical capabilities; unauthorized operations are strictly prohibited.
- Contractor management: In accordance with our Contractor Management Procedures, we provide pre-entry safety education and on-site supervision to contractors to ensure that operational processes implemented by our external partners comply with PharmaEssentia's safety requirements.

3.Emergency drills and continuous improvements

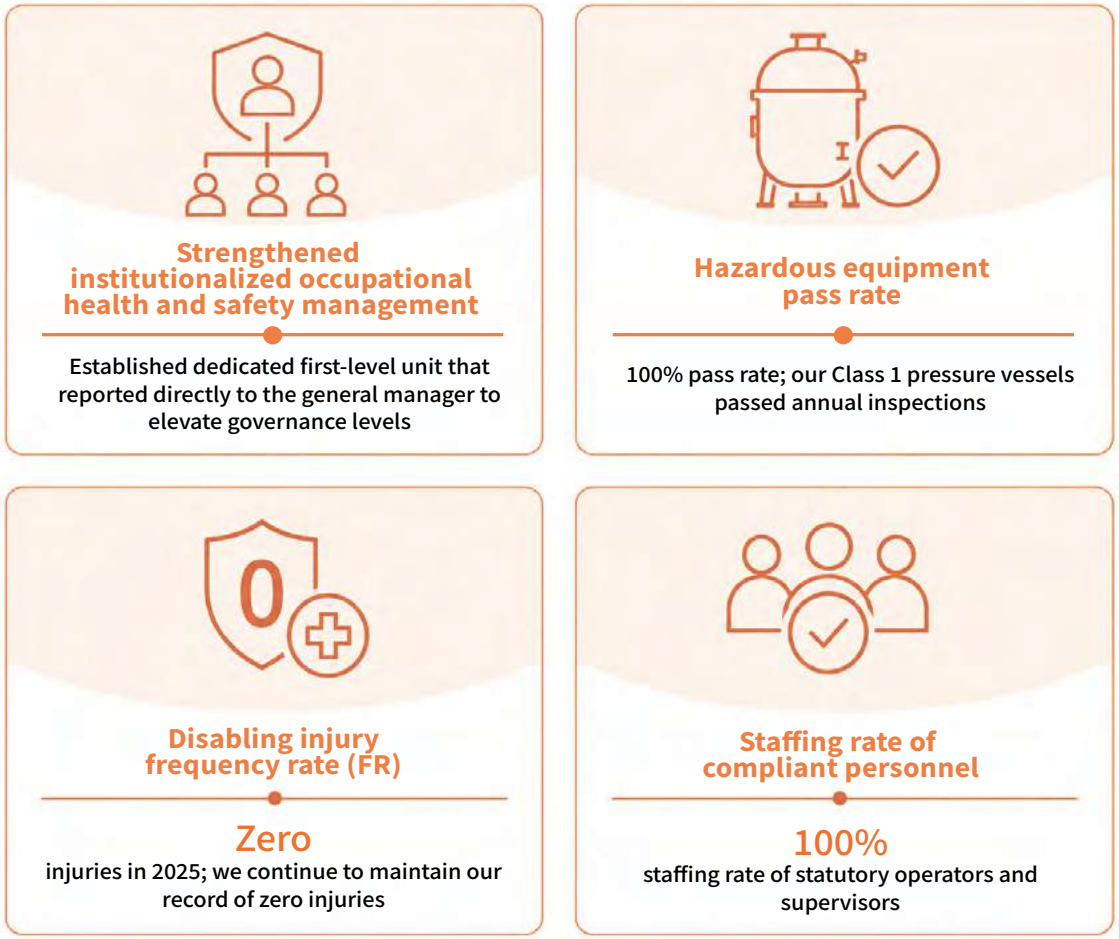
- Regular emergency response drills: We formulate Emergency Response Procedures every year and implement drills for fires, chemical spills, infectious material leaks, and other scenarios. Following these drills, we convene review meetings and track improvement measures until associated items have been corrected.
- Education and training: Employees receive regular health and safety education and training. In 2025, we provided continuing education subsidies to supervisors and personnel involved in special operations to ensure that 100% of regulatory-designated personnel comply with all applicable regulations. Employees at our Taipei Office regularly receive health and safety training, and we deployed Class 1 pressure vessel operators, Class B boiler operators, organic solvent operations supervisors, specific chemical substance operations supervisors, and toxic disaster response personnel in accordance with regulations.

Occupational Health and Safety Training

In 2025, a total of 446 participants from PharmaEssentia's Taipei Office and Panco participated in occupational health and safety training; total training hours amounted to 1,385 hours. PharmaEssentia's Taipei Office and Panco implemented evacuation drills, occupational health and safety training, practical training on chemical hazard prevention and management, health management and health promotion activities, hazard communication regulations, and initial/refresher training for environmental health and safety certificates every six months.

Our Taichung Plant regularly hosts education and training, including, but not limited to, internal biosafety response training every year; fire and toxic chemical disaster training, ISO 45001 system incorporation training, basic environmental health and safety certification training, and on-the-job training every six months; and 3-hour general hazard training and health and safety training every 3 years.

The Panco Logistics Center in Taoyuan conducts one 1-hour training session each year; 15 employees participated in the training course for this year. The Panco business office in Taipei also participates in relevant training activities organized by PharmaEssentia Taipei Office.



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PharmaEssentia occupational health and safety training in 2025

Site	Category	Indicator	Total sessions	Participants	Total hours (hours)	Note (frequency)
PharmaEssentia Office/Panco	External training	Environmental health and safety certification initial and refresher training	5	5	140	On an ad hoc basis
	Internal training	Emergency evacuation drills	2	105	210	On an ad hoc basis
		General occupational safety and health training/chemical hazard prevention and management practices/health management and health promotion activities	1	42	126	3 hours of training every 3 years
		General occupational health and safety training for new hires	2	30	90	On an ad hoc basis
		(On-the-job) General hazard education and training	2	15	45	3 hours of training every 3 years
		Practical AED & CPR training	2	62	124	On an ad hoc basis
		Cargo handling and forklift operations	1	14	14	On an ad hoc basis
Taichung Plant	External training	ISO 14001 & ISO 45001 system implementation training	1	18	108	On an ad hoc basis
		Environmental health and safety certification initial and on-the-job training	8	8	152	On an ad hoc basis
	Internal training	Toxic chemical substances disaster response drills	2	8	2	Once every six months
		Biosecurity response drills	1	17	17	Once every year
		Practical AED & CPR training	1	32	32	On an ad hoc basis
		Hearing protection training	1	42	7	Once every year
		Self-defense fire brigade training	2	50	150	Once every six months
		Health & safety and hazard awareness training for new hires	7	28	168	When new employees report for work
Total				446	1385	

We also implemented permit, chemical, machinery, and other management procedures, and achieved the following results:

<table>
<tr><th>Management measures</th><th>Implementations and achievements</th></tr>
<tr><td>Permit management</td><td>Our Taichung Plant rigorously implements a high-risk work permit system to ensure that potential risks have been lowered before beginning hazardous work.
・High-risk work controls: We issued a total of 47 special work permits throughout the year, including 46 hot work permits and 1 power outage maintenance work permit.
・Application and approval processes: In order to safeguard equipment and personnel safety, we require employees and contractors to apply for permits before commencing work; work can only begin after implementing relevant protective measures.
・Supervision: On-site procedures are supervised by PharmaEssentia to enable independent auditing and compliance monitoring.</td></tr>
<tr><td>Management of chemical substances</td><td>1.PharmaEssentia has established a chemical inventory and the Chemical Hazard Management Procedures.

2.Our Taichung Plant adopted “source control and risk classification” principles for chemicals used in production and laboratory processes, and works to establish a comprehensive protection system for chemical systems to safeguard employee health and ensure environmental safety.
(1)Chemical control banding (CCB) and risk controls: We introduced a CCB tool to enable systematic assessment of physical hazards, health hazards, and consumption of chemical substances throughout our factories.
• Risk classification: We classify chemicals into different management classes based on their toxicity levels and exposure risks, and adopted corresponding control measures such as closed-system engineering improvements, local exhaust ventilation facilities, administrative management, or personal protective equipment.
• Dynamic updates: In 2025, we continued to implement hazard identification procedures to ensure that new R&D drugs or process chemicals are incorporated into our management classes so we can implement prevention measures.
(2)Workplace environment monitoring (100% compliance with exposure standards): PharmaEssentia emphasizes employee occupational health and regularly commissions government-approved professional monitoring institutes to implement workplace environment monitoring procedures, thereby ensuring the safety of workplace environments.
• Monitoring scope: Encompasses organic solvents, specific chemical substances, and physical factors such as wet bulb globe temperatures (WBGTs), noise, and lighting at designated points.
• Compliance results: In 2025, exposure concentration monitoring results for all chemical substances fell below regulated “Permissible Exposure Limits (PELs),” demonstrating that we have robust environmental control capabilities and effective occupational injury/illness prevention measures.
(3)Regulatory reporting and transparent governance
As part of our chemical lifecycle management procedures, we strictly comply with national regulations and regularly report information to competent authorities. We ensure that all of our filed reports achieved 100% timeliness and accuracy rates to reduce our legal compliance risks.
<table>
<tr><th>Management goals</th><th>Management indicators</th><th>Achievements in 2025</th></tr>
<tr><td>Complete assessments on 100% of hazardous chemical substances in our factories</td><td>CCB chemical classification management coverage rate</td><td>100%</td></tr>
<tr><td>Compliance with regulatory permissible exposure limits (PELs)</td><td>Work environment monitoring compliance rate</td><td>100%</td></tr>
<tr><td>File regular reports in accordance with law</td><td>Priority chemical reporting rat</td><td>100%</td></tr>
<tr><td>Ensure filed reports are consistent with on-site conditions</td><td>Factory hazardous materials reporting rate</td><td>100%</td></tr>
</table>
</td></tr>
<tr><td>Management of machinery and other items</td><td>1.Rigorous equipment entry reviews and safety verifications: We implement a strict source management mechanism to ensure that all operating equipment in our factories comply with safety standards
(1)Verifications: All of our factories adhere to regulatory requirements. All machinery and tools need to pass rigorous inspections before entering factories to confirm that they hold qualification and safety certifications in accordance with law.
(2)Prohibit use of non-compliant equipment: We strictly implement a “no qualification, no use” principle, and prohibit any machinery or equipment that lack certifications or have missing labels from entering work areas to effectively lower risks from accidents caused by equipment defects.
(3)Management of important facility operations: Our “Important Facility Operator Test” stipulates that only personnel who have received training and hold valid operator licenses are permitted to operate specific machinery. Designated operators work on designated equipment to ensure clear accountability in equipment safety management.

2.Environmental safety and resilience: Explosion hazard zoning and safety improvement projects
PharmaEssentia continues to invest capital expenditures in environmental safety optimizations for manufacturing processes that involve volatile substances:
(1)Enhanced explosion hazard zoning measures: In 2025, we re-assessed and improved explosion hazard zoning measures of key factory areas to enable precise classification of explosion hazard levels based on substance hazard characteristics and use frequency, and also use explosion-proof equipment that meet required specifications.
(2)Monitoring of hazardous equipment: Our Class 1 pressure vessels continue to achieve 100% compliance rates on regular inspections every year, ensuring that our high-risk facilities remain in optimal safety conditions at all times.</td></tr>
</table>

Note: No chemical substances are used at Panco.

Contractor Safety Management

We established contractor management regulations stipulating management mechanisms that should be implemented before construction, before entering factories, and during construction to protect employee and contractor safety, ensuring safety and reliability in work environments.

- Achieved zero occupational accident target: In 2025, no contractor occupational injuries or occupational diseases occurred in PharmaEssentia or Panco workplaces.
- Digital transformation: In 2025, we upgraded our construction permit application system to a fully digital online application system, enhancing review efficiency and data tracking accuracy.

Full Lifecycle Contractor Management Mechanisms

Management stage	Management mechanisms and core requirements
Before construction: Confirm qualifications and regulations	1. Written commitments: Vendors are required to sign the "Contractor Safety, Health, and Environmental Commitment Statement," "Contractor Factory Entry Affidavit," and "Workplace Environment and Hazard Factor Notification Form" to assess hazards. 2. Qualification review: Vendors submit construction personnel insurance information, 6-hour health and safety training certificates, authorization for personal data usage, and reports for health examinations conducted within the past 2 years to ensure that their personnel are fit for work
Before factory entry: Permit application	1. Digital application: We digitalized construction application forms starting in 2025 to streamline transfer processes and enable efficient governance. 2. Special work permits: For high-risk procedures involving hot work and power outages (47 projects in 2025), work can only commence after permit applications and protective measures have been completed and approved.
During construction: On-site audits and stop work authority	1. Compliance management: Units undergoing construction must ensure that contractors comply with the provisions of the "Contractor Environmental Protection Health and Safety Management Guidelines." 2. Professional verifications: Training certificates need to be provided when implementing special operations, and our environmental safety units conduct spot checks. 3. Stop work authority: Environmental health and safety personnel have stop work authority and can suspend work if any on-site safety concerns are identified.

In 2025, PharmaEssentia's Zhubei Plant entered a critical construction phase. Given the unique characteristics and complexity of this construction project, we required construction vendors to comply with Articles 27 and 23 of the Occupational Safety and Health Act, construction site health and safety regulations, and PharmaEssentia Contractor Management Procedures to achieve our goal of zero incidents during construction periods, and to ensure that our safety standards were not compromised by rushed work.

Management items	Implementations
Organizational operations	Established a health & safety committee and convened regular meetings to review major on-site health and safety issues, ensuring smooth communications between the Company, contractors, and workers. Contractor companies convene regular coordination meetings to enable advance notification and coordination of hazards associated with interface work involving multiple parties.
Command structures	The Occupational Safety and Health Act requires contractor companies to convene regular coordination meetings that enable advance notification and coordination of hazards associated with interface work involving multiple parties. PharmaEssentia environmental health and safety personnel "supervise supervisors" by conducting spot checks on construction vendor coordination organizations to ensure implementation of daily hazard notifications and on-site inspections.
Procedural coordination	Interface coordination is conducted to prevent conflict hazards arising from cross-functional procedures and jointly performed operations.
Management of high-risk items	Conduct inspections tasks involving hot work, hoisting operations, and elevated procedures.

Emergency Fire Response and Emergency First Aid Courses

Our Taichung Plant formulated the “Plant and Facility Emergency Response Management Standard” to establish emergency response mechanisms for natural disasters, equipment abnormalities, and other emergency hazards, ensuring that all equipment can operate normally and all personnel can work in safe environments. The Panco Logistics Center also formulated the “Logistics Center Safety Management Procedures” and the “Emergency Response Handling Procedures.” In 2025, we continued to strengthen personnel firefighting and first aid capabilities through professional training, enhancing personnel response and incident handling capabilities to effectively shorten response times when disasters occur. We ensure that all colleagues are able to respond calmly and protect themselves in the event of an emergency, minimize impacts and property losses, and achieve our dual goals of ensuring business continuity and safeguarding employee health and safety.

