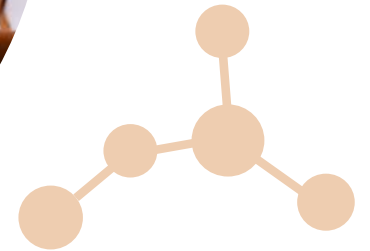


05

Employee Well-Being

5.3 Talent Cultivation and Career Progression

5.4 Talent Attraction and Retention



- 5.1 Human Rights Assurance
- 5.2 Diversity and Inclusion
- 5.3 Talent Cultivation and Career Progression
- 5.4 Talent Attraction and Retention
- 5.5 Occupational Health and Safety

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



Employee



Shareholders and Investors

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	Employees	100%	41.67%	100%
	Unreasonable salaries				
	Freedom of association				
	Collective bargaining and group agreements				
	Information security and privacy rights				
	Occupational health and safety				
		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



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 %

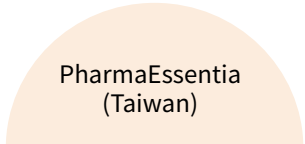
Note: Non-employees work on general administrative tasks, and relevant fees are paid to staffing agencies.

		PharmaEssentia USA								PharmaEssentia Japan					
Category	Group	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.



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%

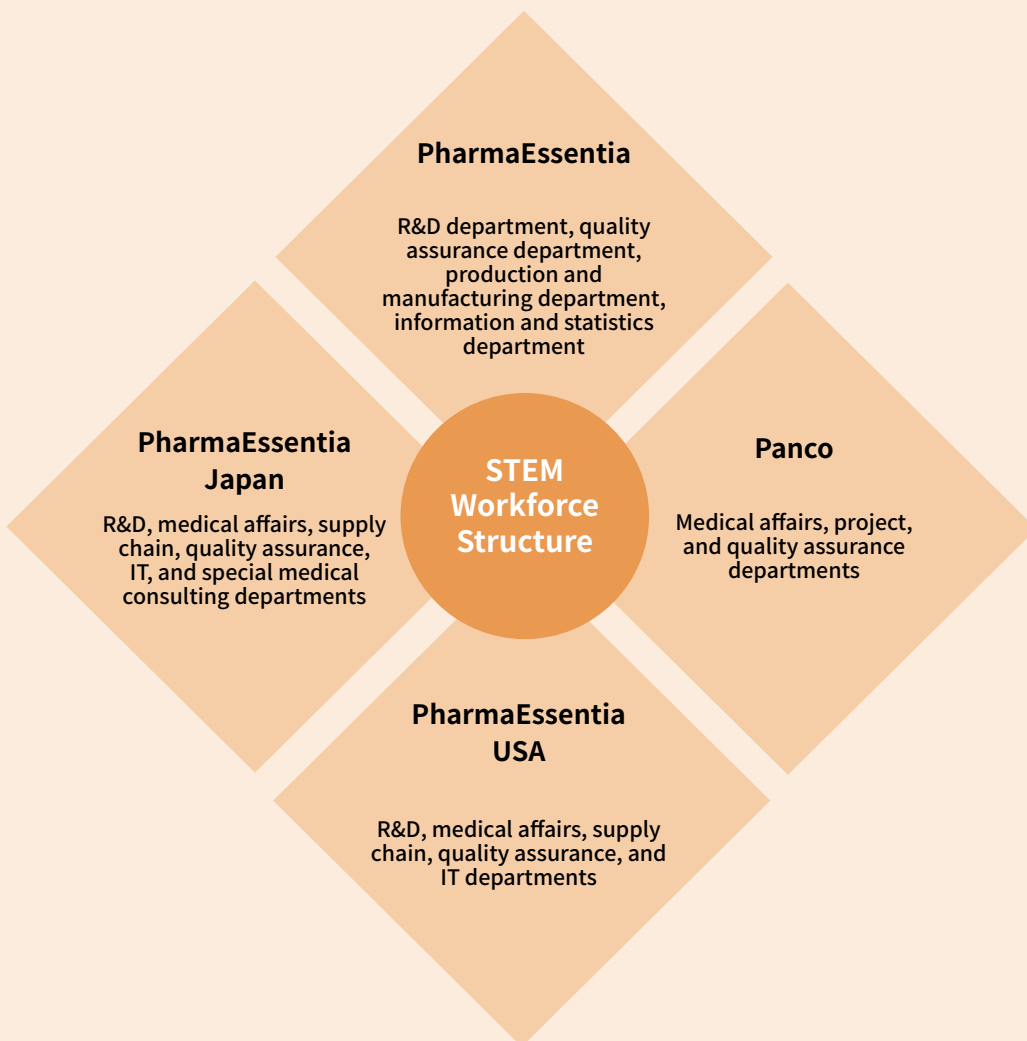
Group	Indigenous employees		Pacific Islander or other regions		Multiracial		Other		Total	
	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Workforce proportion	0	0 %	1	0.15%	3	0.46%	35	5.38%	650	100 %
Executive proportion	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	- 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% - 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 - 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)	- 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) - 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 - Optimize performance and incentive systems - Establish transparent and fair performance assessment systems - Design incentive systems and promotion channels - 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)	- 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 - 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 - Leverage AI tools to effectively improve HR administrative efficiency and optimize related systems
Mid-Term Targets (3-5 Years)	- 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 - Build good working environments - Regularly conduct and improve employee satisfaction surveys - Strengthen internal communication and supervisor coaching mechanisms - 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 - 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 - Effectively leverage AI tools and digital systems
Long-Term Targets (More Than 5 Years)	- Develop talent reserve and succession plans - Establish succession echelon for key positions - Provide leadership cultivation programs for high potential (HiPo) talents - 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 - 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 - 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 - 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 - 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

