



**Sunmax Biotechnology Co., Ltd.**  
**2024 Sustainability Report**

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## Messages from the Management

### **We believe that every measure of stability is built upon sustainability; every step forward is guided by responsibility.**

In the face of global challenges—climate change, demographic shifts, and industrial transformation—the capacity for sustainability is no longer optional but a fundamental prerequisite for progress. In such a rapidly changing environment, sustainable growth cannot rely solely on short-term performance; it must be grounded in long-term resilience. In 2024, Sunmax Biotechnology Co., Ltd. (“Sunmax Biotech”) published its inaugural Sustainability Report as its beginning of transparent disclosure as well as a clear commitment to responsible governance.

For 23 years, Sunmax has remained true to its origin, focusing on the R&D and manufacturing of collagen-based medical materials. Leveraging our patented collagen purification platform, we have established deep roots in Taiwan while expanding internationally, gradually securing our leadership position in the biomedical aesthetics sector. Yet we recognize that technological innovation and quality advancement form the foundation of corporate value, while corporate responsibility and social resilience embody the spirit of sustainability, which is demonstrated in product line extension and deepening into our corporate culture. Accordingly, we convened the Task Force for the Promotion of Sustainable Development to implement concrete initiatives, including GHG inventories, water resource management, and public welfare engagement.

The challenges we face extend beyond internal operational efficiency. They encompass building resilient supply chains, responding to global ESG standards, and fostering trust with investors, government, and local communities. We believe that only through ethical management and robust governance can we navigate volatility and achieve enduring progress.

As a brand built upon collagen as its core technology, we understand that solid foundation in the era of drastic changes can be achieved by linking corporate growth with environmental responsibilities and social well-being. It is with my earnest wish that Sunmax may strive to remain steadfast in its founding mission and bold in innovation, delivering value in medicine and aesthetics while creating a lasting, positive impact on society, the environment, and human welfare.



**Chairman LAM CHAI-KWOK**



Under the pressures of global climate change and rapid industrial transformation, sustainable operation has become a prerequisite for businesses to move forward with stability. For Sunmax Biotech, 2024 marks a milestone year in sustainability—we issued our first Sustainability Report as a formal disclosure our strategic actions and commitments across the environmental, social, and governance (ESG) aspects, and demonstrating our responsibility to future generations and stakeholders.

In the face of global climate risks, geopolitical challenges, and increasing regulatory pressures on sustainability, we have adopted the core strategy of “Laying Solid Foundations, Advancing with Prudence.” Guided by this principle, we continue to strengthen our corporate governance framework and enhance our internal sustainable governance capabilities; sustainability is no longer a slogan—it’s an integral part of our decision-making processes and operational practices.

To institutionalize sustainability, we established the Task Force for the Promotion of Sustainable Development, comprising six specialized working groups with defined responsibilities, reporting directly to the Board of Directors; in alignment with GRI Standards, we have developed execution plans addressing issues such as supplier management, quality assurance, water resource management, and talent development, with progress tracked, and in the same year, we completed our first Scope 1 and Scope 2 GHG inventory, embedding sustainable governance deeply into daily operations; within the medical material industry, where compliance and quality are paramount, Sunmax continues to enhance product traceability and safety management, delivering reliable value to our customers.

We recognize that sustainability is not merely a trend, but a fundamental expression of corporate responsibility.

Looking ahead, Sunmax Biotech will further strengthen its core technological competitiveness and operational resilience. Together with our employees, partners, and society at large, we are committed to building a solid foundation for sustainable value creation; it is with my anticipation that this Sustainability Report is not only a disclosure of achievements, but also a starting point for Sunmax and all stakeholders to co-create a sustainable future.



**General Manager LIN MING-YI**

A handwritten signature in black ink, appearing to read "L.M.Y.".

# About this Report

## Principles for Preparation

This Sustainability Report represents the first publication by Sunmax Biotechnology Co., Ltd. (“the Company,” “Sunmax Biotech,” or “we/our/us”), prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, released in 2021, and with reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework, to disclose our sustainability-related practices and performance.

## Reporting Period

The data and information disclosed in this report primarily cover the year 2024 (January 1 to December 31, 2024). To ensure completeness and comparability, certain information has been traced back to 2022 or extended to 2025 for presentation of relevant trends and developments.

## Boundaries and Data Scope of this Report

Unless otherwise specified in individual chapters, the information disclosed in this report pertains to Sunmax Biotech only and does not include overseas subsidiaries. Data and statistics are drawn from the consolidated financial statements audited and attested by CPAs (expressed in thousands of New Taiwan Dollars). Other data and statistics are compiled internally by the Company. All statistical information is presented based on internationally recognized indicators, local regulatory requirements, industry standards, or established practices. Where quantitative indicators carry specific meanings, explanatory notes are provided accordingly.

## Date of Publication

This Report is the first corporate sustainability publication issued by Sunmax Biotechnology Co., Ltd., with later editions to be published annually and accessible on the corporate website.  
Publication Date of Current Report: August 2025.

Provisional Publication Date for Next Report: August 2026.

## Feedback

We welcome any suggestions pertaining to this Report or the sustainable development of Sunmax Biotechnology Co., Ltd.

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## 1.1 About Sunmax Biotechnology Co., Ltd.

### 1.1.1 Company Profile

Founded in 2001 by scientists from U.S. biomedical material companies, Sunmax Biotechnology Co., Ltd., with its robust R&D team, successfully overcame technological barriers in collagen-based medical materials and developed a patented collagen purification platform, earning the Company the status as the first GMP-certified medical material manufacturer in Asia with mass production capabilities for medical-grade collagen solutions. Our products have been clinically applied across Taiwan, Mainland China, the European Union, and Southeast Asia, setting the benchmark for injection-based medical aesthetics in the Asia-Pacific region.

Sunmax Biotech's commitment to excellence in quality and technology has been recognized multiple times with prestigious honors, including the National Healthcare Quality Award and the National Innovation Award. Looking ahead, Sunmax Biotech will continue to pursue refinement and innovation, striving to become a global leader in collagen aesthetics.

Founded in 2001, SUNMAX was established by scientists from a U.S. biotech medical materials company. The research team broke through technological barriers in collagen medical materials, developing a patented collagen purification platform. As Asia's first GMP medical material manufacturer to successfully mass-produce medical-grade collagen solution, our products are clinically applied in Taiwan, Mainland China, the EU, Southeast Asia, and other countries, setting the benchmark for injection-based medical aesthetics in the Asia-Pacific region.

With exceptional quality and technology, SUNMAX has received multiple recognitions, including the National Medical Quality Award and the National Innovation Award. Moving forward, SUNMAX will continue advancing and innovating to become a global leader in collagen aesthetics.

Basic Information	
Company Name	Sunmax Biotechnology Co., Ltd.
Short Name	Sunmax Biotech
Date Established	2001/2/6
Addresses	Headquarters: No. 6, Nanke 1st Rd., Xinshi Dist., Tainan City (Southern Taiwan Science Park) Plant I: 1 & 2F, No. 10 and 1F, No. 8, Ln. 31, Sec. 1, Huandong Rd., Xinshi Dist., Tainan City (Southern Taiwan Science Park) Taipei Office: 3F, No. 206, Reiguang Rd., Neihu Dist., Taipei City (Neihu Technology Park)
Chairman	LAM CHAI-KWOK
General Manager	LIN MING-YI
Sector	Biotech and Medical Industry Biotechnology and Medical Devices Industry
Ticker Code	4728
Initial TPEx Listing Date	2012/01/10
Capital	NT\$ 544,630,000
Main Scope of Products	Collagen implant, and products of biomedical-grade collagen applications

### 1.1.2 Operational and Financial Statuses

In 2024, Sunmax Biotech recorded consolidated revenue of NT\$1,818,018 thousand, representing a 7.64% increase compared to NT\$1,688,987 thousand in the previous year. This growth was primarily driven by product upgrades and adjustments to commercial terms, which enhanced both revenue and profitability.

Financial performance remains a key concern for stakeholders. To ensure transparency, the Company maintains an Investor section on its website, where financial information and corporate updates are regularly published. Shareholders and investors may also communicate questions and suggestions through the Investor Mailbox. All relevant information is accessible via the Company's website or the Market Observation Post System (MOPS). We are committed to sustaining stable operational growth and enhancing the transparency of management information. With a steady order visibility, the Company expanded into the ASEAN market in 2024. Sunmax Biotech will strive to strengthen its operational and financial performance.

In 2024, Sunmax Biotech allocated the direct economic value generated by the Company, with a portion returned to stakeholders and the remainder retained for future operations. The distributed economic value accounted for approximately 97% of the total generated value, consistent with the previous year.