1.Strengthen personnel response capabilities: Practical fire drills

Our Taichung Plant conducts large-scale emergency drills once every six months to prepare for fires. We conducted plant-wide fire drills in May and November. The drills covered basic evacuation guidelines, and also incorporated core process safety procedures:

(1)Evacuation broadcasts and accurate roll calls: During our fire scenario simulations, we broadcast announcements, activate the evacuation guidance team, and ensure that all employees and contractors reach safe assembly points and complete roll calls in the shortest possible time as part of our “full participation” principle.

(2)Key facility shutdown procedures: We specifically practiced standard procedures for shutting down important facilities in process areas to prevent secondary disasters such as chemical leaks or short circuits, thereby ensuring the safety of factory infrastructure.

(3)On-site firefighting training: We conducted hands-on drills using fire extinguishers and fire hydrants to help our colleagues familiarize themselves with basic fire extinguishing techniques so that risks can be effectively controlled during the early stages of a disaster.

2.Building safety nets: Emergency first aid course (AED & CPR)

We installed emergency AED equipment in factories to enhance employee first aid capabilities, and regularly organize AED (automated external defibrillator) and CPR (cardiopulmonary resuscitation) training to improve the chances of timely rescue during emergencies.

Firefighting training

Evacuations after fire alarms

Emergency first aid course

Incident Investigation Processes

PharmaEssentia has formulated standard procedures to systematically handle various workplace incidents (including occupational accidents and near-misses), ensuring incident causes are thoroughly investigated and corrective and preventive measures have been implemented to prevent similar events from recurring.

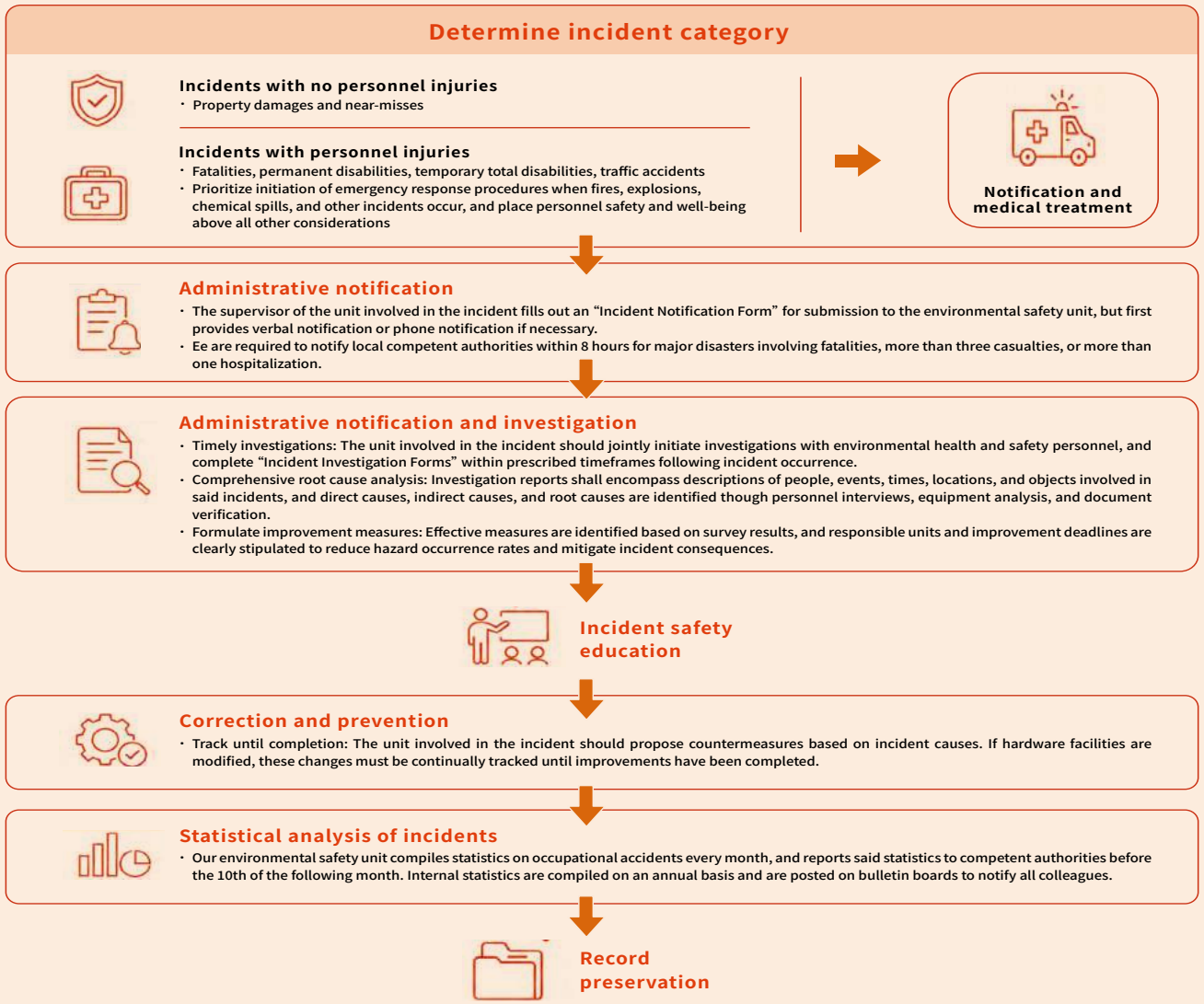
1.At the first instance

Notify unit managers and environmental safety units by phone or in person to request support, and determine whether there is need to seek support from external institutes (the fire department or environmental incident specialist teams).

Implement emergency response procedures in the event of fires, explosions, chemical spills, and natural disasters to prevent incident escalation and personnel injuries, prioritize personnel safety, and provide appropriate care for injured personnel.

2.Post-incident investigation processes

PharmaEssentia incident investigation process



Incident Investigation Units

Unit	Main responsibilities
Incident department	Fills out notification and investigation forms to assist with incident handling, review, and improvement implementations.
Environmental safety unit	Assists with incident handling, investigation, follow-up, and review; this unit is responsible for providing notices of major incidents and statistics on occupational accidents.
Human resource unit	Handles insurance claims and occupational injury leave applications, and provides medical referral forms for occupational injuries and illness.

Occupational Accident Statistics for 2025

No near misses occurred at PharmaEssentia or Panco.

No major occupational accidents, occupational diseases, or epidemic incidents occurred at PharmaEssentia, Panco, PharmaEssentia USA, or PharmaEssentia Japan.

No contractors at PharmaEssentia (Taichung Plant) or Panco experienced occupational accidents while performing procedures within facilities.

Absentee Rate in 2025

Indicator	2025	
	PharmaEssentia Taipei Office and Panco	PharmaEssentia (Taichung Plant) PharmaEssentia USA PharmaEssentia Japan
Total work days	88,736	6,099
Absentee days	2,206	64
Absentee rate (AR)	2.49%	1.05%

Group Statistics

Year	2022	2023	2024	2025
Lost time injury frequency rate (LTIFR)	-	-	-	0
Lost time injury rate (LTIR)	3.84	1.26	0	0
Data coverage rate for survey period	81.25	61	100	100
Occupational disease rate (ODR)	-	-	-	-

Note 1: The total number of accumulated work hours at PharmaEssentia’ s Taipei Office/Panco amounted to 807,144 hours; the total number of accumulated work hours at PharmaEssentia Taichung Plant amounted to 370,720 hours; the total number of accumulated work hours at PharmaEssentia USA amounted to 321,100 hours; the total number of accumulated work hours at PharmaEssentia Japan amounted to 147,488 hours.

Occupational Health & Safety Actions and Activity Outcomes

PharmaEssentia implements various occupational health services in accordance with the “Occupational Safety and Health Act” and the “Labor Health Protection Rules,” including annual employee health examinations, special health examinations, non-periodic health promotion lectures, workplace maternal health protection, prevention of illnesses triggered by abnormal workloads and ergonomics-related hazards, workload questionnaires, and 10-year cardiovascular disease risk assessments. We arrange for professional physicians, nurses, and therapists to provide on-site health services and individual consultations each year. In 2025, we organized 36 physician/nurse on-site service sessions in Taipei and 39 sessions in Taichung.

We appointed a full-time nurse starting in August 2025 to enhance employee health management and lower potential employee health risks. Provided services included health protection measures for middle-aged and older employees, maternal health protection, tracking of health abnormalities, and individual consultations. We provided assistance to 186 employees and our follow-up rate was 100%. PharmaEssentia’s Taipei Office and Taichung Plant have both received Accredited Healthy Workplace Health Promotion Certificates from the Ministry of Health and Welfare Health Promotion Administration.

Accredited Healthy Workplace Health Promotion Certificate (PharmaEssentia)

Validity period: January 1, 2025 ~ December 31, 2027

Accredited Healthy Workplace Health Promotion Certificate (PharmaEssentia Taichung Plant)

Validity period: January 1, 2024 ~ December 31, 2026

Health promotion activities	Achievements in 2025
Health examinations that exceed regulated standards	・We conduct health examinations by age each year in accordance with the Occupational Safety and Health Act and Pharmaceutical Good Manufacturing Practice (GMP) regulations. ・Added abdominal and neck ultrasonic examinations, pulmonary function tests, bone density scans, cancer screenings, and electrocardiograms.
Social club and course subsidie	・We subsidize club operating expenses every six months; clubs that received subsidies included the power walking club, badminton club, and road running club. ・Road running club: 4 activities attended by 40 participants. ・Power walking club: 4 activities attended by 56 participants. ・Badminton club: 12 activities in Taichung attended by 226 participants, and 49 activities in Taipei attended by 588 participants.
Free massage services	We employed one visually impaired masseuse starting from 2014 and set up a Massage Station to advance public welfare while enhancing employee health. In 2025, a total of 477 people at our Taipei Office utilized these services.
On-site contract medical services	Signed contracts with management consulting companies based on corporate personnel numbers: ・Physicians provide six 3-hour on-site services each year. ・Nurses provide three to four 2-hour on-site services each month. Therapists provide non-periodic on-site services. In 2025, therapists provided 3 on-site service sessions, physicians provided 6 on-site service sessions, and nurses provided 27 on-site service sessions, with each session lasting for 2~3 hours at our Taipei Office; a total of 186 personnel received face-to-face guidance, follow-up, and care services.
Paid sick leave and influenza vaccination subsidies	Provide five days of fully paid sick leave each year.
Fitness and stress-relief activities	1.A total of 132 employees participated in our fitness “Move Together, Lose Weight Together, Stay Healthy GO!” campaign, which enhanced health awareness in our colleagues 2.Sports and stress-relief courses and lectures 3.In 2025, we introduced the Walkii digital management app to execute our health promotion plan and promote employee health (1)Digital health tasks: The app contains five engaging tasks which encourages employees to implement health management from three aspects: dynamic habits, physiological monitoring, and nutrition education. (2)Incentive mechanisms and links with performance indicators: We designed milestone goals to lower implementation barriers and encouraged employee participation through tiered incentives. (3)Data-driven analysis: We analyzed employee participation rates and body composition improvements through back-end data; these statistics serve as qualitative and quantitative indicators for improving workplace health performance.
Healthy vegetarian food	PharmaEssentia (Taiwan) and Panco provide vegetarian meal boxes every Wednesday to promote a healthy dietary culture and enhance employee health awareness. We also encourage our colleagues to carry their own tableware to promote waste reduction.

Harmony with Nature and Sustainable Development

We planned green health promotion activities aligned with the 2025 International Day for Biological Diversity theme, “Harmony with Nature and Sustainable Development,” which enabled our colleagues to contribute to environmental and ecological conservation through hands-on activities

Handmade bottle gardens: Participants used native Taiwanese ferns and natural growing media to create miniature terrariums that recreated a microcosm of terrestrial ecosystems. By building a self-sustaining ecosystem within a glass container, our colleagues gained a deeper appreciation for nature and developed a greater understanding of ecological conservation

Fitness and stress-relief activities 3

Fitness and stress-relief activities 4

Fitness and Stress-Relief Activities

Handmade natural Cuban oregano essential oil balms

This activity combined wellness with hands-on learning, allowing participants to experience the entire process from harvesting plants and extracting essential oils to balm preparation while discovering the benefits of natural herbal ingredients. No additives were used, and the activity incorporated plastic reduction and eco-friendly practices, so had low environmental impacts

Fitness and stress-relief activities 5

Fitness and stress-relief activities 6

Sports clubs

Road running club

Badminton club

06

Social Contributions

Accessibility, Affordability and Availability of Medicines
Doctor-Patient Relationships and
Local Empowerment

06

PharmaEssentia has five social action priorities: First, “Accessibility, Affordability and Availability of Medicines” enables patients to easily access the medicines and therapies they need, and enhances treatment accessibility for underserved populations around the world by acquiring marketing authorizations and organizing support programs; second, “Healthcare and Health Promotion” improves the quality of patient services through patient support projects; “Healthcare Resource Empowerment” encompasses exchanges among healthcare professionals and sharing of medical research to strengthen clinical expertise in MPN; “Community Empowerment” offers health promotion activities in rural areas and patient health education; and finally, “Arts and Culture Education” sponsors local cultural organizations to foster public cultural literacy and aesthetic appreciation.