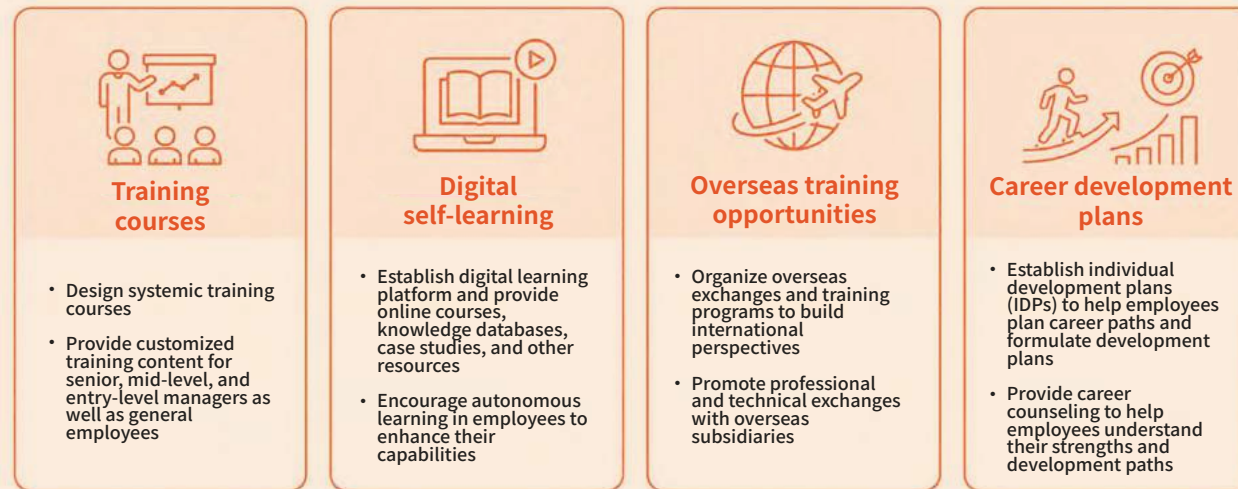
PharmaEssentia cultivates talent from three functional aspects (core values, management and leadership, and professional capabilities), thus building a comprehensive talent cultivation system. We linked our corporate culture and global strategies to create a dual-track training framework that balances 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.