■ Financial Performance in the Past Two Years

(Expressed in NT\$ thousands)

Composition	Description	2022	2023	2024
<b>Direct Economic Value Generated</b>		<b>1,411,210</b>	<b>1,706,526</b>	<b>1,850,284</b>
Revenues	Net Sales	1,400,074	1,688,987	1,818,018
	Interest Income	6,151	13,204	11,243
	Dividend Income	1,025	—	—
	Rental Income	—	—	—
	Investment Income	—	—	—
	Other Income	3,960	4,032	6,673
	Other Gains	—	303	14,350
<b>Direct Economic Value Distributed</b>		<b>1,363,189</b>	<b>1,662,681</b>	<b>1,790,166</b>
Operating Costs	Costs arising from operating activities	426,029	542,900	619,753
	Other losses	609	—	—
Employee Compensation and Welfare	Salaries, bonuses, incentives, and benefits (including pensions and insurance)	205,528	248,686	267,935
Payments to Contributors of Funds	Interest expenses, dividend payments, and dividends from Preferred shares	518,743	602,035	637,723
Dealings with the Government	Taxes (not incl. deferred tax), and penalties	211,978	267,127	262,530
Investments in Communities	Donations, sponsorship, and investments	302	1,933	2,225
<b>Economic Value Retained (Direct Economic Value Generated - Direct Economic Value Distributed)</b>		<b>48,021</b>	<b>43,845</b>	<b>60,118</b>

Note: Financial data are drawn from consolidated financial statement audited and attested by CPAs; figures for dealings with the government and investments in communities are internal statistics.

### 1.1.3 Membership of Associations and Organizations

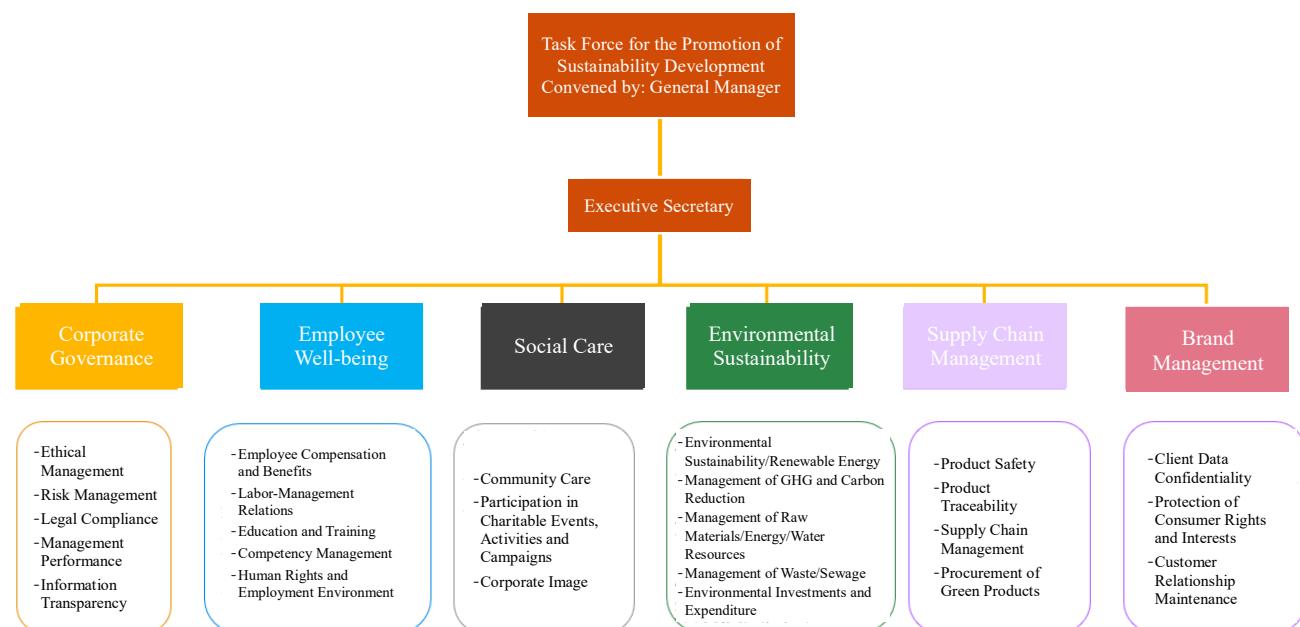
Sunmax Biotech actively engages in both domestic and international industry associations, fostering continuous information exchange and keeping abreast of the latest industry developments and emerging trends. In 2024, Sunmax Biotech participated in the following associations:

No.	Name of Association	Mission or Objective of Association	Role
1	Taiwan Medical and Biotech Industry Association	To coordinate relationships among peers, enhance common interests, and promote the improvement and dissemination of medical and biotechnology equipment, thereby contributing to economic development.	Member
2	Tainan Nan Ying Pharmacist Association	To advance pharmaceutical scholarship, develop the pharmacy profession, assist government in implementing regulations, safeguard members' rights, and promote member welfare.	Member
3	Cosmetic Chamber of Commerce in Kaohsiung	To foster fellowship and technical exchange in cosmetics manufacturing and establish efficient channels for the communication of government policies through association activities.	Member
4	Institute for Biotechnology and Medicine Industry (IBMI)	To promote the development of biotechnology, healthcare, social welfare, and health service industries through integration of governmental and private sector resources, thereby expanding the prospects of the biotech, medical, and social welfare sectors in the Chinese community and enhancing national competitiveness.	Member
5	Cross-strait Branch, Chinese Association of Plastics and Aesthetics (CAPA)	Under the leadership of CAPA, the Branch supports cross-strait collaboration among professionals in plastic and reconstructive surgery, jointly advancing and elevating the academic standards of the field in Taiwan.	Strategic Partner, and Board Member

## 1.2 Sustainable Governance Framework of Business

**Sustainable Development** In 2024, Sunmax Biotech established the Sustainable Development Task Force, headed by the General Manager and supported by the Strategic Development Office as the executive secretariat, to coordinate and promote the Company's sustainability initiatives. The Task Force comprises six specialized working groups focusing respectively on Corporate Governance, Employee Well-being, Social Care, Environmental Sustainability, Supply Chain Management, and Brand Management. Each working group is composed of department heads and team members, enabling the Company to embed sustainability strategies into daily operations and departmental execution. Sunmax Biotech reports to the Board of Directors on sustainability strategies and project performance at least once annually.

■ Organizational Chart of Task Force for the Promotion of Sustainable Development



## 1.3 Identification and Analysis of Material Issues

In 2024, Sunmax Biotech, in accordance with Taiwan's "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies", adopted the GRI Universal Standards 2021 to identify key stakeholders and assess the impacts of material sustainability issues. Such effort provides management guidelines for the Company's sustainable reporting and enables a comprehensive review of the current state of sustainability practices as well as driving implementation of policies, thereby creating joint values between the society and the Company.

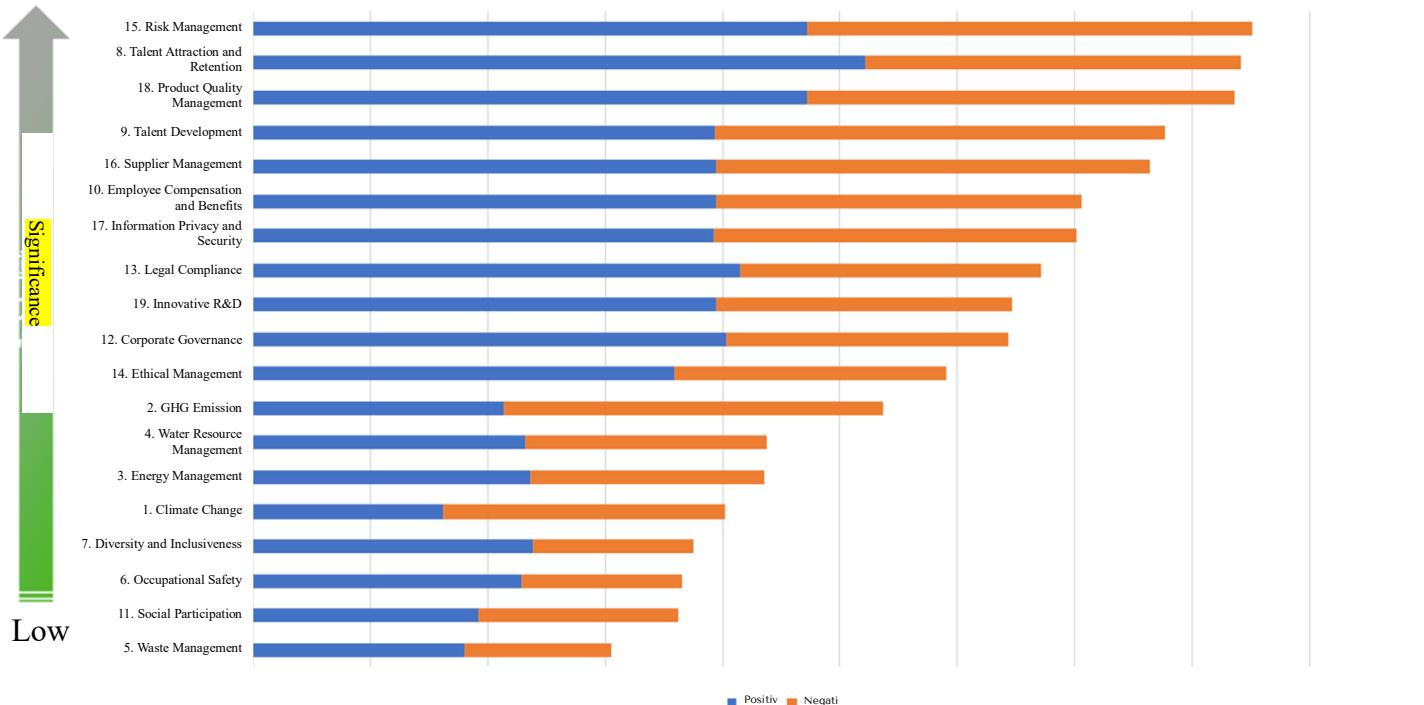
### ■ Process for Analyzing Material Topics