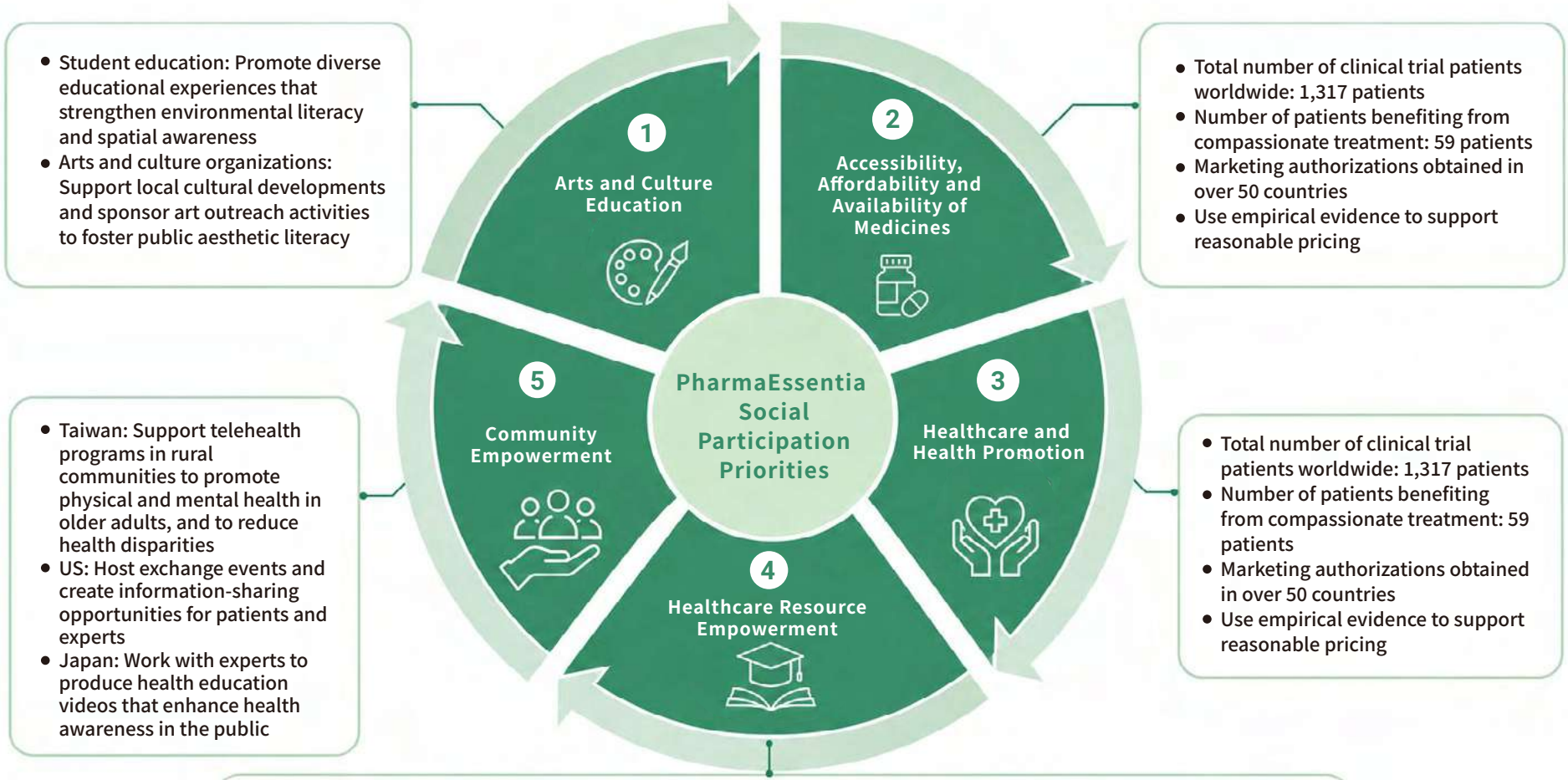
Main Stakeholders

Achievement Highlights

- Obtained PV marketing authorizations in Hong Kong, Brazil, and Argentina in 2025; we now cumulatively hold marketing authorizations in more than **50 countries**
- New drug technology patents and licenses in **20 countries**
- Cumulative clinical trial patients worldwide: **1,317 patients**
- **59 patients** benefited from compassionate treatment in 2025
- PharmaEssentia and Panco jointly hosted **30 seminars** for healthcare professionals and patients
- Hosted the 8th MPN Asia in Beijing, China, an event attended by 100 important stakeholders from around the globe
- Social return on investment (SROI) analysis revealed that our telehealth promotion for older adults in rural areas program created **NT$12.27** of social value for every NT$1 of investment in 2025
- Invested more than **NT$3 million** in arts and culture sponsorships

PharmaEssentia Social Participation Priorities

PharmaEssentia focuses on the research, development, and application of MPN drugs; supports MPN care and global healthcare empowerment; and monitors international and local health and social issues. PharmaEssentia's three main social participation priorities include accessibility, affordability and availability of medicines; patient care and global healthcare empowerment; and public welfare. We participate in domestic and overseas seminars, medical education initiatives, and patient experience-sharing activities, and have long supported patient, social welfare, and arts and culture education organizations as we work to strengthen our presence across multiple regions as a provider of medical education, patient support, and charitable care. We hope to benefit more patients, healthcare professionals, and communities in future through cross-disciplinary collaborations and localized initiatives that enable our professional capabilities to generate broader positive impacts.



6.1 Accessibility, Affordability and Availability of Medicines

Material Topics	Accessibility, Affordability and Availability of Medicines
Significance for PharmaEssentia	The mission of the biopharmaceutical industry is to promote human health and well-being. PharmaEssentia is driven by patient needs and works to meet unsatisfied patient needs through research, development, and innovation. We provide patients with compassionate treatment and opportunities to participate in clinical trials for pre-launch drugs. We work with our overseas subsidiaries and strategic partners to accelerate regulatory approval across different markets to increase drug availability and fair accessibility.
Policies and Commitments	We are committed to providing high-quality medicines to more patients with unmet medical needs through our research, development, and innovation efforts as we work with our supply chain partners to accelerate regulatory approval so we can satisfy the needs of patients requiring treatment. We also conduct cost analyses to demonstrate the cost-effectiveness of Ropeg and to build a foundation for responsible pricing.
Responsible Units	・PharmaEssentia Taiwan and subsidiary marketing departments and medical affairs teams ・The Executive Center for Corporate Sustainability Access to Health Care Team is responsible for compiling and managing material sustainability topics
Response Measures and Management Actions	・Research and development: Apart from continuing to work on MPN indications, we used our patented PEGylation technology to develop PEG-GCSF for treating neutropenia, PEG-IL-2 for treating inflammatory and autoimmune diseases, and anti PD-1 for treating solid tumors; we are also jointly developing TCR-T cell therapies with external collaborators ・Continue to promote participation in global clinical trials ・Continue to promote compassionate treatment worldwide ・Continue to obtain marketing authorizations ・Continue to attain milestones on various projects, including marketing authorizations, fair access strategies, and other achievements ・Improve affordability of new drugs through fair and reasonable prices, pricing strategies, drug delivery, and drug donations
Evaluation Mechanisms	In accordance with Access to Medicine guidelines, we use (1) Number of developed products/clinical trial patients, (2) Number of patients using BESREMi, and (3) Time to obtain marketing authorizations in various countries as indicators to describe how we satisfy unmet medical needs
Targets for 2025	Obtain marketing authorization for Ropeg to treat PV in Canada and Latin American countries

Achievements in 2025	・A total of 1,317 global clinical trial participants 　・P1101: Annual clinical trial data from our latest DSUR indicates we have 1,298 clinical trial participants. 　・Long-acting granulocyte-colony stimulating factor (P2203): Annual clinical trial data from our latest DSUR indicates we have 18 clinical trial participants 　・P1801: Annual clinical trial data from our latest DSUR indicates we have 1 clinical trial participant. ・Number of medication users: As of 2025, more than 18,000 patients have benefited from Ropeg, and the cumulative number of diagnoses has exceeded 20,000. ・Number of patients that benefited from compassionate treatment in 2025: 59 patients. ・Obtained marketing authorizations: In 2025, we obtained marketing authorizations in Hong Kong, Brazil, and Argentina; we now hold marketing authorizations in more than 50 countries. ・BESREMi® was recommended as first-line treatment for high- and low-risk PV by US NCCN guidelines, and competing drugs were relegated to later lines of therapy. ・PharmaEssentia Korea implemented a global pricing and reimbursement strategy, and secured formal NHI reimbursement listing ・Secured conditional NHI coverage in Brazil, enabling PV patients to meet their medical needs. ・Completed Applicant Orientation Meeting (AOM) for new ET indication in the US, and applied for marketing authorizations in Taiwan, Japan, and China. ・Collaborated with related foundations in China to enable medication access for low-income patients with rare diseases; continued to promote patient support services in Taiwan, the US, Japan, and other regions; and provided medical care and financial assistance to ensure that patients complete the full course of treatment. ・Received approval for special import programs in Columbia and Canada. ・New drug technology patents and licenses in 20 countries.
Short-Term Targets (1-2 Years)	Obtain marketing authorization for Ropeg to treat PV in Canada and Latin American countries
Mid-Term Targets (3-5 Years)	Obtain marketing authorization for Ropeg to treat ET in Oman, Singapore, Malaysia, and China, and work to strengthen patient and physician knowledge.
Long-Term Targets (More Than 5 Years)	Continue to conduct clinical trials for new Ropeg indications and obtain marketing authorizations across different countries.

1.Provide High-Quality Medicines to More Patients with Unmet Medical Needs

Compassionate Treatment

PharmaEssentia has long focused on MPN treatments. We are guided by our commitment to MPN patients and proactively address accessibility gaps across different markets. In regions where we have not yet received marketing authorization, or for patients who are ineligible for clinical trials, we offer compassionate treatment to patients with severe MPN or other immediately life-threatening conditions

Treatment Program Targets and Care for Underserved Groups

- This program aims to shorten the wait for patients to access newly launched drugs and prioritize care for the following underserved groups:
- Clinically underserved: We provide drugs to patients in critical condition to ease their pain and improve sleep quality, thereby improving quality of life for the patient and their family members.
- Economically disadvantaged: We prioritize support for patients who are ineligible for local social insurance benefits, older adult patients who have no income, or patients from economically disadvantaged households who cannot afford expensive medical fees to realize equity in healthcare.
- Our compassionate treatment program focuses more on older adult patients as we have limited resources; these patients are often both economically and clinically underserved.

Rigorous and Standardized Management Procedures

- PharmaEssentia and subsidiary Panco have established comprehensive standard operating procedures to manage provision and implementation of compassionate treatment.
  - Multi-stage reviews: Each patient much undergo rigorous reviews by regulatory and ethics committees to ensure clinical urgency and compliance with ethical regulations.
  - Transparent implementation procedures: Applications are submitted directly by medical institutions and/or indirectly through designated NGO organizations, and eligible patients are subject to clinical monitoring by a physician following internal company reviews to ensure healthcare quality and legal compliance.

Program Achievements and Social Impacts

- We regard compassionate treatment as an important component of our corporate social responsibilities, so provide free medication to eligible patients. As of year-end 2025, a cumulative total of 59 patients in Taiwan have benefited from our program and received critical life-sustaining treatment.
- We export medications to regions where we have not yet received marketing authorization (such as Canada) through government-led projects, enabling prompt access to MPN medications for patients with urgent need.
- Following submission of physician diagnostic reports, we also provide compassionate treatment to patients with rare blood cancers (EHE, ATL, SM, CTCL) who are unable to achieve stable control of their disease using existing treatments.

Compassionate treatment achievements over the past five years

Year	2021	2022	2023	2024	2025
Medication donated	New-generation long-acting interferon alfa-2b				
Indications	Taiwan: MPN (PV, ET, MF) Korea: ECD	Taiwan: MPN (PV, ET, MF) Korea: ECD	Taiwan: MPN (PV, ET, MF), EHE Singapore and Malaysia: PV	Taiwan: MPN (PV, ET, MF), EHE, ATL, SM, CTCL Malaysia: PV	Taiwan: MPN (PV, ET, MF), EHE, ATL, SM, CTCL
Cumulative number of benefiting patients	40	40	43	54	59

Accelerating Drug Approval

Ropeg obtained its first marketing authorization in 2019 and has since obtained marketing authorizations in more than 50 countries worldwide (as of 2025), including in several European countries, the US, Japan, Korea, Israel, China, Singapore, Malaysia, Brazil, Argentina, and Hong Kong. In 2026, we are working to obtain marketing authorizations in Columbia, Mexico, Canada, and Vietnam. PharmaEssentia continues to expand the global market share of Ropeg by establishing subsidiaries and working with strategic partners to provide new drugs, reduce treatment burdens for rare diseases, and provide benefits for more patients.

PharmaEssentia has also adopted multiple acceleration strategies to fill drug availability gaps across different regions to speed market readiness and enhance healthcare accessibility:

- Priority review channels: If governments or regulatory authorities determine that local MPN treatment options are limited, and therefore are seeking to expand therapeutic choices, we work to obtain priority review to accelerate the regulatory approval process. For example, we obtained priority review in Singapore, which significantly shortened our time to market, and effectively bridged the drug availability gap.
- Government negotiations and special supply programs: Government agencies may proactively engage in technology and supply negotiations with PharmaEssentia to enable special import programs or special approvals (the approach used in Canada) to accelerate the provision of medicines to clinical institutes, bridge medication gaps during periods where there are insufficient medical resources, and reduce treatment burdens on patients with rare diseases.

- Expand into different regions following recognition by authoritative guidelines: Ropeg's clinical value has been affirmed by international authorities. The National Comprehensive Cancer Network (NCCN) Guidelines, widely regarded as the most widely followed clinical practice guidelines in the United States, recommended Ropeg as a first-line treatment option for PV in 2025, and Ropeg has also been included in European Leukemia Net (ELN) Guidelines. Our efforts ensure that patients worldwide can receive care aligned with international standards.
- Marketing authorization portfolio: PharmaEssentia has expanded into the Middle East (United Arab Emirates, Qatar, and Kuwait), Latin America (Brazil, Argentina, Columbia, and Mexico), and Southeast Asia (Vietnam). We aim to promote access to medicine in markets where medical resources are relatively scarce and reduce global health inequality through practical actions. We strive to fulfill our long-term commitment to patient rights and realize our corporate vision of "Better Science, Better Lives" by continuously enhancing healthcare accessibility in countries at different stages of development.

EHE: Epithelioid hemangioendothelioma; ATL: Adult T-cell leukemia/lymphoma; SM: Systemic mastocytosis: CTCL: Cutaneous T-cell lymphoma

NCCN (National Comprehensive Cancer Network) is a nonprofit organization in the US comprised of a coalition of 33 cancer centers, most of which have been designated as Comprehensive Cancer Centers by the National Cancer Institute.

ELN (European Leukemia Net) is a platform composed of members spanning 45 countries, 220 institutions, and involving over 1,000 researchers and clinical personnel. ELN aims to integrate 120 pioneering leukemia clinical trial groups in Europe, along with resources from collaborating institutes, industry sections, and enterprises to jointly promote the importance of leukemia treatments.