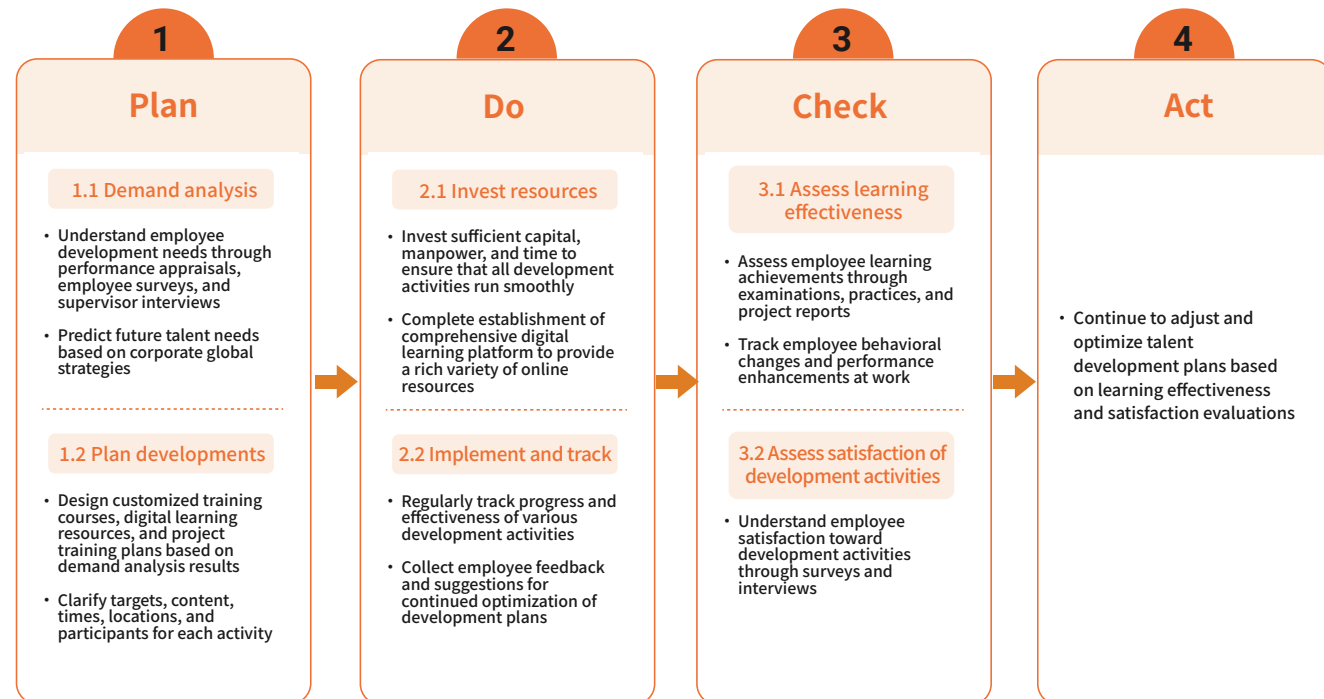
Diverse Dual-Track Talent Development Framework

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 employees preparing 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	1,541	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	1,476	1,828	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.	- 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. - 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. - 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). - 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. - Integrated more than 3,000 online courses - 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.	- 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. - 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. - 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: $\frac{\text{Number of new hires in 2025}}{\text{Number of employees at the beginning of 2025} + \text{Number of employees at the end of 2025}} \times 100\%$

Note 2: Employee growth rate: $\frac{(\text{Number of employees at the end of 2025} - \text{Number of employees at the beginning of 2025})}{\text{Number of employees at the beginning of 2025}} \times 100\%$

Note 3: Annual turnover rate = $\frac{\text{Number of departed employees in 2025}}{[(\text{Number of employees at the beginning of 2025} + \text{Number of employees at the end of 2025}) / 2]} \times 100\%$

New Hire 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	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 %

	PharmaEssentia USA								PharmaEssentia Japan					
Age	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		22	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-Manual 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

Category	Group	PharmaEssentia (Taiwan)		PharmaEssentia USA		PharmaEssentia Japan	
		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

Indicator	PharmaEssentia (Taiwan)		Panco		PharmaEssentia USA		PharmaEssentia Japan	
	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.