Phase 1 Understand the organization's context	
Collect Sustainability issues 19 Sustainability issues	Based on the Company's industry characteristics and internal topics of concern, and with reference to the GRI Standards, global and domestic sustainability trends, industry benchmarks, and peer practices, the Company conducts a comprehensive identification process and furthermore evaluated common topics across the industry before consolidation into 19 Sustainability issues.
Phase 2 Identify actual and potential impacts of each issue	
Evaluation on the significance of impacts in the form of internal survey	The Company conducts an internal survey to evaluate the consolidated 19 identified sustainable across governance, environmental, product, and social/employee aspects. Each topic is assessed for both its positive and negative implications. The evaluation methodology involves multiplying the scores for "impact magnitude" and "likelihood of occurrence" (for both positive and negative aspects), and then aggregating the results to derive a total impact score for each topic.
Phase 3 Determine order of material topics	
Determining material topics 8 material topics	After evaluation and discussion, the Task Force determined eight material topics: namely GHG Emissions, Water Resource Management, Attraction and Retention of Talents, Cultivation and Development of Talents, Risk Management, Supplier Management, Product Quality Management, and Privacy and Security of Information. This year's Sustainability Report will be prepared based on the above material topics, with relevant management guidelines and outcome disclosed therein. °
Phase 4 Conduct reporting and disclosure	
Information reporting and disclosure	The Task Force for the Promotion of Sustainable Development develops a management system and processes thereof, collects information and prepares the Company's sustainability report to ensure proper presentation of the Company's sustainability information and performances. Every year, the final edition of report is subject to approval by the Chairman prior to publication by August 31.

■ Sunmax Biotechnology Co., Ltd. Impact Ranking of Sustainable Topics

High

Positive/Negative Impacts Assessment



## ■ Sunmax Biotechnology Co., Ltd. List of Material Topics

Aspect	Material Topic for 2024	Significance to Sunmax Biotech	Impact on Value Chain			Disclosed in Section(s)	GRI Index		
			Within Organization	Outside Organization					
			Sunmax Biotech	Upstream (Suppliers)	Downstream (Clients)				
Governance	Risk Management	Risk management enables the Company to identify, assess, and mitigate potential risks, thereby safeguarding long-term sustainability and enhancing corporate reputation, along with positive impacts at environmental, social, and human rights aspects. Conversely, inadequate risk management mechanisms may elevate operational risks, undermine corporate reputation, and potentially result in significant negative consequences for both the environment and society.	•	•	•	2.3 Risk Management	—		
Governance	Supplier Management	In supply chain management, factors such as occupational safety, human rights issues, and high carbon emissions may significantly increase the risk of supply chain disruptions, thereby exerting a material impact on the Company's operations and reputation. To the Company, these issues relate to its commitment to corporate social responsibility and influence its competitiveness in the global market. Sunmax Biotech is committed to enhancing the positive environmental and economic impacts of its supply chain, ensuring resilience and supporting the Company's sustainable development. These efforts help stabilize the supply chain and foster long-term partnerships.	•	•		4.4 Sustainable Supply Chain	GRI 204 Procurement Practices		

Aspect	Material Topic for 2024	Significance to Sunmax Biotech	Impact on Value Chain			Disclosed in Section(s)	GRI Index		
			Within Organization	Outside Organization					
			Sunmax Biotech	Upstream (Suppliers)	Downstream (Clients)				
Product	Product Quality Management	Concerning sustainable operations, Sunmax Biotech targets technological leadership and continuous innovation, to be achieved by promoting innovation and development in the collagen application, maintaining stable operational performance, delivering premium products and services, driving prevalence of product applications, producing products that customers can trust, and leveraging both products and services to benefit society.	•	•	•	4.2.2 Product Quality	GRI 416 Customer Health and Safety		
Product	Information Privacy and Security	Amongst evolution of information security threats, continued improvement of infosec system may strengthen the Company's cybersecurity and therefore build confidence among clients, employees, and business partners. Robust infosec measures effectively reduce the risks of data breaches and cyberattacks, safeguarding the interests of both the Company and its clients. Any incident of data leakage could result in a loss of client trust, client attrition, and diminished market competitiveness. In addition, system interruptions or data loss may lead to operational disruptions and downtime costs, while stolen data could expose the Company to additional expenses such as ransomware payments.	•		•	4.3 Information Security and Customer Privacy	GRI 418 Customer Privacy GRI 417 Marketing and Labeling		

Aspect	Material Topic for 2024	Significance to Sunmax Biotech	Impact on Value Chain			Disclosed in Section(s)	GRI Index		
			Within Organization	Outside Organization					
			Sunmax Biotech	Upstream (Suppliers)	Downstream (Clients)				
Environmental	GHG Emissions	In recent years, global warming has led to increasing environmental disasters worldwide. Recognizing the harm to the environment by GHG emissions, and guided by its commitment to life and contributing to society, Sunmax Biotech has completed a GHG emissions inventory and registry. As the Company's effort with its peers towards low-carbon economy, this initiative supports the achievement of sustainability goals that balance resource efficiency, energy conservation, and environmental protection.	•	•	•	3.2 Energy and GHG Management	GRI 302 Energy GRI 305 Emissions		
Environmental	Water Resource Management	With the intensification of extreme climate events in recent years, uneven global rainfall distribution has become the norm. The increasing frequency and severity of heavy rains, droughts, and floods may disrupt Sunmax Biotech's supply chain stability and elevate the risk of operational interruptions at production sites. As a result, water resource risk management has emerged as a critical issue that cannot be overlooked.	•			3.4 Water Resource Management	GRI 303 Water and Effluent		

Aspect	Material Topic for 2024	Significance to Sunmax Biotech	Impact on Value Chain			Disclosed in Section(s)	GRI Index		
			Within Organization	Outside Organization					
			Sunmax Biotech	Upstream (Suppliers)	Downstream (Clients)				
Social	Attraction and Retention of Talents	Talent attraction and retention are critical to Sunmax Biotech, as effective talent strategies drive innovation, enhance productivity, and secure sustainable competitive edges for the Company. Conversely, persistent talent attrition could lead to declining productivity, stagnation in innovation, and reputational and competitive setbacks. Hence, fostering a positive workplace with training and development opportunities as well as active communication with employees can strengthen employee engagement, reduce turnover, and support the Company's sustainable growth.	•		•	5.2 Attraction and Retention of Talents	GRI 401 Employment		
Social	Cultivation and Development of Talents	The cultivation and development of talents form the cornerstone of Sunmax Biotech's sustainable operations. A well-structured talent management strategy enhances employee skills and knowledge while driving innovation, productivity and corporate competitiveness. In doing so, it creates a win-win outcome for employees, the Company, and society, while mitigating environmental and social risks associated with insufficient human resources or skill gaps. Conversely, the absence of a comprehensive talent development program may result in inadequate employee capabilities, declining productivity, and adverse impacts on product quality and service efficiency, which could even derive negative environmental and social implications in extreme cases.	•			5.3 Cultivation and Development of Talents	GRI 404 Training and Education		

## 1.4 Engagement and Communications with Stakeholders

Stakeholders are individuals or groups that can affect, or are affected by, Sunmax Biotech's operations. In 2024, the Company identified its stakeholders through preliminary screening of groups encountered in daily business activities as well as sorting by frequency of interaction, degree of mutual influence, and relative importance of each group. Through internal discussions and benchmarking against industry peers, the Company identified five primary stakeholder categories: Shareholders/Investors, Employees, Clients, Suppliers, and Government Agencies.

