

PharmaEssentia Biodiversity and No Deforestation Commitment

PharmaEssentia recognizes that the key to sustainable business development lies in protecting ecosystems for future generations. Therefore, the Company supports the **United Nations Convention on Biological Diversity (CBD)** and the **Sustainable Development Goals (SDGs)**, striving to safeguard the values of **biodiversity** and **no deforestation**, while actively engaging stakeholders to protect both aquatic and terrestrial ecosystems.

This policy applies to the entities covered by PharmaEssentia's consolidated financial statements, upstream suppliers, and key business partners.

Commitment

By 2050, PharmaEssentia commits to achieving **No Net Loss (NNL)** and **Net Positive Impact (NPI)** on biodiversity at its operational sites, to eliminate all forms of **gross deforestation (No Gross Deforestation)**, and to compensate through **reforestation to achieve No Net Deforestation**. The Company aims to minimize environmental impacts across its operations, suppliers, and value chain partners, and will avoid conducting activities near areas of globally or nationally important biodiversity.

Strategies

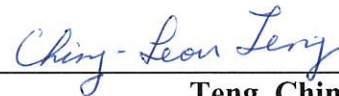
1. Require our operational activities and value chain to avoid establishing operations in areas of important biodiversity and ensure compliance with relevant regulations.
2. Ensure that business operations and the value chain do not harm protected forests or species, and avoid overexploitation or development in ecologically sensitive areas.
3. When land use changes are involved in operational activities, assess the ecological value loss and implement mitigation measures to achieve no net loss.
4. If any of our business operations or value chain activities produce any negative impacts on the biodiversity or ecosystems, we will apply the mitigation hierarchy of Avoidance, Minimization, Restoration and Offsetting to mitigate the impacts and work towards the No Net Loss (NNL) target .
5. Actively participate in biodiversity initiatives and conduct biodiversity risk assessments for our operational sites.
6. Promote biodiversity conservation awareness and strengthen environmental consciousness among stakeholders.
7. Collaborate with value chain partners and stakeholders to support ecological conservation initiatives.
8. Require suppliers to comply with biodiversity-related guidelines and refuse cooperation with any suppliers contributing to biodiversity loss.

Actions

1. 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 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/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 is also considering support for conservation and environmental actions.

2. PharmaEssentia worked with the NPO Jane Goodall Institute to help elementary school students cultivate an interest in plants, the environment, and animals, aiming to cultivate green youth leaders and encourage the next generation of citizens to continue taking action to protect the Earth and their everyday living environments.
3. In 2024, PharmaEssentia introduced multiple digital systems for various operational aspects to minimize paper and resource consumption, thereby making strides toward paper-free operations. PharmaEssentia plans to continue expanding digital systems in future. For example, the information department will explore the feasibility of developing electronic business process management (BPM) forms, and the intellectual property department is developing cloud intellectual property management systems and applications. We hope to strengthen analysis and reporting on targeted indicators to gain a better understanding of associated information which can be used to support operational judgments and decisions. We also expanded application scope of our digital intellectual property management system to include preliminary achievements by the R&D team to enable timely and comprehensive intellectual property protections.



Teng, Ching-Leou
Chairperson
PharmaEssentia Corp.

Date of Signing: Aug 14, 2025