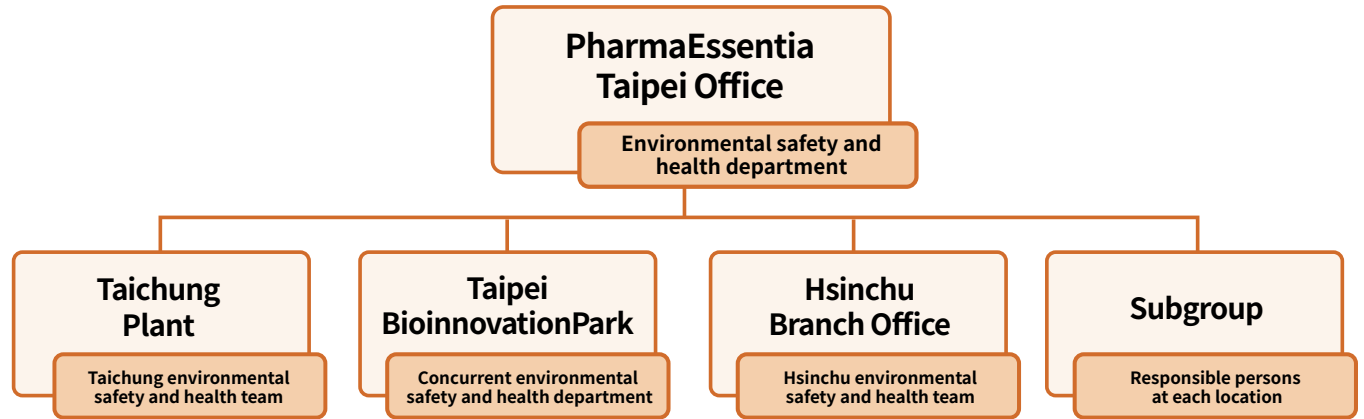
1.Established dedicated first-level unit: In 2025, we formally completed organizational adjustments to elevate the environmental health and safety management unit to a dedicated first-level unit that directly reports to the general manager. PharmaEssentia (Taiwan) carries out unified planning and management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



Comprehensive screening

We broke down processes, products, and services, and implemented detailed hazard identification procedures.



Quantitative evaluation

We inventoried existing control measures and used a quantitative matrix to identify high-risk hotspots (a total of 855 risks/opportunities were identified in 2025)



Implement improvements

For high-risk items such as "real-time fire alarms," we formulated a project management plan to reduce the likelihood of risk occurrence.



Safety commitments

Our Taichung Plant implemented institutionalized processes, achieved a record of more than 770,000 disaster-free working hours as of year-end 2025, and obtained ISO 45001 certification. We continue to build zero-hazard workplace environments for our colleagues around the globe.

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 safely 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.

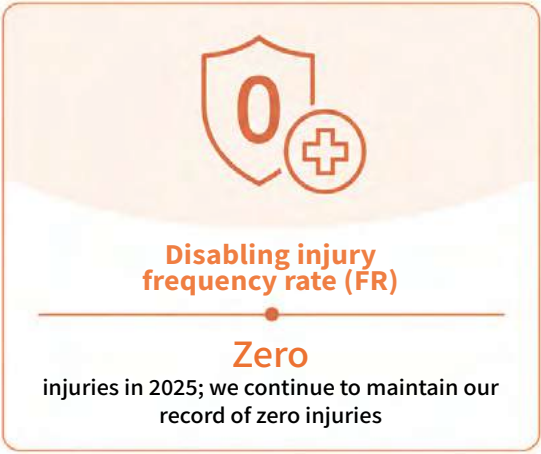
- Education and training: Employees receive regular health and safety education and training. In 2025, we provided continuing education subsidies to supervisors and personnel involved in special operations to ensure that 100% of regulatory-designated personnel comply with all applicable regulations. 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:

Management measures	Implementations and achievements															
Permit management	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.															
Management of chemical substances	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>	Management goals	Management indicators	Achievements in 2025	Complete assessments on 100% of hazardous chemical substances in our factories	CCB chemical classification management coverage rate	100%	Compliance with regulatory permissible exposure limits (PELs)	Work environment monitoring compliance rate	100%	File regular reports in accordance with law	Priority chemical reporting rat	100%	Ensure filed reports are consistent with on-site conditions	Factory hazardous materials reporting rate	100%
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Ensure filed reports are consistent with on-site conditions	Factory hazardous materials reporting rate	100%														
Management of machinery and other items	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.															