Countries where Ropeg has obtained marketing authorization and year of approval over the past six years

Year	Country	Indications
2021	Israel, Korea, US	PV
2022	Macao	PV
2023	Japan, United Arab Emirates, Bahrain, Qatar	PV
2024	China, Singapore, Malaysia, Oman, Kuwait	PV
2025	Brazil, Argentina, Hong Kong	PV
2026	Taiwan	ET

Product Delivery

Product delivery is an important component of ensuring access to medicine. As different countries have different drug packaging and labeling requirements, PharmaEssentia works with local stakeholders in the US, Korea, Japan, Singapore, Malaysia, and other countries; signs contract manufacturing agreements with local GMP-compliant pharmaceutical manufacturers; and establishes delivery contracts with local GDP-compliant pharmaceutical delivery companies to ensure all drug labels adhere to local requirements and to facilitate product delivery. We are also formulating relevant measures to prevent against counterfeit drugs. (Please refer to 2.6 Sustainable Supply Chain Management and 3.2 Drug Quality and Product Safety)

We not only ensure distribution quality at the institutional level, but also extend our commitment into patient homes. We provide guidance on medication storage and self-injections through patient health education, and offer quality-verified (Q-verified) insulation boxes to patients who require them so their medication can be stored at appropriate temperatures during their journey home from the hospital, ensuring safe product use. This approach not only ensures product consistency during transportation, but also realizes our core philosophy of providing "comprehensive life-cycle care" for patients.

Focus on Patient Needs and Provide Comprehensive Support

- PharmaEssentia Taiwan: Patient Support Program

In 2025, PharmaEssentia and the Taiwan Myeloproliferative Neoplasms Association (TMPNA) jointly hosted the World MPN Day Third TMPNA Member Conference, helping patients understand and access MPN resources through keynote presentations and face-to-face discussions with experts. TMPNA was founded in 2021 and has 94 members as of 2025. We hope to expand community networks for MPN patients and their families through related collaborations and promotions.

- Panco: MPN iCare

Panco established the MPN iCare patient health education interactive platform to provide health education to patients and their families. To help physicians better understand MPN and the efficacy of long-acting interferon therapy, we hosted 28 seminars for healthcare professionals and patients in 2025. These events helped participants better understand MPN and treatment options. Patients and family members can engage in online interactions at any time through the health education section of the platform and the official LINE account.

Patient health education seminar

PharmaEssentia USA:
Patient Support SOURCE Program

This program is open to current BESREMi® prescription holders, and provides comprehensive support encompassing insurance information, self-pay discount programs, medication guidance, and prescription renewal processes, enhancing convenience for patients who are unable to use our medications due to delayed insurance payments or insufficient insurance coverage. The program also provides medication to uninsured or underinsured patients. Our goal is to ensure a stable supply of PharmaEssentia medications to patients and reduce their financial burdens.

PharmaEssentia SOURCE™
Your resource for patient support & education

PharmaEssentia Japan: Patient Support Program

PharmaEssentia Japan strengthened its commitment to Japanese patients in 2025 through the "PV Navigator" website, which provides disease education, diagnostic support tools, and information on insurance benefits to help patients reduce financial treatment burdens. PharmaEssentia Japan also operates the "Towards Tomorrow" member platform, which offers a personalized patient support ecosystem. The platform provides consultations on medical fees and operates a patient support hotline that addresses disease and treatment questions; medication guidance is provided by professional nurses.

PharmaEssentia Japan also implemented multiple measures to enhance healthcare accessibility, including medication home delivery services, free consultations on medical fees, and patient support call centers, which reduced patient burdens, improved treatment accessibility, and responded to patient care needs. In 2025, 54 patients and their families in Japan used these services.

[PharmaEssentia Japan Towards Tomorrow website]

Poster promoting medication home delivery services

2.Responsible Pricing Strategies with Clinical Value and Cost-Effectiveness

Equitable Access to Medicine Strategies: Enhance Product Efficiency

PharmaEssentia considers provision of innovative medicines to be a core priority for meeting patient demands and reducing burdens on medical insurance systems. The clinical value of BESREMi® has been widely recognized by international authorities, and BESREMi® has been included in both Europe and US treatment guidelines. PharmaEssentia completed a comprehensive health economic assessment encompassing cost-effectiveness, cost-utility, and cost-benefit analysis when launching BESREMi® in Europe to determine the drug's impact on overall healthcare costs. We continue to collect relevant data for subsequent health technology assessments (HTAs) that can further validate the clinical value of BESREMi®.

In terms of social insurance benefits, Asia-Pacific markets such as Taiwan, Korea, Japan, and Australia all offer substantial social insurance coverage. PharmaEssentia has currently obtained social insurance reimbursement listings in Taiwan and Japan. In 2025, we also obtained conditional social insurance reimbursement in Korea and Brazil, benefiting more patients.

Orphan Drug Development and Affordability: Fair and Reasonable Pricing

PharmaEssentia has established a professional team which drives new drug development and applies for inclusion in national insurance reimbursement programs. We also invest substantial R&D resources in orphan drug development. Relevant departments implement pricing application process; provide basic drug information, recommended reimbursement price, and reference prices of comparable drugs; and collect required supporting information (such as cost-effectiveness analysis results). Required application documents are approved and signed by relevant regulatory authorities in each country to ensure reasonable pricing. Ropeg, the first interferon approved for PV treatment by the US FDA, has been granted orphan drug status and has been listed as first-line treatment by US NCCN guidelines.

Reasonable Pricing Policy

PharmaEssentia prioritizes patient interests when setting drug prices and also considers multiple factors such as R&D costs, number of patients targeted during the patent period, prices of competing products, expected profits, reimbursements from third-party insurance companies, and national health insurance systems. Prices are set based on ability to afford medical costs, economic development levels, and pharmaceutical costs for each region. We also reference the "WHO Guideline on Country Pharmaceutical Pricing Policies" when establishing fair and reasonable drug prices.

We assess market affordability and sustainability of healthcare systems when implementing pricing mechanisms, and adopt "fair and reasonable pricing" paired with Health Economics and Outcomes Research (HEOR) assessments to validate the clinical and overall healthcare value of our drugs. This approach not only expands clinical use and reduces patient burdens, but also enhances drug accessibility, equity, and long-term sustainability, while helping us build a strong image of social responsibility and maintain sound operations. We select pricing recommendations for proposal to the competent authorities by comparing international drug prices and conducting health technology assessments to simulate financial impacts following inclusion in local medical insurance programs before our drugs enter new markets. These measures help to reduce medical insurance burdens and ensure a smooth launch.

PharmaEssentia process for obtaining fair and reasonable pricing	
Step 1. Tiered Pricing	Implement tiered pricing for sales regions based on levels of national development.
Step 2. Determine whether there are national reimbursements	If yes, move to Step 3.a; if no, move to Step 3.b
Step 3.a. Medication prices determined by national insurance agencies	In regions like Taiwan, medication prices are set according to social insurance pricing principles in consideration of clinical opinions, proof of efficacy, current treatment costs, proposed payment standards, five-year budget plan based on drug prices, financial impact analyses, and pharmacoeconomics analyses to establish medication prices that benefit the maximum number of patients
Step 3.b. Pricing strategy for private health insurance systems	1. Affordability: Set prices based on affordability levels of each country. 2. Economic data: Reference national GDP, private medical insurance costs, and drugs with similar indications 3. Product value analysis: Based on pharmacoeconomics, health technology assessments (HTAs), and other methodologies. 4. Medical contribution assessments: Analyze product benefits and risks for national medical and economic systems.

Note 1: The process shown in this chart applies to PharmaEssentia Taiwan, Panco, PharmaEssentia USA, and PharmaEssentia Japan

Reasonable Evidence-Based Pricing

PharmaEssentia evaluates product impacts on medical costs using health economics methodologies (such as cost-benefit, cost-utility, and cost-effectiveness analyses) to assess the costs associated with BESREMi® versus standard therapies and other competitive innovative products. This approach has been validated in our main markets.

PharmaEssentia actively participates in empowerment programs and key stages along all value chain stages. We established a new drug innovation research center that leverages AI technologies to enhance R&D performance and assisted the US MPN Research Foundation in developing a clinical trial search tool that facilitates patient access to more timely and accurate clinical information. We have launched patient support programs in Taiwan, the US, and Japan which utilize financial assistance mechanisms to enhance patient drug accessibility, and are working to expand these programs to other countries. We have also planned a series of health promotion activities for patients who are already using BESREMi® to extend their treatment times and support them in completing the full course of treatment.

Reasonable Pricing Achievements					
Country	Current conditions				
US	In the US market, PharmaEssentia USA conducted cost-effectiveness analyses from the perspective of US healthcare payers and confirmed greater cost-effectiveness compared to standard treatments.				
Japan	PharmaEssentia Japan analyzed the cost-effectiveness of BESREMi® and submitted the results to the Japanese Ministry of Health, Labour and Welfare to serve as evidence for HTAs, emphasizing that use of BESREMi® is more cost-effective compared to traditional therapies and competing products.				
Korea	Obtained conditional national insurance reimbursement inclusion in 2025				
Brazel					
BESREMi® Average List Prices and Average Net Price Changes					
Item	Description	2022	2023	2024	2025
Annual weighted average price change	Weighted calculation of list price percentage changes for each product in the portfolio compared with the previous year	-	7.46	8.03	7.78
Annual weighted average net price change	Weighted calculation of net price percentage changes for each product in the portfolio compared with the previous year	7.42	5.00	4.16	4.02

3. Global Access to Medicine for Underserved Groups

PharmaEssentia has long supported underserved groups and developed healthcare plans for developing countries to improve access to medicines. According to the World Health Organization, patients with rare diseases account for approximately 0.65~1% of the world's total population, and most suffer from genetic diseases. The small number of patients and dispersed demands increase patient vulnerability within the healthcare system. As the costs required for developing and manufacturing orphan drugs often exceed anticipated market returns, most manufacturers are reluctant to invest in development for these drugs, which further exacerbates the situations of patients with rare diseases. Among these patients, older adults are more likely to be overlooked as they are the "most vulnerable of the vulnerable." BESREMi® uses innovative technologies to meet the needs of these underserved groups, offering higher safety, longer-lasting efficacy, and greater friendliness for older adults. PharmaEssentia continues to focus on developing innovative orphan drug technologies while providing and committing to healthcare for underserved groups around the world.

Drug Accessibility Promotions and Measures

To enhance drug accessibility for patients with rare diseases worldwide, PharmaEssentia has implemented relevant measures over several stages across multiple countries by implementing special import programs, obtaining marketing authorizations, and establishing local collaborations. In 2025, we obtained marketing authorizations in Brazil, Argentina, and Hong Kong; successfully secured special import approvals in Columbia and Canada; and initiated collaborations with foundations in China to help low-income patients with rare diseases improve their access to medicines, further expanding the global accessibility of our products.

In addition to special import programs and local collaborations, PharmaEssentia also provides training for healthcare professionals in developing countries such as Columbia, Argentina, and Brazil. We facilitate smooth introduction of new drugs for local clinical use by providing direct supplies, patient and physician health education on new drug technologies, and multi-faceted collaborations with local academic research institutions to enhance access to medicines for patients with rare diseases across different countries.

Promote Product Innovations

In addition to obtaining special import approvals in Columbia and Canada, we also licensed our new drug technologies and patents in 20 countries, including Brazil, Columbia, Ecuador, Mexico, Peru, Egypt, Iran, Iraq, Morocco, Syria, Tunisia, Yemen, India, Armenia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan, enabling local clinical and pharmaceutical sectors to gain access to and gradually implement these applications.

Patient Assistance and Reimbursement

PharmaEssentia proactively works to obtain national insurance reimbursement inclusion in countries where our products have secured marketing authorization to reduce patient burdens. At present, we have successfully secured national insurance reimbursement inclusion in Taiwan, Korea, and Japan, as well as conditional social reimbursement in Korea and Brazil.

6.2 Patient Care and Global Health Empowerment

Material Topics	Doctor-Patient Relationships and Local Empowerment
Significance for PharmaEssentia	PharmaEssentia focuses on patients and works to enhance clinical knowledge of diseases to strengthen doctor-patient relationships and help patients receive appropriate medications. We also use industrial empowerment activities to ensure that more patients can access to high-quality medications
Policies and Commitments	Implement action plans associated with patient health ・Utilize multiple channels for reporting adverse drug events to ensure comprehensiveness of safety data and ensure accurate reporting in accordance with regulations ・Ensure that patients using PharmaEssentia drugs clearly understand disease characteristics, drug mechanisms of action, and drug efficacy ・Promote disease knowledge, provide advice on disease courses, and offer transfer services ・Implement patient care and continuous follow-up during treatment course ・Promote empowerment of local healthcare and medical industries to expand our external scope of social influence
Responsible Units	・PharmaEssentia and subsidiary marketing departments and medical affairs teams ・The Executive Center for Corporate Sustainability Access to Health Care Team is responsible for compiling and managing material sustainability topics
Response Measures and Management Actions	・PharmaEssentia and all subsidiaries actively participate in and share experiences through medical lectures; we also enthusiastically participate in local community activities to promote local empowerment ・Our subsidiary Panco established an MPN health education platform where patients can interact with physicians, and worked with TMPNA to host MPN Awareness Day health education lectures and the first TMPNA member conference, supporting health education for patients in Taiwan ・PharmaEssentia USA launched the patient support program SOURCE and BESREMi.com ・PharmaEssentia Japan launched a patient support program in Japan which includes a website and related supporting activities
Evaluation Mechanisms	・Regular review of all budgets and executions associated with marketing activities and seminars hosted over the year by the marketing departments and medical affairs teams at PharmaEssentia Taiwan and subsidiaries ・Regular review of plans and executions for industrial information-sharing activities
Targets for 2025	Taiwan: ・Continue to provide the latest health education information ・Continue to work with TMPNA on hosting patient health education activities US： ・Continue to operate US “SOURCE patient support program” to assist US patients, and also operate a Patient Care Specialist program that provides full support for patient services Japan： ・Promote patient support programs to help patients understand their disease and reduce out-of-pocket expenses
Achievements in 2025	Taiwan: ・PharmaEssentia and Panco jointly hosted 30 seminars for healthcare professionals and patients ・Added 26 interactive health education articles on MPN iCare and interacted with more than 300 patients and family members ・Sponsored 3 patient health education seminars organized by TMPNA ・Provided individual case management and care to a cumulative total of 101 patients US： ・Hosted 6 PV in Focus patient exchange activities ・Participated in ASH Foundation Run/Walk event and Blood Cancer United Light the Night Japan： ・Multimedia health education content reached 480,000 viewers ・Sponsored Tsubasa Fund II, benefiting a cumulative total of 29 patients ・Continued to promote patient support programs to help patients understand their disease and reduce out-of-pocket expenses
Short-Term Targets (1-2 Years)	Taiwan: ・Continue to provide the latest health education information ・Continue to work with TMPNA on hosting patient health education activities US： Continue to operate US “SOURCE patient support program” to assist US patients, and also operate a Patient Care Specialist program that provides full support for patient services Japan： ・Promote patient support programs to help patients understand their disease and reduce out-of-pocket expense
Mid-Term Targets (3-5 Years)	・Continue to work with patient organizations from various countries on joint promotion of BESREMi® and promote related health education activities to strengthen understanding of disease treatment ・Continue to expand activity scope and stakeholder engagement into local medical organizations and institutes ・Promote patient support programs in countries where BESREMi® has secured marketing authorization and increase global coverage rate ・Accelerate R&D of BESREMi® in other MPN disease domains and expand use of BESREMi® to treatment of other diseases ・Track international initiatives and issues, and review investable resources and benefits ・Help patient organizations in Taiwan connect with international patient organizations to share treatment experiences
Long-Term Targets (More Than 5 Years)	・Obtain marketing authorizations for BESREMi® in more countries around the globe, and establish comprehensive local medical care and community participation measures for rare diseases to make positive contributions toward and exert our influence on global rare disease medical systems, the industry, and society in general ・Help patient organizations in Taiwan connect with international patient organizations to share treatment experiences

PharmaEssentia monitors MPN-associated topics and provides long-term health education and healthcare resources to patients, healthcare professionals, and medical experts to help patients and related personnel better understand disease courses while also helping patients obtain complete care and support. We provide health services for all stages of the patient journey, including disease awareness and screening, MPN diagnosis confirmation and treatment, and all-encompassing post-diagnosis patient care as part of our comprehensive services.