By listening to and collecting stakeholder perspectives and feedback, the Company gains valuable insights into stakeholder expectations regarding the Company's strategic direction and the impact of various sustainability issues. This ensures that stakeholder voices are incorporated into the Company's sustainability journey, thereby strengthening the comprehensiveness of its operations.

Stakeholder	Issues Concerned	Significance to Sunmax Biotech	Communication Channels and Frequency	Communication Outcomes in 2024
Shareholders/ Investors	Corporate Governance Ethical Management Risk Management Operational and Financial Performance Legal Compliance	Shareholders and investors represent a critical driving force behind a company's growth and sustainable operations. Sunmax Biotech is committed to strengthening investor confidence through robust operational performance and information disclosure.	MOPS: Matters to be announced on a monthly basis, as required by competent authorities Shareholders' Meeting: Annually Investors' Conference: Annually Financial Statement(s), and Annual Report: Annually Investor Section on Corporate Website: Material information to be announced as required Press Release/Official Website: As required Contact: Ms. Tsai, Corporate Governance Officer c_tsai@sunmaxbiotech.com	Convened 1 Regular Shareholders' Meeting Invited to 1 Investors' Conference Announced 23 Material information disclosures
Employees	Human Rights Attraction and Retention of Talents Cultivation and Development of Talents Occupational Safety and Health(OSH)	For Sunmax Biotech, employees are the core driving force behind the Company's operations and growth as well as essential partners in advancing sustainability.	Labor-Management Meetings: Quarterly Operations Meetings: Monthly Employee Suggestion Box: As required Education, Training and Awareness Sessions for Employees: Regularly/As required Contact: Human Resources hrm@sunmaxbiotech.com	For trainings implemented, refer to 5.3 Cultivation and Development of Talents

Stakeholder	Issues Concerned	Significance to Sunmax Biotech	Communication Channels and Frequency	Communication Outcomes in 2024
Clients	Customer Relationship Management Product Quality Information Security and Customer Privacy	By understanding the diverse needs of clients, Sunmax Biotech is committed to delivering high-quality and safe products that safeguard client interests and strengthen the Company's market competitiveness.	CS Hotline/Official LINE Account/Facebook Fan Page: Instantly In-person Visits/Phone Calls/E-Mails: As required Exhibitions: As required Seminars: As required Customer Satisfaction Survey: Annually Contact: Marketing & Sales <a href="mailto:collagen@sunmaxbiotech.com">collagen@sunmaxbiotech.com</a>	Organized 10 large academic and professional events Completed 39 overseas injection training sessions. The Customer Satisfaction Survey recorded a response rate at 100% and an overall satisfaction at 98.35 points
Suppliers	Ethical Management Product Quality Operational and Financial Statuses Legal Compliance	Reliable suppliers who can demonstrate quality are indispensable in ensuring product safety and efficacy. Sunmax Biotech builds close partnerships with its suppliers to implement sustainable development of supply chain.	In-person Visits/Phone Calls/E-Mails: As required Supplier Meetings: As required Supplier Audit: Annually Supplier Evaluation: Annually Contact: Company Affairs <a href="mailto:esg@sunmaxbiotech.com">esg@sunmaxbiotech.com</a>	An annual assessment was conducted for 28 high-risk suppliers.
Government Agencies	Ethical Management Legal Compliance	Sunmax Biotech's adherence to applicable laws and regulatory standards is not only a fundamental requirement of corporate operations, but also a cornerstone of sustainable business practices.	Business Inspection by Competent Authority (ISO 13485): Annually Business Inspection by Competent Authority (QMS): Every three years Policy Briefing Sessions/Seminars/Forums: As required Official Documents/Phones/E-Mails/Public Information: As required Contact: Ms. Tsai, Corporate Governance Officer <a href="mailto:c_tsai@sunmaxbiotech.com">c_tsai@sunmaxbiotech.com</a>	Passed annual audit on ISO 13485 Made 12 responses to surveys from competent authorities

## 2.1 Corporate Governance

### 2.1.1 Company Structure and Board Composition

The Company complies with the provisions under Article 20 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” by limiting the number of directors concurrently serving as company officers below one-third of the total number of the Board members and formulating Board member diversity policies to ensure effective corporate governance and enhance the Board’s effectiveness and structure.. The Company has composed its Board in consideration of diversity, and has formulated an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development, which includes, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture; it is advisable that the number of female directors account for at least one-third of all the directors.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the board shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

Among the Board members, none are subject to any of the circumstances listed under Article 30 of the Company Act. Except for Director YANG YAN-CHI and Director LIN, CHIN-HAN, who are mother and son (2 seats), the remaining (13 seats) do not fall under the situation stipulated in Article 26-3 of the Securities and Exchange Act (i.e., spousal relationship or relative within the second degree of kinship may not exist among more than half of a company's directors).

All independent directors of the Company comply with FSC regulations governing independent directors of a company. The independence implementations are detailed as follows:

Name	The said independent director, his/her spouse or relatives within 2 <sup>nd</sup> degree of kinship serves as a director, a supervisor or an employee at the Company or any affiliate	Number and percentage of Company shares held by (or held by the person under others' name) the said independent director, his/her spouse or relatives within 2 <sup>nd</sup> degree of kinship	The said independent director serves as a director, a supervisor or an employee at a company having specific relationship with the Company	The said independent director has provided commercial, legal, financial, accounting or related services to the Company or any affiliate in the past two years
CHEN, KUO-HUA	No	No such circumstances	No	No such circumstances
WU, CHING-CHENG	No	No such circumstances	No	No such circumstances
SHEN, CHING-CHIA	No	No such circumstances	No	No such circumstances

The Board of Directors formulates appropriate diversity policies based on the Company's operational model and needs. Accordingly, the selection of Board members has gradually moved toward diversification. Through diversified recruitment efforts, we have attracted talents with different professional backgrounds, skills, and industry expertise, thereby continuously strengthening corporate governance and operational synergy.

The Company's current Board of Directors consists of 15 seats, comprising 12 directors and 3 independent directors. Among the members, 26.67% are aged between 30 and 50, 53.33% are aged between 51 and 70, and 20.00% are aged above 71. Each director and independent director possesses experience and capability in corporate management, operational judgment, crisis handling, and leadership decision-making, as well as the knowledge, skills, and qualities required to perform their duties. Two directors specialize in accounting, five directors specialize in law, and eight directors have expertise in biotechnology, medical devices, and chemical-related industries, and such composition aligns with the Company's diversity policy for directors, enabling each director to provide professional opinions from different perspectives and thereby enhance the Company's operational performance.

Age Group	30~50		51~70		>71		Total
Gender	Male	Female	Male	Female	Male	Female	
Quantity of Members in the Board of Directors	4	-	6	2	3	-	15
Percentage (By Gender)	26.67%	-	40%	13.33%	20%	-	100%
Percentage (By Age)	26.67%		53.33%		20.00%		100%

The Company encourages Board members to pursue continuing education and to enhance their professional capabilities and qualities, thereby becoming more familiar with current industry trends and regulatory changes, mastering and applying the latest management strategies, and broadening their perspectives on corporate governance. This also cultivates their judgment and sensitivity toward the broader market environment. This year, Board members undertook continuing education through participation in training courses, seminars, and forums, among which some directors did not meet the required hours of continuing education due to personal reasons; the overall compliance rate was 86.7%. In 2024, the attendance rate of all directors at Board of Directors meetings was 91.7%.