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.

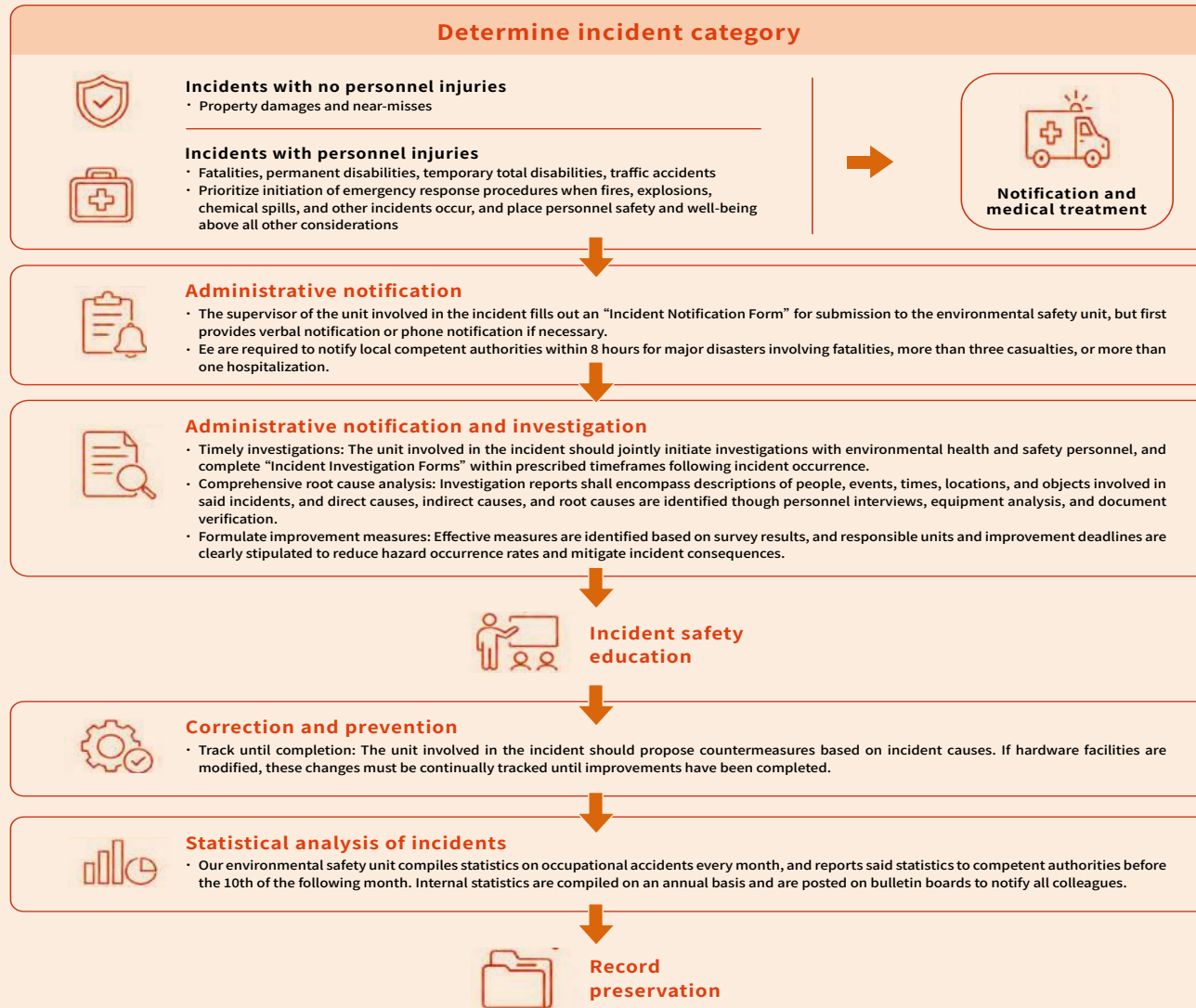
1.At the first instance

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