1.Patients: Accompanying and Caring for Patients on the MPN Journey

PharmaEssentia accompanies patients through all stages of treatment. We continue to enhance patient understanding of their diseases and treatments through patient associations and patient support programs. Our services include disease awareness and screening, diagnosis confirmation and treatment, and complete patient care cycles. We not only help patients obtain comprehensive medical and healthcare resources, but also share the latest information on MPN medications with medical personnel and healthcare professionals through regular academic seminars to make positive contributions to related communities and patients.

MPN patient journey			
Stage	1. Disease Awareness and Screening	2. Diagnosis Confirmation and Treatment	3. Complete Patient Care Cycl
Support and Empowerment	• Disease knowledge • Understanding of medical specialties • Seeking medical attention and undergoing the ri	• Diagnosis confirmation • Timely treatment • Appropriate medications	• Complete treatment cycle • Progress tracking
Stakeholders	Patients, patient families, medical personnel	Patients, patient families, medical personnel, experts	Patients, patient families, medical personnel

Patient Health Education Activities

PharmaEssentia continues to support patient health education activities in countries where we have obtained marketing authorization. We have established the following online health education websites in accordance with local regulations:

WHAT'S NEXT PV:

One of the main health education websites in the US, which aims to help the public understand disease knowledge and disease risks. We hope this platform can connect patient communities, enable all patients to receive comprehensive physical and mental support during their treatment courses, and facilitate smooth communications with medical personnel.

BESREMi:

Helps patients in the US understand medications and treatments

Case Management and Community Empowerment

To help patient receive comprehensive care, PharmaEssentia has established patient support programs which actively support patient health education activities and case management, implement continued safety monitoring, reduce patient financial burdens, and promote complete treatments. We helped to establish the Taiwan Myeloproliferative Neoplasms Association (TMPNA) in Taiwan, and support the Patient Power Foundation and the MPN Research Foundation in the US.

Key achievements were as follows:

Post-market surveillance:

In countries where BESREMi® has been approved, PharmaEssentia continues to collect safety information which is used for updating DSURs/PSURs and for assessing BESREMi® risks and benefits. So far, none of our products and services have violated health and safety regulations.

Continued sponsorship of TMPNA: We sponsored a total of 3 MPN patient health education lectures in 2025 and supported patient support programs.

MPN iCare: Added 26 interactive health education articles for more than 300 patients and patient family members in 2025.

US Patient Power Foundation:

Provides support for PV patients during treatment and promotes accurate treatment information, conducts patient education and training through online digital programs, facilitates doctor-patient dialogue, and enhances public understanding of comprehensive patient care.

Support for MPN patient organizations and international education activities:

Supports the activities of major patient organizations in North America, including MPN Research Foundation, Canadian MPN Research Foundation, MPN Advocacy & Education International, Patient Power, and PV Reporter; enables online information-sharing and face-to-face activities to enhance patient education and exchanges; disseminates information related to disease diagnosis, treatment targets, and disease course; and helps the MPN community better understand the medical benefits of BESREMi®.

MPN Research Foundation and clinical trial search engine:

We helped to establish the MPN Research Foundation clinical trial search engine which provides matchmaking channels that assist MPN patients and their doctors in finding appropriate clinical trials for subsequent treatment.

Patient case management support:

Case management in Taiwan: Tracks treatment courses and subsequent medication reactions of individual patients for each project. As of 2025, a total of 101 patients have joined the case management and care program.

US drug compliance tracking: If patients discontinue medication use due to adverse reactions, PharmaEssentia will receive discontinuation notifications through specialty pharmacies; these discontinuations are recorded in pharmacovigilance plans for subsequent tracking.

Patient support program (Please refer to 6.1 Accessibility, Affordability and Availability of Medicines)

Compassionate treatment (Please refer to 6.1 Accessibility, Affordability and Availability of Medicines)

Taiwan Myeloproliferative Neoplasms Association (TMPNA)

TMPNA
台灣骨髓增生性腫瘤關懷協會
Taiwan Myeloproliferative Neoplasms Association

MPN iCare

MPN 好醫 iCare 相隨

2.Medical and Professional Personnel: Clinical Trials and Healthcare Knowledge Exchanges

Clinical Experience Promotion and International Exchanges

In terms of disease diagnosis and treatment, we organized a wide range of medical education programs in markets where our products have been launched, published research findings in leading medical journals, and supported Taiwanese physicians in participation of international hematology conferences to promote global medical exchanges while contributing to advances in public health. PharmaEssentia actively gathered feedback from stakeholders through seminars and clinical information-sharing activities to better understand diverse perspectives such as Taiwanese physician views on PV treatment goals, improvements in disease awareness among patients and their families, and suggestions on strengthening muscle function through rehabilitation to reduce spontaneous bleeding risks. We also simplified complex scientific and medical information and created patient education and medication guidance materials that are easy for patients, family members, and caregivers to understand, further enhancing patient care quality. Key events in 2025 are summarized below:

- 2025 American Society of Hematology Annual Meeting: Presented progress on PMF research.
- Education and training for medical personnel in the US: PharmaEssentia USA sponsored continuing medical education institutes in offering medical education resources, including the most cutting-edge PV treatment information.
- PharmaEssentia USA hosted the CR&T International Patient Symposium on MPNs and the International Congress On MPNs in 2025.
- PharmaEssentia USA attended the 2025 Society of Hematologic Oncology Annual Meeting, and jointly discussed and shared the latest findings and innovative achievements on treatments for hematologic malignancies with experts from around the world.
- PharmaEssentia USA attended the 2025 J.P. Morgan Healthcare Conference.
- PharmaEssentia USA is a long-term supporter of MPN Advocacy & Education International, and was honored to sponsor the Annual Women & MPN Conference held in New York City on September 26.
- 2025 Japanese Society of Hematology Annual Meeting: Supported 2 Taiwanese physicians in presenting research on Ropeginterferon
- MPN Asia Annual Meeting: PharmaEssentia has sponsored the MPN Asia Annual Meeting since 2016 to promote sustainable health and social inclusion. As of 2025, the MPN Asia Annual Meeting has successfully been hosted 8 times, demonstrating PharmaEssentia's innovations, contributions, and social influence in the MPN rare-disease domain. MPN Asia 2025 was held in Beijing, China, and nearly 100 important stakeholders around the world were in attendance.

- PharmaEssentia co-hosted an academic seminar in Singapore with the Hematology Society of Taiwan, which was attended by nearly 100 stakeholders.
- PharmaEssentia co-hosted an academic seminar in Hong Kong with The University of Hong Kong, which was attended by nearly 80 stakeholders.
- PharmaEssentia sponsored the 2025 Joint Annual Congress of Taiwan Society of Blood and Marrow Transplantation (TBMT) and Hematology Society of Taiwan (HST) to enhance physician knowledge of the latest developments in the MPN field, strengthening clinical understanding of the therapeutic efficacy of long-acting interferon alfa-2b.

Regular seminars/empowerment activities hosted by PharmaEssentia in 2025			
Organizing unit	Activity	Activity aim	Frequency
PharmaEssentia (Taiwan) and Panco Healthcare	MPN Asia Annual Meetin	Enhance understanding of MPN and drug treatment options	Annually
	Joint Annual Congress of Taiwan Society of Blood and Marrow Transplantation (TBMT) and Hematology Society of Taiwan (HST)		Annually
	Regional seminars		Annually
	Hospital seminars		Once every two months
	MPN case manager training	Enhance understanding of MPN and patient care	Annually
	Patient activities	Enhance patient understanding of MPN	Quarterly
PharmaEssentia Japan	BESREMi® online seminar	Promote BESREMi® usage information to enhance understanding of MPN and drug treatment options	Monthly
	Second BESREMi® Multinational Event		Annually
	Collaborated with and participated in various annual meetings of medical societies in Japan, including Japanese Society for Transplantation and Cellular Therapy (JSTCT), Japanese Society on Thrombosis and Hemostasis (JSTH), and Japanese Society of Hematology (JSH)		Annually
PharmaEssentia USA	Hospital seminars, national/state/local seminars	Promote and introduce information on BESREMi® and PV.	On an ad hoc basis

PharmaEssentia USA hosted the CR&T International Patient Symposium on MPNs and the International Congress On MPNs

PharmaEssentia USA sponsored the Annual Women & MPN Conference

J.P. Morgan Healthcare Conference

MPN Patient Symposium

Third TMPNA Member Conference and Health Education Seminar

Empowerment Programs and Community Empowerment

Apart from proactively participating in international academic activities, PharmaEssentia also emphasizes education & training of healthcare professionals and community engagement. In 2025, PharmaEssentia and Panco jointly supported and organized 30 seminars of various scales for healthcare professionals and patients to enhance clinical knowledge on MPN and treatment options. We also hosted patient forums and arranged for physicians to promote information on MPN through the media.

Activit	Participating Personnel	Activity Achievements
TMPNA member conference	Healthcare professionals, patients, and patient families	Enhance MPN knowledge (MPN gene mutation types and treatment outcomes)
Sin-Lau Hospital World Hemophilia Day health education activities		Enhanced patient muscle strength and reduced risks of sudden bleeding through rehabilitation
Patient activities	Healthcare professionals and patients	Enhanced disease management knowledge

PharmaEssentia USA actively works to strengthen MPN patient support and education, and is a long-term sponsor of several leading patient and rare disease organizations, including MPN Advocacy & Education International, MPN Research Foundation, NORD, Cancer Research & Treatment Fund, and The Leukemia & Lymphoma Society (New England Chapter).

In terms of community engagement, PharmaEssentia USA continues to invest in charity events associated with leukemia such as Blood Cancer United's Light the Night event hosted in Boston and ASH Foundation Run/Walk. Our patient initiative team also traveled to Marrakech, Morocco to participate in the MPN Horizons Conference, connect with the global MPN community, gain the latest insights, strengthen collaborations, and improve our patient support initiatives.

PharmaEssentia USA hosted a total of 6 PV in Focus exchange activities across the US, enabling patients to interact directly with multiple experts as well as alleviate stress, thereby strengthening the supportive power of the patient community through sharing and adaptation activities. In addition to patient support programs, PharmaEssentia USA also proactively participated in international medical and industry conferences, including the 2025 Society of Hematologic Oncology Annual Meeting and the J.P. Morgan Healthcare Conference. We continued to strengthen our collaborative network and share innovative achievements with global industrial and academic leaders, demonstrating our commitment and momentum in advancing treatment for blood disorders and enhancing patient well-being.

PharmaEssentia USA participated in ASH Foundation Run/Walk

PharmaEssentia USA participated in Blood Cancer United Light the Night

PharmaEssentia USA attended the MPN Horizons Conference

PharmaEssentia USA hosted PV in Focus activities

In Japan, PharmaEssentia Japan proactively promoted patient education and support measures associated with hematologic diseases, and delivered educational disease information through digital and media channels, strengthening health literacy associated with PV and ET through multiple channels. Our social media patient education promoted reached 480,000 people. We also collaborated with NHK and representative experts to develop patient-oriented educational materials, and leveraged nationally broadcast health programs to enhance disease awareness.

PharmaEssentia Japan empathizes with the burdens patients face during their treatment journeys and supported the "Tsubasa Fund II" financial assistance program, which was specifically established by the NPO Tsubasa for patients just starting PV and ET treatment. A cumulative total of 29 patients have benefited from this program as of 2025. PharmaEssentia Japan also actively promotes patient support programs (please refer to 6.1 Accessibility, Affordability and Availability of Medicines). We work to ensure that patients receive timely and appropriate treatment by combining information dissemination with substantive medical expense assistance, and continue to strengthen our commitment to patient care and medical access.

6.3 Social Philanthropy

PharmaEssentia is focused on patients, older adults, schoolchildren, women, and other minorities in society. Apart from the aforementioned access to MPN medicines and healthcare empowerment, we also use our manpower and financial resources to provide long-term support for many charity activities such as health promotion in rural areas, biodiversity education for schoolchildren, and sponsorships for local classical music activities as we work to build our social influence.

1.Older Adults: Telehealth Promotion Program for Rural Areas to Eliminate Health Disparities

PharmaEssentia continued to collaborate with NPO Digital Humanitarian Association and utilized the WaCare telehealth platform to provide services to communities in Taitung with relatively limited medical resources. In 2025, physicians, physical therapists, occupational therapists, nutritionists, psychologists, sports specialists, and other professional instructors designed online courses customized for older adults. We launched the program at several locations, including the Taitung Second Dementia Care Building, Taimali Dawang Site, Donghe Taiyuan Site, and Taipei Nangang Zhongyan New Village. We prevented and delayed functional decline, improved the accessibility of medical resources in rural areas, and addressed gaps in digital and healthcare access through ICOPE and Mood Thermometer pre- and post-assessments.

Older adults actively participated in courses covering strength and aerobic exercises, Zumba, towel exercises, and dementia prevention

Feedback from participants:

- Taitung Second Dementia Care Building: The courses aligned well with the needs of older adults with cataracts, and the instructors were engaging and professional.
- Taimali Dawang Site: Participants found the dietary health information (such as the information on green lattes) to be novel, practical, and beneficial for gastrointestinal health.
- Donghe Taiyuan Site: The participants thanked the instructor for showing them stretching exercises which relieved lower back pain and discomfort, as these were very helpful for older adults with mobility difficulties.