Governance Unit	Persons	Quantity of Independent Directors	Quantity of Meetings for the Year	Attendance Rate
Board of Directors	15	3	4	91.7%

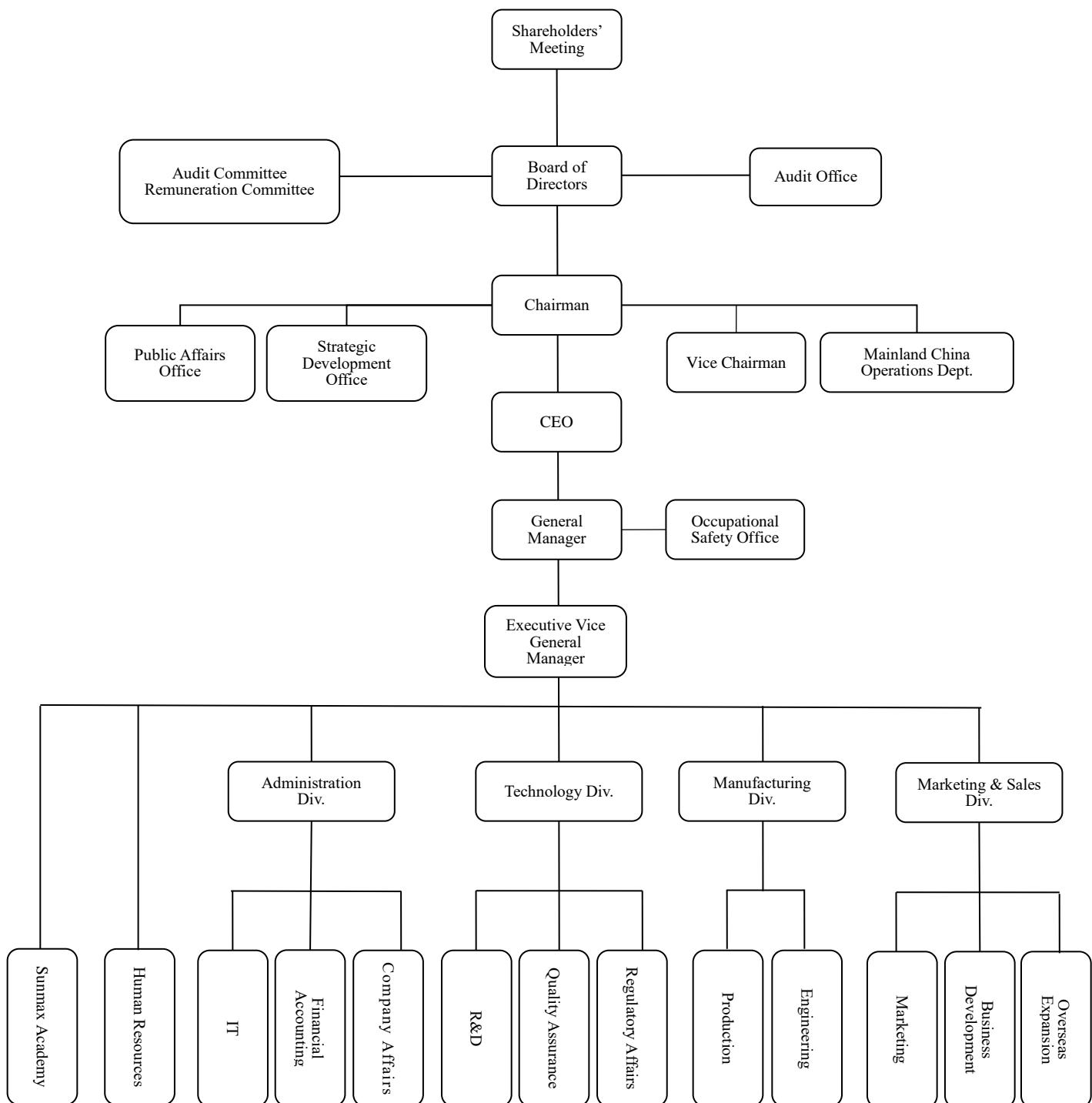
■ Directors and Their Backgrounds

Name of Director	Concurrent Role as an Employee/Officer at the Company	Gender	Date Elected for the Current Term	Term	Age Group	Highest Credential and Primary Experience	Professional Capabilities
He-Xin Investment Co., Ltd. Representative: LAM CHAI-KWOK	Concurrently CEO of the Company	Male	2022/10/7	2022/10/07 ~2025/10/06	70-75	Department of Printing, Kaohsiung Institute of Technology Chief Learning Officer, Delwell Gathering Institute President, Overseas Chinese Association HQ Chairperson, LCIF International Forums for the Far East and SEA Regional Leader, Global Action Team (GAT) of LCI Founding Chairperson, International Chinese Speaker Alliance	Possesses the professional expertise and management experience required for the role.
YANG YAN-CHI	Concurrently Vice Chairperson of the Company	Female	2022/10/7	2022/10/07 ~2025/10/06	60-65	Etiquette and Grooming Guidance Teacher Coordinator, Seagate Technology (US) Music Center Teacher and Performer	Possesses the professional expertise and management experience required for the role.
LIN, CHIN-HAN		Male	2022/10/7	2022/10/07 ~2025/10/06	30-35	Department of Law, Ming Chuan University Manager, State Glory Enterprises Co., Ltd.	Possesses the professional expertise and management experience required for the role.
Guang-Xue Co., Ltd. Representative: CHAN, KANG-JUNG		Male	2022/10/19	2022/10/07 ~2025/10/06	50-55	Department of Law, National Taiwan University Managing Partner, ACROSS LAW OFFICE Chairman, IBF Securities Investment Consulting Co., Ltd.	Possesses the professional expertise and management experience required for the role.; Possesses legal expertise and management experience; a licensed attorney.
Xiu-Chi Co., Ltd. Representative: CHEN, TSANG-HAI		Male	2023/12/28	2022/10/07 ~2025/10/06	70-75	MBA, China University of Technology President/Founder, Chia Chang Group	Possesses the professional expertise and management experience required for the role.
Ginko Optical Industrial Co., Ltd. Representative: LI, HSUAN-CHIN		Male	2022/10/19	2022/10/07 ~2025/10/06	50-55	Master of Accounting, Soochow University Passed Senior Professional and Technical Examinations Regulations for Certified Public Accountants in R.O.C. Assistant Manager of Audit, Deloitte Taiwan	Possesses the professional expertise and management experience required for the role.; Possesses accounting and financial expertise; a licensed CPA.

Name of Director	Concurrent Role as an Employee/Officer at the Company	Gender	Date Elected for the Current Term	Term	Age Group	Highest Credential and Primary Experience	Professional Capabilities
						Representative Director, Kobayashi Optical Co., Ltd.	
Kuo Tung International Co., Ltd. Representative: CHEN, FANG-YING		Female	2022/10/19	2022/10/07 ~2025/10/06	65-70	Specialist in Aesthetic Medicine Doctor of Business Administration (DBA), MBA Program, University of Management and Technology (UMT) (US) Master's Degree in Integrated Medicine, China Medical University Board Member, Chinese Society of Cosmetic Surgery and Anti-aging Medicine Obstetrician and Gynecologist, National Taiwan University Hospital Director, Rising Sun Clinic Taichung	Possesses the professional expertise and management experience required for the role.; Possesses medical expertise and management experience; a licensed physician.
Ming-Zhih International Ltd. Representative: CHIANG, KUO-CHUAN		Male	2022/10/19	2022/10/07 ~2025/10/06	75-80	Department of Public Administration, Tamkang University Director, Lutong Enterprise Corp. Director, Farmers' Association of Xinzhuang Dist.	Possesses the professional expertise and management experience required for the role.
Mei-Lin Global Investments Co., Ltd. Representative: LIN, HSIEH-CHIEN		Male	2022/10/19	2022/10/07 ~2025/10/06	65-70	Chairman, Lin Hotel Co., Ltd.	Possesses the professional expertise and management experience required for the role.
Wen-Mei Global Investments Co., Ltd. Representative: CHEN, CHAO-LUNG		Male	2022/10/19	2022/10/07 ~2025/10/06	45-50	Master of Laws, National Chengchi University Practicing Lawyer, Discernment Law Firm	Possesses the professional expertise and management experience required for the role.; Possesses legal expertise and management experience; a licensed attorney.
Lung-Tan-Qian Gas Ltd. Representative: LIN, YU-HSUAN		Male	2022/10/19	2022/10/07 ~2025/10/06	35-40	Chairman, Hach Co., Ltd.	Possesses the professional expertise and management experience required for the role.
Liang Xin Yung Technology Ltd.		Male	2024/3/15	2022/10/07 ~2025/10/06	65-70	Department of Law, Fudan University Master of Arts in European Studies, Tamkang	Possesses the professional expertise and management experience required for the role.;

Name of Director	Concurrent Role as an Employee/Officer at the Company	Gender	Date Elected for the Current Term	Term	Age Group	Highest Credential and Primary Experience	Professional Capabilities
Representative: CHIEN, WEI-NENG						University Managing Partner, CHIEN WEI-NENG Law Firm	Possesses legal expertise and management experience; a licensed attorney.
CHEN, KUO-HUA		Male	2022/10/7	2022/10/07 ~2025/10/06	50-55	Master of Laws, Boston University (US) Department of Law, National Taiwan University Managing Partner, C&A Law Firm	Possesses the professional expertise and management experience required for the role.; Possesses legal expertise and management experience; a licensed attorney.
WU, CHING-CHENG		Male	2022/10/7	2022/10/07 ~2025/10/06	55-60	Master of Accounting, National Taipei University Managing Partner and Practicing CPA, Li-Chan & Co. CPAs	Possesses the professional expertise and management experience required for the role.; Possesses accounting and financial expertise; a licensed CPA.
SHEN, CHING-CHIA		Male	2022/10/7	2022/10/07 ~2025/10/06	40-45	Master of Laws, Boston University (US) Legal Director, Acer Group Managing Partner, Allston Law Firm	Possesses the professional expertise and management experience required for the role.; Possesses legal expertise and management experience; a licensed attorney.

