

2.2 Business Integrity and Code of Conduct

PharmaEssentia's Commitment:

From the Board of Directors to all employees, PharmaEssentia adheres strictly to the Business Integrity and Code of Conduct. All company governance-related procedures can be accessed and downloaded from the [company's website](#).

Anti-Corruption and Anti-Bribery Measures:

PharmaEssentia has established clear policies against corruption and bribery and regularly conducts training and educational sessions for all employees and directors. In 2023, the company provided training on anti-corruption, anti-bribery, and anti-trust/anti-competitive practices. An internal control system assessment related to corruption risks conducted in 2023 revealed no corrupt activities within operational practices, and there were no incidents of corruption, anti-competitive, anti-trust, or monopolistic behaviors reported.

Board of Directors Meeting Rules:

The rules specify systems for avoiding conflicts of interest among the Board of Directors and other relevant parties. Future plans include establishing a monitoring unit under the Compliance Committee.

Employee Compliance:

All employees are required to follow seven major business conduct and ethics rules, which ensure that company personnel adhere to principles of fairness and justice in their professional duties, prohibiting profit-making from their positions or the manipulation and misuse of information obtained through their roles. The Human Resources department has established a specific reporting system for illegal activities, including corruption, by both internal and external personnel. New employees receive training on professional ethics as soon as they join the company.

In 2023, PharmaEssentia did not have any violation cases of ethical management and corporate code of conduct, nor did it receive any complaints.



2023 Initiatives:

Integrity Management Code

In 2023, the company invited the Securities and Futures Institute to conduct online training for employees, focusing on preventing insider trading and compliance with related laws. Four educational sessions were held, with a total of 186 participants and 372 training hours.

Business Ethics and Compliance Standards

To enhance awareness and understanding of pharmaceutical safety monitoring and compliance among all employees, the company's Drug Safety Monitoring Unit organizes mandatory training sessions at least once a year. In 2023, online training and feedback via questionnaires were conducted for employees at the Taiwan headquarters and subsidiary Panco, with a total of 311 participants and 155.5 training hours.

Internal Information and Insider Trading Prevention

The Audit/Legal Department organized three sessions in 2023 to educate directors, managers, employees, and subsidiary managers about regulations concerning significant information and short-term insider trading. These included online sessions and external professional presentations on current applications, opportunities, and future challenges of artificial intelligence to enhance their knowledge. A total of 42 participants attended, with 99 training hours.