Achievements of telehealth promotion and charity projects for older adults in rural areas in 2025

Service Target	Stakeholders	Number of Participants	Resources Invested	Activity Description	Achievements
• Taitung Second Dementia Care Building • Taimali Dawang Site • Taitung Donghe Taiyuan Site	• Older adults served by community sites • Health promotion managers • Local caregivers and family members • Medical and health experts (including specialist physicians, therapists, and exercise specialists)	• Taitung Second Dementia Care Building: 8,205 participants • Taimali Dawang Site: 4,747 participants • Donghe Taiyuan Site: 5,965 participants • A total of 18,917 participants	• PharmaEssentia invested NT$600,000 • Professional team: Comprised of 50% sports specialists, 10.5% occupational therapists, and 7.9% physicians and nurses.	• Telehealth promotion courses: As of September 2025, we have hosted a total of 109 telehealth lectures.	• Health literacy enhancement: We organized classes tailored to the mobility capabilities, cognitive capabilities, and emotional issues of older adults, as assessed using ICOPE, effectively enhancing health management and awareness in participants. • Social value: The main positive impacts were helping older adults establish telehealth habits, promoting community cohesion, and reducing caregiver stress through stakeholder engagement. • Carbon reduction benefits: We delivered courses through online instead of in-person channels to reduce carbon emissions generated from travel. • SROI analysis revealed that this program generated NT$12.27 of social value for every NT$1 of investment.

2.Schoolchildren: Diverse Educational Experiences for Strengthening Environmental Literacy and Spatial Awareness

Support In-Depth Educational Experiences and Cultivate Biodiversity Awareness

PharmaEssentia worked with Jane Goodall Institute, a non-profit organization, to help elementary school students develop an interest in plants, the environment, and animals, aiming to cultivate green youth leaders and encourage the next generation to protect Earth and the environment.

2025 Biodiversity Hope Box “The World of Plants” Project Achievements					
Service Target	Stakeholders	Number of Participants	Resources Invested	Activity Description	Achievements
• Shipai Elementary School, Beitou District, Taipei • Donghu Elementary School, Linkou District, New Taipei City • Daya Elementary School, Daya District, Taichung City • Sanhe Elementary School, Daya District, Taichung City	• School teachers • Schoolchildren	• A total of 117 teachers and students participated in the course and showcased their achievements	• PharmaEssentia invested NT$200,000 • Education resources: We provided “Biodiversity Surprise Box” teaching materials and natural dyes (such as cape jasmine fruits) for a hands-on crafting experience	• On-campus courses: We conducted 3 sessions (2 classes per session) at each school, making a total of 6 classes • The course covered four core themes: Connect (Biodiversity Surprise Box), Learn (Uses of Plants and Fruits), Act (Handmade Shadow Puppets), and Celebrate (Performance Showcase).	• Enhanced understanding: 98% of students better understood the importance of plant and animal interdependence after listening to the stories. • Skill mastery: 100% of participants learned how to make and operate shadow puppets. • Strengthened awareness: Helped students understand the “One Health” relationship linking the environment, animals, and human health.

Biodiversity Surprise Box Course and Student Creations

Feedback from teachers: We thank PharmaEssentia for their support and for organizing the Biodiversity Surprise Box course, which helped the students learn through observation, discussion, and hands-on crafting of shadow puppets.

Student feedback:
“This course gave me a better understanding of animals and plans, and I also learned how to create a unique shadow puppet show that I performed in front of other students.”

“I was most interested in drawing the butterflies and cutting out their wings. Although it was difficult, I learned a lot and hope to take this course again.”

Partnered with the Taipei Performing Arts Center to Teach Schoolchildren Physical Expression Skills

PharmaEssentia and Taipei Performing Arts Center jointly sponsored a program for promoting arts education at elementary schools which was taught by Dance Forum Taipei. Students were asked to move along to musical rhythms and melodies so they could develop physical expression and perceptual capabilities, which helped them to trust their bodies and build their confidence for self-expression in a relaxed environment.

2025 Dance Forum Taipei Campus Creativity Outreach Program					
Service Target	Stakeholders	Number of Participants	Resources Invested	Activity Description	Achievements
• Dongmen Elementary School, Zhongzheng District, Taipei City	• Taipei Performing Arts Center • Dance Forum Taipei • School teachers • Schoolchildren	• A total of 471 students participated in this program (including 20 students with special needs) • 18 music and physical education teachers participated in this program • The total number of participants was 1,029 people	• PharmaEssentia provided a sponsorship of NT$350,900 • 10 administrative personnel	• 1 instructor empowerment workshop • A total of 42 classe	• Student benefit ratio was 1:47.1 • Students developed concentration skills, emotional awareness, and the ability to empathize with others through this physical expression experience. • The teachers and students enjoyed the course immensely, and lower- and middle-grade teachers expressed interest in booking future classes.

Supplementary note:

- Equality in education: The course was open to students with special needs, who responded positively to instructor guidance, demonstrating that art can provide equitable means of expression.
- Teacher empowerment: A teacher workshop was held on June 25, 2025 for 18 music and physical education teachers.

Feedback from teachers: “The course was enthusiastically received by lower- and middle-grade students. We hope an enhanced version of this course can be offered again in the coming autumn”; “We expect there could be greater benefits if our school could first give us some background knowledge.”

Feedback from Dance Forum Taipei: “Our biggest motivation stemmed from the children’s natural physical coordination skills. We thank PharmaEssentia for helping us bring art into schools”; “Students with special needs also possess dancing abilities. They responded very well to our instructions, which encouraged us to continue developing course content.”

3.Support for Domestic Cultural Development: Sponsoring Art Outreach Programs to Enhance Public Aesthetic Literacy

PharmaEssentia believes that corporate values stem from long-term social contributions. We therefore focused our social actions on culture and art, child education, charity initiatives, and social inclusion to promote educational equity, access to culture, and social resilience. We have long supported performance groups, arts and culture organizations, and artist exhibitions and performances. We also sponsored domestic films, music, and reading promotion activities, and collaborated with art galleries, museums, and local culture institutions to expand cultural participation and create sustained positive social impacts. In 2025, our total sponsorships exceeded NT$3 million. Relevant activities are listed below and more information can be found at this link.

No.	Sponsored Event	Event Description
1	Taipei Male Choir: Unbanned Songs, Unbowed Souls	Sponsorship amount: NT$300,000
2	PaperWindmill Theatre: Saving Faust	Sponsorship amount: NT$200,000
3	Taiwan Public Welfare League: 2025 Appreciation Concert	Sponsorship amount: NT$200,000
4	All U People Theatre: Ximending District	Sponsorship description: Purchased 60 tickets amounting to NT$169,150
5	Story Works: Tears On Fire The Musical	Sponsorship description: Purchased 100 tickets amounting to NT$204,000
6	Give Meet Five: Three Unmarried Women Musical	Sponsorship description: Purchased 114 tickets amounting to NT$250,100
7	National Taichung Theater Sponsorship	Sponsorship amount: NT$500,000
8	One Song ORCHESTRA 2025 New Year Concert Sponsorship	Sponsorship amount: NT$1,000,000
9	2025 Taiwan Music Festival	Sponsorship description: Purchased 50 tickets amounting to NT$54,000
10	Private screening at Vieshow Cinemas: A Chip Odyssey	Sponsorship description: Purchased tickets and snacks amounting to NT$126,320
11	2025 Taiwan Film Festival of Boston Sponsorship	Sponsorship amount: US$1,000
12	Dance Forum Taipei: Campus Creativity Outreach Program Sponsorship	Sponsorship amount: NT$350,900

Appendices

Appendix 1. IFRS S1/S2 Implementation Progress

The Financial Supervisory Commission has released a roadmap for alignment with the International Sustainability Standards Board (ISSB) Sustainability Disclosure Standards IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and S2 Climate-related Disclosures. PharmaEssentia is classified as a Phase III adoption company, and will be required to adopt these standards and disclose related information in annual reports starting from 2029.

We continue to monitor policy developments and disclosure templates released by competent authorities in preparation for future regulatory requirements, and plan to gradually implement IFRS S1/S2 frameworks. Preliminary processes (which include establishment of a cross-departmental task force, taking inventory of existing sustainability information disclosure foundations, assessing discrepancies with IFRS S1/S2 requirements, and determining potential impacts) are scheduled to commence in the second half of 2026 to the first half of 2027.

We plan to establish related management mechanisms and data collection processes in the second half of 2027 to strengthen identification of sustainability risks and opportunities, incorporate internal control mechanisms, and connect sustainability and financial information. Trial disclosures and process optimizations will be implemented in 2028 for continued strengthening of information quality and disclosure integrity, and we will make adjustments based on the latest guidelines released by competent authorities.

We will gradually complete future implementations in accordance with the schedules issued by competent authorities to ensure that sustainability-related financial information officially disclosed in 2029 adheres to IFRS S1/S2 requirements and market expectations, and we will also continue to enhance information transparency and decision usefulness.

Appendix 2. GRI Standards Index

Statement of use: This Sustainability Report for 2025 has been compiled by PharmaEssentia in accordance with GRI standards, with disclosed information covering the period from January 1 to December 31, 2025.

Version of GRI 1 referenced: GRI 1: Foundation 2021

GRI sector standards referenced: None

GRI Standards Index

GRI 2: General Disclosures 2021		
GRI Disclosures	**Corresponding Sections**	**Page**
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2-2 Entities included in the organization’s sustainability reporting	About This Report	P.4
2-3 Reporting period, frequency and contact point	About This Report	P.4
2-4 Restatements of information	About This Report	P.4
2-5 External assurance	About This Report	P.4、173
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2-8 Workers who are not employees	5.2 Diversity and Inclusion	P.110
2-9 Governance structure and composition	2.1 Corporate Governance Framework	P.30
2-10 Nomination and selection of the highest governance body	2.1 Corporate Governance Framework	P.30
2-11 Chair of the highest governance body	2.1 Corporate Governance Framework	P.30
2-12 Role of the highest governance body in overseeing the management of impacts	1.2 Sustainable Governance Organizational Structure	P.14
2-13 Delegation of responsibility for managing impacts	1.2 Sustainable Governance Organizational Structure	P.14
2-14 Role of the highest governance body in sustainability reporting	1.2 Sustainable Governance Organizational Structure	P.14
2-15 Conflicts of interest	2.1 Corporate Governance Framework	P.30
2-16 Communication of critical concerns	2.1 Corporate Governance Framework	P.30
2-17 Collective knowledge of the highest governance body	2.1 Corporate Governance Framework	P.30
2-18 Evaluation of the performance of the highest governance body	2.1 Corporate Governance Framework	P.30
2-19 Remuneration policies	2.1 Corporate Governance Framework	P.30
2-20 Process to determine remuneration	2.1 Corporate Governance Framework	P.30
2-21 Annual total compensation ratio	2.1 Corporate Governance Framework	P.30
2-22 Statement on sustainable development strategy	Message from the Management Team	P.5
2-23 Policy commitments	5.1 Human Rights Assurance	P.104
2-24 Embedding policy commitments	5.1 Human Rights Assurance	P.104
2-25 Processes to remediate negative impacts	2.3 Risk Management 5.1 Human Rights Assurance	P.40、106、107
2-26 Mechanisms for seeking advice and raising concerns	2.3 Risk Management 5.1 Human Rights Assurance	P.40、106、107
2-27 Compliance with laws and regulations	2.2 Business Integrity and Legal Compliance	P.36
2-28 Membership associations	2.1 Corporate Governance Framework	P.30
2-29 Approach to stakeholder engagement	1.3 Stakeholder Engagement	P.16
2-30 Collective bargaining agreements	No unions have been established at the Company, and therefore we have no collective bargaining agreements. We organize regular labor-management meetings to serve as a communication channel for employees.	P.106、107

GRI Standards	GRI Disclosures	Corresponding Sections	Page
GRI 3: Material Topics 2021	3-1 Process to determine material topics	1.4 Materiality Assessment	P.19
	3-2 List of material topics	1.4 Materiality Assessment	P.19
1. Pharmaceutical Marketing and Labeling			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 3.3 Pharmaceutical Marketing Ethics and Labeling	P.19、79
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	3.3 Pharmaceutical Marketing Ethics and Labeling	P.79
	417-2 Incidents of non-compliance concerning product and service information and labeling	3.3 Pharmaceutical Marketing Ethics and Labeling	P.79
	417-3 Incidents of non-compliance concerning marketing communications	3.3 Pharmaceutical Marketing Ethics and Labeling	P.79
2. New Drug R&D Management and Clinical Trials			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 3.1 New Drug R&D Management and Clinical Trial	P.19、60
Self-Defined Topic-Self-Defined Indicator	Self-defined topic: R&D expenditures as a percentage of revenue	3.1 New Drug R&D Management and Clinical Trials	P.60
3. Drug Quality and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 3.2 Drug Quality and Safety	P.19、67
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.2 Drug Quality and Safety (Note: BESREMi®, PharmaEssentia’s only product currently on the market, has undergone associated pharmacovigilance measures.)	P.67
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Drug Quality and Safety	P.67
4. Data Security and Privacy Protection			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 2.4 Data Security and Privacy Protection	P.19、44
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Data Security and Privacy Protection	P.44
5. Access to Medicine			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 6.1 Access to Medicine	P.19、149
Self-Defined Topic-Self-Defined Indicator	Number of patients and obtained marketing authorizations	6.1 Access to Medicine	P.149
6. Human Capital Management and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 5.3 Talent Cultivation and Career Progression	P.19、116
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.4 Talent Attraction and Retention	P.125
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.4 Talent Attraction and Retention	P.125
	401-3 Parental leave	5.4 Talent Attraction and Retention	P.130
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	5.1 Human Rights Assurance	P.104

GRI Standards	GRI Disclosures	Corresponding Sections	Page
6. Human Capital Management and Development			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.3 Talent Cultivation and Career Progression	P.116
	404-2 Programs for upgrading employee skills and transition assistance programs	5.3 Talent Cultivation and Career Progressio 5.4 Talent Attraction and Retention	P.116-120、 p.132
	404-3 Percentage of employees receiving regular performance and career development reviews	5.3 Talent Cultivation and Career Progression	P. 116
7. Business Integrity and Ethical Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 2.2 Business Integrity and Legal Compliance	P. 19、37
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	2.2 Business Integrity and Legal Compliance	P. 37
	205-3 Confirmed incidents of corruption and actions taken	2.2 Business Integrity and Legal Compliance	P. 37
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.2 Business Integrity and Legal Compliance	P. 37
GRI 415: Public Policy 2016	415-1 Political contributions	Operational Performance	P.10
8. Doctor-Patient Relationships and Local Empowerment			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 6.2 Patient Care and Global Health Empowerment	P. 19、155
Self-Defined Topic-Self-Defined Indicator	Organization of health education activities	6.2 Patient Care and Global Health Empowerment	P. 166
9. Energy and Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	1.4 Materiality Assessment 4. Sustainable Environment	P. 19、82
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.2 Energy Management	P. 94
	302-3 Energy intensity	4.2 Energy Management	P. 94
	302-4 Reduction of energy consumption	4.2 Energy Management	P. 94
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	4.3 Water Stewardship	P. 95
	303-2 Management of water discharge-related impacts	4.3 Water Stewardship	P. 95
	303-3 Water withdrawal	4.3 Water Stewardship	P. 95
	303-4 Water discharge	4.3 Water Stewardship	P. 95
	303-5 Water consumption	4.3 Water Stewardship	P. 95
GRI 306: Effluents and Waste 2016	306-3 Significant spills	No associated incidents occurred in 2025.	P.100
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.4 Waste and Pollution Management	P. 97
	306-2 Management of significant waste-related impacts	4.4 Waste and Pollution Management	P. 97
	306-3 Waste generated	4.4 Waste and Pollution Management	P. 97
	306-4 Waste diverted from disposal	4.4 Waste and Pollution Management	P. 97
	306-5 Waste directed to disposal	4.4 Waste and Pollution Management	P. 97