■ Governance Organization



**Implementation Status of Continuing Education of Directors in 2024**

Organized By	Session Name	Training Hours
Accounting Research and Development Foundation	Latest Regulations and Internal Control Practices on Annual Reports, Sustainability Disclosures, and Financial Reporting	12
Taiwan Project Management Association	Corporate Sustainable Development and Lean Production	3
Securities & Futures Institute	Insider Trading: Case Study and Exploration on Legal Accountabilities	3
Taiwan Project Management Association	Corporate Sustainability, ESG, and SDGs: Action Plans and Strategy Formulation	3
Securities & Futures Institute	Semiconductor Industry Revolution Behind Artificial Intelligence	3
Securities & Futures Institute	Sustainable Supply Strategies Amid Rising Global Risks	3
Taiwan Corporate Governance Association	Competitiveness vs. Survivability: ESG Trends and Strategies	3
Taiwan Corporate Governance Association	How Directors Fulfill Their Core Fiduciary Duties	3
Taiwan Project Management Association	Sustainable Management of SDGs and ESG	3
Accounting Research and Development Foundation	Trilogy of Adequate Disclosure in Sustainable Reporting	3
Taiwan Project Management Association	Sustainable Finance: Circumstances and Future Challenges	3
Accounting Research and Development Foundation	Building ESG Sustainability Strategies for Enhanced Competitive Edge	3
Institute of Internal Auditors, Taiwan	Financial Ratio Analysis and Business Risk Prevention	6
Independent Director Association Taiwan	2024 Environment and Economic Win-Win: Taiwan's ESG Implementation Path	3
Taiwan Corporate Governance Association	Innovative Thinking for Corporate Growth in the AI Era	3
Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6
National Federation of Certified Public Accountant Associations, R.O.C.	GHG inventory Practices (Part 1 of 2)	6
National Federation of Certified Public Accountant Associations, R.O.C.	GHG inventory Practices (Part 2 of 2)	6
Accounting Research and Development Foundation	Corporate Fraud: Investigation Practices and Case Studies	6
Securities & Futures Institute	2024 Advocacy Meeting for Prevention of Insider Trading	3
Taiwan Corporate Governance Association	Defensive and Offensive Strategies in Hostile Mergers and Related Corporate Governance Issues	3

## 2.1.2 Nomination and Election of Board Members

According to the Company's Articles of Incorporation, the Board of Directors shall have seven to fifteen members, each serving a three-year term. Among the directors, at least three independent directors must be appointed, and not fewer than one-fifth of the director seats shall be held by independent directors. The qualifications, shareholding, restrictions on concurrent positions, nomination and election procedures, exercise of powers, and other related matters of independent directors are subject to relevant regulations of the competent securities authority.

Concerning the Company's election of directors, the candidate nomination system stipulated in Article 192-1 of the Company Act shall apply, whereby shareholders elect directors from the list of nominated candidates, and the adoption of such system shall be expressly stipulated in the Articles of Incorporation of the Company.

Currently, Mr. LAM CHAI-KWOK serves as Chairman, concurrently holding the position of CEO, while Mr. LIN MING-YI serves as General Manager. The concurrent appointment of Chairman and CEO at Sunmax Biotech is intended to enhance operational efficiency and decision-making effectiveness. Meanwhile, more than half of the Board members do not concurrently serve as employees or managerial officers to mitigate potential conflicts of interest. The Company's Articles of Incorporation and Procedures for Election of Directors are available on the Company's official website under the Investor – Corporate Governance section.

To avoid conflicts of interest, Sunmax Biotech has established Rules of Procedure for Board of Directors Meetings including a recusal mechanism, which “if a director himself or herself, or the juristic person the director is acting on its behalf, has an interest in a proposal submitted to the Board of Directors, he or she shall describe the important information about such interest, and if the risks may be detrimental to the interest of the Company, the director shall not participate in discussion and voting of the proposal and shall voluntarily abstain from voting for himself or herself or as proxy for another director”. The Rules of Procedure for Board of Directors Meetings are also available on the Company's official website under Investor – Corporate Governance section. For details regarding the implementation of conflict-of-interest avoidance in 2024, refer to Chapter 2, Section 3 “Implementation Status of Corporate Governance” of Sunmax Biotech's Annual Report of the Shareholders' Meeting.

### 2.1.3 Functional Committees

To strengthen corporate governance and ensure effective discussion and conflict-of-interest avoidance on major proposals of the Board of Directors, the Company has established an Audit Committee and a Remuneration Committee to enhance the functions of the Board. The roles and composition of each functional committee are listed in the table below. In 2024, the Audit Committee convened four meetings, with a 100% attendance rate by its members; the Remuneration Committee convened two meetings, also with a 100% attendance rate.

#### ■ Functions and Composition of Functional Committees

Functional Committees	Main Functions and Items under Supervision	Composition
Audit Committee	<p>The Audit Committee is composed of independent members with professional backgrounds. They assist the Board of Directors in decision-making through professional division of labor and independent judgment, effectively supervising the management's operations. The primary purposes of the Audit Committee's oversight include:</p> <ol style="list-style-type: none"> <li>1. Fair presentation of the Company's financial statements.</li> <li>2. Appointment, dismissal, independence, and performance of the CPAs.</li> <li>3. Effective implementation of the Company's internal controls.</li> <li>4. The Company's compliance with relevant laws and regulations.</li> <li>5. Management of existing or potential risks faced by the Company.</li> </ol> <p>Through professional supervision and evaluation, the Audit Committee ensures compliance of Company operations with regulatory requirements, safeguards investors' interests, and provides valuable financial reporting and management insights.</p>	<p>The Company's Audit Committee is composed entirely of independent directors, with no fewer than three members. One member serves as the convener, and at least one member must possess expertise in accounting or finance.</p>
Remuneration Committee	<p>To assist the Board of Directors in supervising the performance evaluation of directors and managerial officers, and in formulating the Company's overall remuneration policies to enhance transparency and fairness, the Remuneration Committee performs the following duties and submits its recommendations to the Board of Directors for discussion:</p> <ol style="list-style-type: none"> <li>1. Regularly review the Remuneration Committee's charter and propose amendments to ensure alignment with the Company's needs and the latest applicable regulations.</li> <li>2. Establish and periodically review performance evaluation criteria, annual and long-term performance goals for directors and managerial officers, as well as policies, systems, standards, and structures for salaries and remuneration. The content of the performance evaluation criteria shall be disclosed in the annual report.</li> <li>3. Regularly assess the achievement of performance goals by directors and managerial officers, and based on the evaluation results, determine the content and amount of their individual salaries and remuneration.</li> </ol> <p>The Remuneration Committee performs these duties with the care of a prudent manager, ensuring that the remuneration system for directors and managerial officers is fair, reasonable, and aligned with their performance. Its recommendations are submitted to the Board of Directors for discussion to promote transparency and fairness in the remuneration system.</p>	<p>The Company's Remuneration Committee shall consist of no fewer than three members, and majority of the members must be independent directors, while the remaining members are appointed by resolution of the Board of Directors. One independent director is elected as the convener and chairperson of the committee meetings.</p>

## 2.1.4 Performance Evaluation

To implement corporate governance and enhance the effectiveness of the Board of Directors, Sunmax Biotech has established the “Regulations governing Performance Evaluation of the Board of Directors, Functional Committees, and Managerial Officers” as the rationale for regular review of the policies, systems, standards, and structures related to performance evaluation and remuneration of directors, committee members, and managerial officers. According to these Regulations, the Board of Directors must complete its self-evaluation process before the end of the first quarter of the following year.

At the end of the year, the evaluations are conducted through the following approaches::

1. For Board members, they shall complete the “Self-Evaluation Form for Board Members.”
2. The Board’s Agenda Working Group and the Chairman conduct evaluations of individual directors and supervisors using the “Board Member Evaluation Form.”
3. The Board’s Agenda Working Group evaluates the Board of Directors as a whole using the “Board Evaluation Form.”
4. The Board’s Agenda Working Group evaluates the Functional Committees using the “Functional Committees Evaluation Form.”

These assessment tools are designed to systematically collect information on the effectiveness of Board operations. Ultimately, the Board’s Agenda Working Group consolidates the data, records the evaluation results based on scoring criteria, and submits a report to the Board of Directors for review and improvement.

Based on the 2024 self-evaluation results of the Board of Directors and its members, all scores exceeded 90 points, demonstrating that each director and committee member fulfilled their duties. The overall operations of the Board of Directors and Functional Committees were effective, in compliance with corporate governance principles, and capable of safeguarding shareholder interests. These evaluation results will serve as the basis for continuous improvement to further enhance the effectiveness of the Board of Directors.

## ■ Performance Evaluation on the Company's Board of Directors and Functional Committees

Evaluation Period: January 1 to December 31, 2024

Evaluation Method	Evaluation Scope	Evaluation Contents / Indexes		Evaluation Results	
Director Self-evaluation	Individual Directors	1. Alignment of the goals and missions of the Company	Evaluation Indexes 22 Items Avg. 90%	The overall evaluation results of the Company's Board of Directors, Audit Committee, Remuneration Committee, and individual directors ranged between "Agree" and "Strongly Agree." Using a converted scoring percentage of 80% as the passing standard, all index scores fell between 90% and 94% (well above the 80% threshold), demonstrating that each director and committee member has fulfilled their duties, and that the overall operations of the Board of Directors and functional committees are effective, compliant with corporate governance principles, and capable of safeguarding shareholder interests.	
		2. Awareness of the duties of a director			
		3. Participation in the operation of the Company			
		4. Management of internal relationship and communication			
		5. The director's professionalism and continuing education			
		6. Internal control			
Internal Self-evaluation of the Board of Directors	Individual Directors	I. Compliance with relevant laws, regulations and rules	1. Has the director violated regulations on insider trading?	Evaluation Indexes 6 Items Avg. 91%	[Areas for Enhancement] (1) Board of Directors as a Whole Strengthened communication to encourage directors to personally attend Shareholders' Meetings, thereby enhancing engagement in Company operations. The management departments shall review compliance with regulations based on the Company's operational plans
			2. Has the director or his/her minor children violated laws regarding short-swing profit disgorgement under applicable laws?		
			3. Has the director complied with conflict-of-interest recusal requirements?		
			4. Has the director completed the required annual continuing education hours?		
			5. The director's attendance rate at Board of Directors meetings.		
			6. The Director's attendance rate at Shareholders' Meetings.		
		II. Engagement in Company Operations	1. Has the director supervised and understood the implementation of business plans, the presentation of financial statements, and audit reports, as well as follow-ups thereof?	Evaluation Indexes 5 Items Avg. 93%	[Areas for Enhancement] (1) Board of Directors as a Whole Strengthened communication to encourage directors to personally attend Shareholders' Meetings, thereby enhancing engagement in Company operations. The management departments shall review compliance with regulations based on the Company's operational plans
			2. Has the director evaluated the independence and competence of the CPAs?		
			3. Has the director evaluated and overseen the implementation and conducts follow-up of the Company's internal control system.		
			4. The director's communication and interaction with the Company's management.		
			5. Has the director participated in Board discussions of agenda items and provided concrete recommendations?		

Evaluation Method	Evaluation Scope	Evaluation Contents / Indexes	Evaluation Results	
Internal Self-evaluation of the Board of Directors	Board of Directors as a Whole	1. Participation in the operation of the Company.	Evaluation Indexes 32 Items Avg. 92%	and link such reviews to Board agenda items.  (2) Board Members On a by-case basis, the agenda working group shall arrange continuing education courses for directors to help them stay informed of the latest regulatory requirements and reduce legal risks in their business conduct.
		2. Improvement of the quality of the Board of Directors' decision making.		
		3. Composition and structure of the Board of Directors.		
		4. Election and continuing education of the directors.		
		5. Internal control.		
Internal Self-evaluation of the Board of Directors	Audit Committee	1. Participation in the operation of the Company.	Evaluation Indexes 21 Items Avg. 94%	
		2. Awareness of the duties of the functional committee		
		3. Improvement of quality of decisions made by the functional committee.		
		4. Makeup of the functional committee and election of its members.		
		5. Internal control.		
Internal Self-evaluation of the Board of Directors	Remuneration Committee	1. Participation in the operation of the Company.	Evaluation Indexes 18 Items Avg. 94%	
		2. Awareness of the duties of the functional committee.		
		3. Improvement of quality of decisions made by the functional committee.		
		4. Makeup of the functional committee and election of its members.		

## 2.1.5 Remuneration Policies

In the performance evaluation and salary and compensation decisions, the Company refers to the typical pay levels adopted by peer companies and takes into the said roles' engagement in Company operations and value of their contributions.

The Remuneration Committee regularly reviews and assesses the performance evaluation criteria for directors and managerial officers, as well as the policies, systems, standards, and structures of remuneration. Unless otherwise stipulated by law or the Company's Articles of Incorporation, resolutions of the Remuneration Committee shall be approved by a majority of the members before being submitted to the Board of Directors.

Through this process, the Company ensures that performance evaluation and remuneration decisions for directors and managerial officers are reasonable while safeguarding the Company's interests. Looking ahead, Sunmax Biotech will progressively link the remuneration of directors and managerial officers to their sustainability performance (including economic, environmental, and social aspects). By setting an example at the Board level, Sunmax Biotech aims to embed the spirit of sustainable management throughout the organization from the top down.

## ■ Remuneration Policies

Directors and Functional Committee Members	Managerial Officers
<p>Remuneration for directors of the Company shall be handled in accordance with the “Regulations governing Compensations for the Directors, Functional Committee Members, and Managerial Officers.” Remuneration for directors comprises the following:</p> <p>[Compensation:]</p> <p>(1) Pursuant to Article 18 of the Articles of Incorporation, directors are entitled to receive monthly compensation. The Board of Directors under authorization may determine such compensation based on the Director’s level of participation in Company operations, the value of their contributions, and prevailing industry standards. Compensation shall be paid regardless of the Company’s operating results.</p> <p>(2) Monthly compensation for functional committee members is determined by resolution of the Board of Directors.</p> <p>(3) Directors concurrently serving as functional committee members, managerial officers, or employees shall receive salaries, bonuses, and compensation separately according to their respective positions. As the Audit Committee is composed entirely of independent directors by law, independent directors serving concurrently as Audit Committee members do not receive additional salaries.</p> <p>[Remuneration:]</p> <p>(1) With regards to total remuneration for all directors, pursuant to Article 21 of the Articles of Incorporation, if there is a profit, no more than 3% of annual pre-tax earnings shall be allocated as remuneration of directors, whose proposal shall be submitted by the Remuneration Committee and approved by the Board of Directors before reported at the Shareholders’ Meeting. However, cumulative losses of the Company shall be covered first.</p> <p>(2) Functional committee members are not entitled to remuneration allocated under Article 21 of the Articles of Incorporation.</p> <p>[Separation Pay and Pension:]</p> <p>All directors and functional committee members of the Company are not entitled to separation pay and pension.</p> <p>[Business Execution Expenses:]</p> <p>(1) Attendance Fee: Directors and functional committee members attending (including as non-voting participants) meetings convened by the Company—such as the Board of Directors, Functional Committees, and Shareholders’ Meetings (including video-conferencing meetings)—are entitled to receive an attendance fee for each meeting. Directors concurrently serving as functional committee members may receive separate attendance fees if both Board and committee meetings are held on the same day. If a Shareholders’ Meeting is held on the same day as a Board or committee meeting, only the attendance fee for the Board or committee meeting shall be paid.</p> <p>(2) Travel Expense: Directors and functional committee members engaging in business negotiations with external parties or attending major Company events (excluding Board of Directors, Shareholders’ Meetings, and Functional Committees) may claim travel expenses on a reimbursement basis.</p>	<p>Remuneration for directors of the Company shall be handled in accordance with the “Regulations governing Compensations for the Directors, Functional Committee Members, and Managerial Officers.” Remuneration for managerial officers comprises the following:</p> <p>[Compensation (Salary):]</p> <p>The Company’s Remuneration Committee determines managerial officers’ salaries by referencing prevailing industry standards, their level of engagement in Company operations, and the value of their contributions. The proposal is submitted to the Board of Directors for approval.</p> <p>Salary comprises base salary, supervisory allowance, meal allowance, overtime pay, and year-end bonus (granted based on business performance and annual results).</p> <p>[Remuneration:]</p> <p>The Company allocates employee remuneration pursuant to Article 21 of the Articles of Incorporation. The Remuneration Committee considers each managerial officer’s engagement in operations, contribution value, position grade, performance appraisal, and disciplinary record to propose allocations, which are then approved by the Board of Directors.</p> <p>[Separation Pay and Pension:]</p> <p>Except for the CEO and General Manager, managerial officers are entitled to separation pay and pension contributions in accordance with the Labor Standards Act and the Labor Pension Act.</p> <p>[Business Execution Expenses:]</p> <p>(1) Attendance Fee: Managerial officers attending (including as non-voting participants) the Board of Directors meetings and Functional Committees meetings (including video-conferencing meetings) are NOT entitled to receive an attendance fee for each meeting.</p> <p>(2) Travel Expense: Managerial officers engaging in business negotiations with external parties or attending major Company events (excluding Board of Directors, Shareholders’ Meetings, and Functional Committees) may claim travel expenses, which shall be governed by the Company’s Regulations governing the Management of Business Trips.</p> <p>[Bonus/Incentive:]</p> <p>Depending on annual operating results, the Company links assessment of managerial officers’ bonuses to the Regulations governing Performance Evaluation of the Board of Directors, Functional Committees, and Managerial Officers and Regulations Governing Performance Appraisal of Employees, with bonus allocation proposals made by the Remuneration Committee, to be submitted to the Board of Directors for approval.</p>