Appendix 3. SASB Index

Biotechnology & Pharmaceuticals

Topic	Code	Metric	Description	Corresponding Sections
Safety of Clinical Trial Participants	HC-BP-210a.1	Discussion, by region, of management process for ensuring quality and patient safety during clinical trials	Clinical trials are performed in accordance with local regulatory requirements and approved trial procedures. None of our clinical trials were suspended due to GCP (Good Clinical Practice) violations in 2025.	3.1 New Drug R&D Management and Clinical Trials
	HC-BP-210a.2	Number of inspections related to clinical trial management and pharmacovigilance that resulted in: (1) entity voluntary remediation or (2) regulatory or administrative actions taken against the entity	No associated incidents occurred in 2025.	-
	HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	No associated incidents occurred in 2025.	-
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	・PharmaEssentia enhanced the accessibility of BESREMi® by facilitating collaborations in Latin America, the Middle East, and Southern Asia through patent and technological licensing. ・PharmaEssentia adhered to the Access to Medicine Index when formulating the Group's "Access to Medicine" strategy, executive plans, annual targets, and future goals, and implements this framework through marketing authorization acquisitions and applications, doctor-patient interactions, and academic seminars.	6.1 Access to Medicine
	HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	・Not applicable ・The medicines listed on the List of Prequalified Medicinal Products are mainly used for treating HIV/AIDS, malaria, tuberculosis and other diseases, and for reproductive health. BESREMi®, PharmaEssentia's only product currently on the market, is a long-acting interferon mainly used for treatment of all severities of polycythemia vera (PV), and therefore this indicator is not applicable	6.1 Access to Medicine
Affordability & Pricing	HC-BP-240b.2	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	Percentage changes in average list prices and average net prices for BESREMi® from 2024 to 2025 were as follows: (1) List price: 7.78% (2) Net price: 4.02%	6.1 Access to Medicine
	HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous reporting period		
Drug Safety	HC-BP-250a.1	Products listed in public medical product safety or adverse event alert databases	No associated incidents have occurred as of year-end 2025.	-
	HC-BP-250a.2	Number of fatalities associated with products	No associated incidents have occurred as of year-end 2025.	-
	HC-BP-250a.3	(1) Number of recalls issued, (2) total units recalled	No associated incidents occurred in 2025.	-
	HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Zero products have been accepted for takeback, reuse, or disposal.	3.2 Drug Quality and Safety
	HC-BP-250a.5	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	No associated incidents have occurred as of year-end 2025.	3.2 Drug Quality and Safety

Topic	Code	Metric	Description	Corresponding Sections
Counterfeit Drugs	HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	We established a global product traceability mechanism, introduced drug serialization, and implement drug packaging and serialization procedures in accordance with the Drug Supply Chain Security Act (DSCSA) to maintain drug quality and safety.	3.3 Pharmaceutical Marketing Ethics and Labeling
	HC-BP-260a.2	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	We will initiate product recall procedures for products with known or potential quality issues in accordance with the "Return and Recall Procedures" for appropriate handling of recalled products, and notify local competent authorities.	3.3 Pharmaceutical Marketing Ethics and Labeling
	HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, or filing of criminal charges related to counterfeit products	No associated incidents have occurred as of year-end 2025.	3.3 Pharmaceutical Marketing Ethics and Labeling
Ethical Marketing	HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	No associated incidents occurred in 2025.	3.3 Pharmaceutical Marketing Ethics and Labeling
	HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	The Medical, Legal, and Regulatory Affairs Review Committee conducts medical, legal, and regulatory reviews.	3.3 Pharmaceutical Marketing Ethics and Labeling
Employee Recruitment, Development & Retention	HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development staff	We established fair, just, diverse, and inclusive workplace environments, and set up a dual-track diverse talent development framework to cultivate management and professional talents.	5.2 Diversity and Inclusion 5.4 Talent Attraction and Retention
	HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/ senior managers, (b) mid-level managers, (c) professionals, and (d) all others	Please refer to corresponding section	5.4 Talent Attraction and Retention
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 programme or equivalent third-party audit programmes for integrity of supply chain and ingredients	• PharmaEssentia does not currently have plans to join the Rx-360 International Pharmaceutical Supply Chain Consortium, but official agencies such as EMA and TFDA all have relevant GDP regulations to ensure supply chain management associated with drug transportation and storage, and we conduct regular audits, verifications, and certification updates. • Additionally, PharmaEssentia's sustainable supply chain management procedures also ensure supplier quality and performance of other sustainability indicators. Please refer to 2.6 Sustainable Supply Chain Management.	2.6 Sustainable Supply Chain Management
Business Ethics	HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	No associated incidents occurred in 2025	2.2 Business Integrity and Legal Compliance
	HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	All employees are required to abide by seven major business conduct and ethics rules, uphold principles of fairness and justice, and avoid profiting from their positions, or manipulating or misusing information obtained through their roles.	2.2 Business Integrity and Legal Compliance
Activity Metrics	HC-BP-000.A	Number of patients treated	More than 18,000 patients have been treated as of year-end 2025.	
	HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3) Amount	(1) 1 product (BESREMi®) (2) 2 products	3.1 New Drug R&D Management and Clinical Trials

Appendix 4. TCFD Index

TCFD Index

Governance	Corresponding Sections
a) Describe the board's oversight of climate-related risks and opportunities.	4.1 Climate and Nature Actions—Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	**Corresponding Sections**
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	4.1 Climate and Nature Actions—Governance
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.	
Risk Management	**Corresponding Sections**
a) Describe the organization's processes for identifying and assessing climate-related risks.	4.1 Climate and Nature Actions—Strategy
b) Describe the organization's processes for managing climate-related risks.	
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	**Corresponding Sections**
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	4.1 Climate and Nature Actions—Governance
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

Appendix 5.Climate-Related Information of TWSE/TPEx Listed Companies

Implementation of Climate-Related Information

Indicator	Implementation status
1.Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors is the highest climate governance unit at PharmaEssentia, and is responsible for supervising and formulating climate strategies, as well as responding to net zero initiatives. The board has authorized the Executive Center for Corporate Sustainability and the Environmentally Friendly Team to promote climate management actions. The CEO is responsible for managing sustainability-related impacts and reports implementation progress and performance to the Board of Directors on a quarterly basis.
2.Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	PharmaEssentia defines short-term as 1–3 years, mid-term as 3–5 years, and long-term as more than 5 years. (1) Short-term risks: Greenhouse gas management, carbon fees, and pressures from raw material shortages. (2) Mid- and long-term risks: Renewable energy regulations and uncertainties associated with low-carbon technologies. (3) Opportunities: Market opportunities associated with resource efficiency enhancements (such as use of energy-saving equipment to reduce electricity usage) and development of drugs used for treating climate-related diseases.
3.Describe the financial impact of extreme weather events and transformative actions.	(1) Legal risks: Carbon expenditures are estimated to be around NT$1.5 million per year, and inventory and management system costs are estimated to be around NT$3 million. (2) Physical risks: Raw material shortages may increase procurement costs by 10–20%. (3) Benefits of transition actions: Investments in energy-saving equipment from 2023 to 2024 amounting to NT$5.5 million are expected to reduce carbon emissions by 78.07 tCO2e each year.
4.Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	PharmaEssentia referenced the COSO Enterprise Risk Management framework and incorporated climate risks into the "environmental risk" category of the nine major risk categories for analysis. Risk management processes include identification, assessment, management, improvement, and disclosure procedures, and responsible units implement specific practices in different departments
5.If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	We used the IPCC RCP 2.6, RCP 4.5, and RCP 8.5 scenarios to estimate changes in rainfall volumes and flood/drought risks under different temperature scenarios for our main facilities (such as our Taichung Plant). Reference parameters for assessing transition risk scenarios were taken from the IPCC Sixth Assessment Report (AR6) Shared Socioeconomic Pathways (SSPs).
6.If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Our transition plan includes continued inventories, energy-saving equipment upgrades (such as air compressor replacements), and green building certificate applications for our new Zhubei Plant. Management indicators include "greenhouse gas emission intensity" and "energy intensity."
7.If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated	PharmaEssentia has not yet utilized internal carbon pricing as a planning tool.
8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	We plan to reduce emission intensity by 24% in 2030 compared to the base year of 2022, encompassing Scope 1 and Scope 2 emissions, and we have also pledged to achieve net zero emissions by 2050. Our emission intensity in 2024 was 0.50 t/NT$ million, a decrease of 43% compared to the previous year.
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	Please refer to the information provided below and 4.2 Energy Management.

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

In terms of greenhouse gas management, PharmaEssentia (Taiwan) has fully implemented an ISO 14064-1:2018 greenhouse gas inventory management system prior to publication of our annual report.

PharmaEssentia Taichung Plant and Taipei Office greenhouse gas emissions

Unit: tCO_2e

Item	ISO14064-1	Description	PharmaEssentia Taichung Plant		PharmaEssentia Taipei Office	
			2023	2024	2023	2024
Scope 1	Category 1	Direct energy use	690.11	828.26	25	82.46
Scope 2	Category 2	Electricity from Taiwan Power Company	2,900.1	3,080.84	1,230.93	1,818.75
Scope 3	Category 3	Fuel transportation, upstream raw material transportation, downstream product transportation, employee commuting, business travel, waste transportation	122.59	106.7	0.63	496.24
	Category 4	Purchased goods, contract manufacturing, purchased services, waste treatment	747.02	819.23	247.95	
Total			4,459.82	4,835.03	1,505.5	2,397.45

Please refer to 4.2 Energy Management for greenhouse gas inventory information for the most recent 2 fiscal years as of the publication date of this Sustainability Report.

1-2-2 Greenhouse Gas Assurance Information

Greenhouse gas assurance information for the most recent 2 fiscal years as of the printing date for our Annual Report is provided below: (please refer to Appendix 7 for the most recent greenhouse gas verification statement opinion as of the publication date of this Sustainability Report)

Assurance scope: Scope 1, Scope 2, and Scope 3 for 2023 and 2024
Assurance institute: AFNOR Asia Ltd.
Assurance standard: ISO 14064-1:2018
Assurance level: Reasonable assurance for Categories 1–2 and limited assurance for Category 3–4

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Item	Implementation status
Base year	2022
Base year emissions	4,264.61 metric tons (Scope 1, 2, 3)
Reduction targets	Reduce emission intensity by 24% in 2030 compared to base year, and achieve net zero emissions by 2050.
Reduction strategy and actions	1. Enhance energy efficiency: Invested NT$5.5 million in 2024 to install energy-saving chillers and replace air compressors. 2. Renewable energy: Assess feasibility of solar power generation system installation and participation in carbon trading. 3. Responses to environmental impacts: (1) Production/environmental safety department: Our "Environmental Protection Policy" serves as an internal guideline for environmental impact prevention and response, and we have established the "Greenhouse Gas Management Procedures"; our Taichung Plant, which is our main production site, was the first location where we implemented greenhouse gas inventory processes. We achieved carbon reduction milestone targets by enhancing current measures for improving resource efficiency. (2) Procurement department: Conducts assessments based on material categories and source locales, increases backup procurement sources, seeks out green supply chains, and requires the top five suppliers by annual transaction volumes to reduce carbon emissions. (3) R&D department: Reduces environmental impacts through incorporation of bioengineering and digital transformation technologies, including: ・Reducing use of materials (reagents/solvents/toxicants) ・Assessing energy consumption and temperature controls in equipment/production methods/all production stages/all storage, transportation, and preservation processes ・Using eco-friendly and recyclable materials (4) Production department: Develops automated production processes as needed. 4. Digitalization of administrative processes: Full promotion of paper-free systems (ELN and Ariba) to reduce our carbon footprint from paper consumption. Please refer to 4.2 Energy Management for information on reduction strategies and actions for 2025.
Target achievements	Greenhouse gas emission intensity for 2024 was 0.50 tCO2e, a 43% decrease compared to 2023 (0.87 tCO2e), exceeding our annual target. Please refer to 4.2 Energy Management for more information on target achievements in 2025.

Appendix 6. United Nations Global Compact Index

United Nations Global Compact Index

The Ten Principles of the UN Global Compact		Corresponding Sections
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	5.1 Human Rights Assurance
	2. Make sure that they are not complicit in human rights abuses	
Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	5.1 Human Rights Assurance
	4. Uphold the elimination of all forms of forced and compulsory labour	5.1 Human Rights Assurance
	5. Uphold the effective abolition of child labour	
	6. Uphold the elimination of discrimination in respect of employment and occupation	
Environment	7. Businesses should support a precautionary approach to environmental challenges	4.1 Climate and Nature Actions
	8. Undertake initiatives to promote greater environmental responsibility	4.2 Energy Management; 4.3 Water Stewardship; 4.4 Waste and Pollution Management
	9. Encourage the development and diffusion of environmentally friendly technologies	
Anti-Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery	2.2 Business Integrity and Legal Compliance

Appendix 7. Statement of Independent Assurance Opinion

1 Statement of Independent Assurance Opinion

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Report No. : (TH23-002 / Version 1)

Greenhouse Gas Verification Report Opinion
THGHG23002-01

Verification Scope:	PharmaEssentia Corp 13F, No.3, Park St., Nangang District, Taipei 115, Taiwan ☒The information of other sites are listed on the subsequent page.
Verification Criteria:	ISO 14064-1 : 2018
Verification Objectives :	According to ISO 14064-3:2019, AFNOR Asia Ltd. (AFNOR ASIA) confirms that the GHG statement (GHG inventory report) of the above-mentioned organization(s) is reported in accordance with the verification criteria agreed by both parties. AFNOR ASIA performs the verification with an objective and fair position and principle (relevant, complete, consistent, accurate, and transparent).
Data Period :	From 01 01, 2024 to 12 31, 2024 (The data being viewed is historical in nature)
Verification Data :	Direct GHG Emissions (Category 1): 82.4629 tCO_2e Energy Indirect GHG Emissions (Category 2): 1818.7498 tCO_2e Indirect GHG Emissions (Category 3~6): 496.2384 tCO_2e
Global Warming Potential (GWP) :	Refer to IPCC The 06-assessment report 2021 Year
Statement Basis :	This statement must be interpreted as a whole with the following. GHG Inventory Report (Version : 2 ; Date : 08 21, 2025) GHG Inventory (Version : 2 ; Date : 08 21, 2025)
Materiality :	5% (Category 1 and Category 2)
Type of Opinion :	☒Unqualified ☐Qualified (see the subsequent page) ☐Disclaim the issuance
Verification Conclusion:	To confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which are consistent with the verification scope, objectives and criteria agreed by both parties. Declares that the reasonable assurance level of the inventory data is Category 1 and Category 2; the limited assurance level of the inventory data is Category 3 to Category 6.
Date of Issuance:	10 03, 2025

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Dr. August Tsai
Director for Certification
ON BEHALF OF
AFNOR ASIA

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Report No. : (TH23-002 / Version 1)

The Geographical Location of Multiple Sites :

Site	Address
PharmaEssentia (HQ)	13F, No.3, Park St., Nangang District, Taipei 115, Taiwan 2F-5, No.3, Park St., Nangang District, Taipei 115, Taiwan (A)Rm, 18F, No.3, Park St., Nangang District, Taipei 115, Taiwan (B)Rm, 18F, No.3, Park St., Nangang District, Taipei 115, Taiwan (A)Rm, 19F, No.3, Park St., Nangang District, Taipei 115, Taiwan
Cell Processing Center	Room C814, C819, C820, C821, C822, C823, C824, Building C, No. 99, Lane 130, Section 1, Academia Road, Nangang District, Taipei City 115, Taiwan (R.O.C.)
Panco healthcare Co,. LTD	No.177-10, Zhongzun St., Luzhu Dist., Taoyuan City 338, Taiwan (R.O.C.)

Emissions Data for Each Category :

Category	Description of Content	GHG Emissions (tCO2e)	Note
(Category 1) Direct GHG emissions	Fixed combustion sources, mobile combustion sources, process emission sources, fugitive emission sources	82.4629	
(Category 2) Indirect GHG emissions from imported energy	Electricity	1818.7498	Location-based standard
(Category 3) Indirect GHG emissions from transportation	Upstream transportation of raw materials, downstream transportation of products, employee commuting, business travel	118.3919	
(Category 4) Indirect GHG emissions from products used by the organization	Product purchases, waste disposal	377.8465	
(Category 5) Indirect GHG emissions associated with the use of products from the organization	NS	NS	
(Category 6) Indirect GHG emissions from other sources	NS	NS	

Biomass Burning Emission : 0.0000 tCO2e

Note: The presentation of data after the decimal point in this Verification Report Opinion shall follow the definition of the inventory procedures and other documents of the organization being verified; if not defined, it shall be presented by the provisions of the organizational level of MOENV: 4 decimal places.

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Report No. : (TH23-002 / Version 1)

Data for Multiple Sites :

Emission Unit: Ton CO_2e

Site	Direct GHG Emissions (Category 1)	Indirect GHG Emissions from Energy (Category 2)	Indirect GHG Emissions (Category 3~6)
PharmaEssentia (HQ) Cell Processing Center	45.5658	1,630.8235	421.3817
Panco healthcare Co,. LTD	36.8971	187.9263	74.8567

Other Related Verification Information

Organization Boundaries :	Operational control
GHG Type :	Carbon dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), Hydrofluorocarbon (HFCs), Perfluorocarbon (PFCs), Sulfur hexafluoride (SF_6), Nitrogen trifluoride (NF_3)
Purpose of Intended Use:	Voluntarily understanding the status of greenhouse gas emissions as a basis for developing reduction strategies. (This statement of responsibility applies only to the purpose of intended use mentioned above and not to any other purpose.)
Purchased Power Factor:	Refer to the 2024 annual power factor announced by the Energy Administration, Ministry of Economic Affairs on 04 14, 2025
Data Sources :	☒ The primary data is collected from on-site operation activities. ☒ Category 3~6 emissions are calculated with estimated data. The secondary data sources are: MOE Product Carbon Footprint Information Website. ☐ Others :
Verification Method:	☒ On-site ☐ Other_____
Qualified Opinion :	NO
Others :	NO
Verification Date :	08 07, 2025 ; 08 08, 2025 08 21, 2025
Report Date & Version : :	09 02, 2025, Version : 01

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Report No. : (TH23-002 / Version 1)

Verification Team and Technical Review

Lead Verifier :	Chen Hu-Mu	Signature :
Verifier :	Ai Hou Fu	Signature :
Verifier :	Rich-Lin	Signature :
Independent Review :	Lu, Mu-Cheng	Signature :

Verification Processes

AFNOR ASIA is based on risk assessment methods and controls. Evidence collection procedures are including pre-trip assessment, on-site visits, interviews with site personnel, confirmation of documented evidence provided, sampling of emission data, evaluation of data management systems, confirming the collection and compilation of emission data, analysis between production and energy consumption, and confirmation of whether the terms of the agreement referred to are properly applied.

Roles and Responsibilities

The verified organization is responsible for preparing and submitting a GHG statement in accordance with the verification criteria. This responsibility includes the planning, implementation and maintenance of data management systems related to GHG declarations, GHG inventory and GHG inventory reports.

AFNOR ASIA provides independent third-party verification of the reported GHG emissions and issues verification opinions for the organizational GHG emissions. The verification team is independent and impartial, and there is no conflict of interest.

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Report No. : (TT24-512 / Version 1)

Greenhouse Gas Verification Report Opinion

TTGHG24512-00

Verification Scope:	PharmaEssentia Corporration, Taichung Plant 3F., No. 28, Keya W. Rd., Daya Dist., Taichung City , Taiwan(R.O.C.) ☒The information of other sites are listed on the subsequent page.
Verification Criteria:	ISO 14064-1 : 2018
Verification Objectives :	According to ISO 14064-3:2019, AFNOR Asia Ltd. (AFNOR ASIA) confirms that the GHG statement (GHG inventory report) of the above-mentioned organization(s) is reported in accordance with the verification criteria agreed by both parties. AFNOR ASIA performs the verification with an objective and fair position and principle (relevant, complete, consistent, accurate, and transparent).
Data Period :	From 01 01, 2025 to 12 31, 2025 (The data being viewed is historical in nature)
Verification Data :	Direct GHG Emissions (Category 1): 866.6642 tCO_2e Energy Indirect GHG Emissions (Category 2): 2,882.0093 tCO_2e Indirect GHG Emissions (Category 3~6): 1,017.5869 tCO_2e
Global Warming Potential (GWP) :	Refer to IPCC The 6-assessment report 2021 Year
Statement Basis :	This statement must be interpreted as a whole with the following. GHG Inventory Report (Version : 3 : Date : 04 28, 2026) GHG Inventory (Version : 3 : Date : 04 28, 2026)
Materiality :	5% (Category 1 and Category 2)
Type of Opinion :	☒Unqualified ☐Qualified (see the subsequent page) ☐Disclaim the issuance
Verification Conclusion:	To confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which are consistent with the verification scope, objectives and criteria agreed by both parties. Declares that the reasonable assurance level of the inventory data is Category 1 and Category 2; the limited assurance level of the inventory data is Category 3 to Category 6.
Date of Issuance:	05 13, 2026

APPROVED BY

Dr. August Tsai
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Report No. : (TT24-512 / Version 1)

The Geographical Location of Multiple Sites :

Site	Address
Taichung Plant/Factory /Manufacturing Center	3F., No. 28, Keya W. Rd., Daya Dist., Taichung City , Taiwan(R.O.C.)
Taichung Plant/Office/ Operations Center	3F, No. 6, Zhongke Road, Daya District, Taichung City , Taiwan(R.O.C.)

Emissions Data for Each Category :

Category	Description of Content	GHG Emissions (tCO_2e)	Note
(Category 1) Direct GHG emissions	Stationary emissions, Mobile emissions, Process emissions, Fugitive emissions	866.6642	
(Category 2) Indirect GHG emissions from imported energy	Electricity	2,882.0093	Location-based standard
(Category 3) Indirect GHG emissions from transportation	Upstream transportation of raw materials, Downstream transportation of products, Employee commuting, Business travel	113.4195	
(Category 4) Indirect GHG emissions from products used by the organization	Purchased good, Waste treatment	904.1674	
(Category 5) Indirect GHG emissions associated with the use of products from the organization	NA	NA	
(Category 6) Indirect GHG emissions from other sources	NA	NA	

Biomass Burning Emission : 0.0000 tCO_2e

Note: The presentation of data after the decimal point in this Verification Report Opinion shall follow the definition of the inventory procedures and other documents of the organization being verified; if not defined, it shall be presented by the provisions of the organizational level of MOENV: 4 decimal places.

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Other Related Verification Information

Organization Boundaries: :	Operational control
GHG Type :	Carbon dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), Hydrofluorocarbon (HFCs), Perfluorocarbon (PFCs), Sulfur hexafluoride (SF_6), Nitrogen trifluoride (NF_3)
Purpose of Intended Use:	Voluntarily understanding the status of greenhouse gas emissions as a basis for developing reduction strategies. (This statement of responsibility applies only to the purpose of intended use mentioned above and not to any other purpose.)
Criteria For Significance of Indirect Emissions :	- Identified stakeholder requirements: ☒Yes ☐No - Identified regulation requirements : ☒Yes ☐No - Identified magnitude of emissions : ☒Yes ☐No - Others :
Purchased Power Factor:	Refer to the 2024 annual power factor announced by the Energy Administration, Ministry of Economic Affairs on 04 14, 2025
Data Sources :	☒ The primary data is collected from on-site operation activities. ☒ Category 3~6 emissions are calculated with estimated data. The secondary data sources are: Carbon Footprint Information Platform, MOTC, ICAO, IATA, High Speed Rail Passenger Transportation Service Carbon Footprint, TWC. ☐ Others :
Verification Method:	☒On-site ☐ Other_____
Qualified Opinion :	NO
Others :	NO
Verification Date :	04 12, 2026 (Document) 04 20&21, 2026 (On-site) 04 29, 2026 (On-site)
Report Date & Version :	05 03, 2026, Version : 01

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Report No. : (TT24-512 / Version 1)

Verification Team and Technical Review

Lead Verifier :	Chi-Chang Lin	Signature : Chi-Chang, Lin
Verifier :	Tseng Hsiang Hung	Signature : Tseng Hsiang Hung
Independent Review :	Wen-Chin Tsai	Signature : WEN-CHIN TSAI

Verification Processes

AFNOR ASIA is based on risk assessment methods and controls. Evidence collection procedures are including pre-trip assessment, on-site visits, interviews with site personnel, confirmation of documented evidence provided, sampling of emission data, evaluation of data management systems, confirming the collection and compilation of emission data, analysis between production and energy consumption, and confirmation of whether the terms of the agreement referred to are properly applied.

Roles and Responsibilities

The verified organization is responsible for preparing and submitting a GHG statement in accordance with the verification criteria. This responsibility includes the planning, implementation and maintenance of data management systems related to GHG declarations, GHG inventory and GHG inventory reports.

AFNOR ASIA provides independent third-party verification of the reported GHG emissions and issues verification opinions for the organizational GHG emissions. The verification team is independent and impartial, and there is no conflict of interest.

Independent Assurance Statement

PHARMAESSENTIA CORPORATION 2025 SUSTAINABILITY REPORT

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and PHARMAESSENTIA CORPORATION (hereinafter referred to as PharmaEssentia) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA LTD. is not involved in the preparation process of the sustainability report of PharmaEssentia.

RESPONSIBILITIES

PharmaEssentia is responsible for reporting its economic, environmental, and social operating activities and performance in Taiwan and overseas operating locations in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to PharmaEssentia and its stakeholders in accordance with the described scope and method. This statement is for PharmaEssentia use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between PharmaEssentia and AFNOR ASIA includes:

1. The scope of assurance operation is consistent with the scope disclosed in the "PHARMAESSENTIA CORPORATION 2025 SUSTAINABILITY REPORT".
2. AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating PharmaEssentia's compliance with the AA1000 AccountAbility Principles (2018).
3. The assurance operation includes reviewing and evaluating PharmaEssentia's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
   - GRI Standards.

METHODOLOGY

- The Report is reported in accordance with the GRI Standards, and the content of the Report is reviewed for compliance with the GRI Standards for general disclosure and specific topic disclosure.
- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

◆ **AA1000 Accountability Principles**

Inclusivity

PharmaEssentia has engaged in in-depth communication with stakeholders through diverse channels, integrating this into the organization's governance, strategies, and related decision-making processes to understand stakeholders' concerns regarding the organization's sustainability. Overall, the Report has consistently demonstrated the organization's concrete practices in the principle of inclusivity.

Materiality

PharmaEssentia has adopted a Double Materiality principle to identify and update material topics through external expert and stakeholder engagement mechanisms, and has developed management strategies and objectives for each material topic. Overall, the organization has demonstrated its commitment to the principle of materiality. In the future, the organization can continue to optimize its decision-making process for material topics and integrate it into its operations management, so as to conduct timely and comprehensive management of material topics in response to changes in the internal and external environment and trends.

Responsiveness

PharmaEssentia has regularly and irregularly disclosed information regarding its economic, governance, environmental, and social performance through reports, its official website, and other publicly available channels, enabling stakeholders to understand and assess the organization's governance and management performance. Overall, the organization has demonstrated concrete actions that align with the principle of responsiveness. In the future, in accordance with domestic and international reporting requirements, the organization can continue to disclose sustainability information to respond to all stakeholders through cross-regional and cross-departmental cooperation.

Impact

PharmaEssentia has provided the necessary resources to monitor and measure the overall environmental impact of its operations. The Report discloses the identified impacts and management measures, presenting the management performance of the impacts qualitatively and quantitatively, and providing appropriate information for stakeholders to understand the organization's sustainability practices. Overall, the organization has demonstrated practices that align with the principle of impact.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, based on domestic and other international reporting requirements, the organization can leverage cross-regional and cross-departmental collaboration to compile management performance data from various operating locations and provide stakeholders with comprehensive and valuable sustainability information.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by PharmaEssentia and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by PharmaEssentia provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in PharmaEssentia in 2025 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a Moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR：

Dr. August Tsai
The Director for Certification and Assessment
Jun.30.2026

AA1000
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000-84/V3-4B3AT

Verification team: Jheng-Hao Jhan (Lead Verifier), Hsing-Tsung Chang (Verifier), Ai-Hou Fu (Verifier).

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