## 2.1.6 Sustainable Governance

As the Company's highest governance body, the Board of Directors, in addition to executing business in accordance with laws, regulations, the Articles of Incorporation, and resolutions of the Shareholders' Meeting, matters such as the Company's financial reports, evaluation of the effectiveness of the internal control system, appointment and dismissal of CPAs, appointment and removal of managerial officers, and strategic plans must all be approved by the Board of Directors. The Board of Directors convenes multiple regular and ad hoc meetings throughout the year to discuss economic, environmental, and social issues related to corporate governance, which are further handled by the Chairman under authorization by hierarchy or by relevant designated units.

At the Board of Directors meeting on November 7, 2024, the Corporate Governance Officer reported to the Board on the schedule and plan for the "Sustainability Report" and "GHG Inventory," as well as the responsibilities of the working groups.

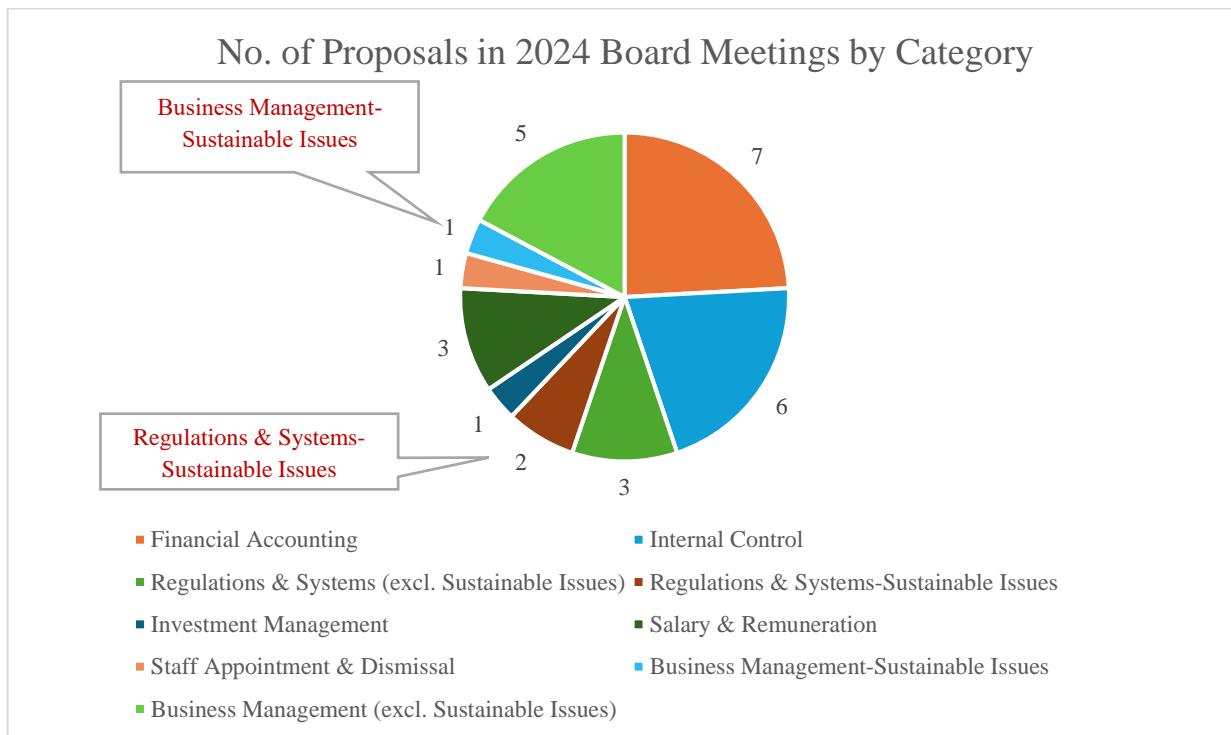
Under the "Regulations governing the Operations of Sustainability information Management," the Board of Directors is assigned responsibilities including overseeing disclosure policies and procedures for sustainability information, and annually supervising and evaluating the design and implementation effectiveness of internal control systems related to sustainability information, to ensure the timeliness and accuracy of sustainability-related disclosures.

To promote the Company's sustainable development and advance related policies, the Company established the "Task Force for the Promotion of Sustainable Development" in 2024. The Task Force, with the General Manager as convener and the Strategic Development Office as executive secretariat, is responsible for coordinating and driving sustainability-related initiatives across the organization. The Task Force oversees six working groups: Corporate Governance, Employee Well-being, Social Care, Environmental Sustainability, Supply Chain Management, and Brand Management. Members of these groups are nominated by various departments, bringing together talents with diverse backgrounds, expertise, and experience. Sunmax Biotech reports at least once annually to the Board of Directors on sustainability strategies and project implementation outcomes. In 2024, across four Board of Directors meetings, a total of 29 proposals were discussed under seven aspects: Financial Accounting, Internal Control, Regulations and Systems (including Sustainability issues), Investment Management, Salary and Remuneration, Staff Appointment and Dismissal, and Business Management (including Sustainability issues). Proposals related to sustainability accounted for 10.34% of the total.

### ■ Proposals Related to Sustainable Development Reported in 2024 Board of Directors

Date	Aspect	Proposal Contents
Board of Directors Meeting in May 2024	Discussions on Regulations & Systems	To fulfill the Company's ethical conduct and ethical management policies, and therefore ensure sustainable management of the Company's core businesses, the discussion of the "Regulations governing the Handling of Reports on Illegal and Unethical or Dishonest Conduct" has been adopted.
Board of Directors Meeting in November 2024	Reporting of Business Management Outcomes	The schedule and plan for the "Sustainability Report" and "GHG Inventory" of the Company were reported to the Board of Directors; the Company's Task Force for the Promotion of Sustainable Development, convened by the General Manager, proposed a series of provisional checkpoints for completed tasks, including preparation of 2024 GHG inventory Report by March 2025, preparation of 2024 Sustainability Report by July 2025, and filing of Sustainability Report by August 2025. The implementation statuses will be reported to the Board of Directors.

Date	Aspect	Proposal Contents
Board of Directors Meeting in November 2024	Discussions on Regulations & Systems	To strengthen management of sustainability information for enhanced quality and reliability, the Company has adopted the discussion of “Regulations governing the Operations of Sustainability information Management;” meanwhile, a responsible unit has been designated for the proposal and implementation of policies, systems and management guidelines concerning sustainable development.



## 2.2 Ethical Management

To implement ethical conduct and ethical management, and to facilitate the establishment of sound business operations and a healthy corporate culture, Sunmax Biotech has established relevant regulations for compliance, including the “Code of Ethical Management,” “Code of Ethical Conduct,” “Operational Procedure for the Handling of Material Internal Information,” and “Regulations governing the Handling of Reports on Illegal and Unethical or Dishonest Conduct.”

Concerning anti-corruption risk assessment, the Company—adopting its Taiwanese office as the main operating base—has formulated various internal control and audit systems as well as management measures for employee compliance and implementation at each operating site and process under the principle of ethical management. Meanwhile, through annual internal audits and the establishment of internal and external whistleblowing channels, the Company supervises and ensures that corruption risks are continuously evaluated and controlled, thereby reducing and preventing the occurrence of related risks.

### [Employees]

During orientation on Day 1, new hires attend advocacy sessions on prohibiting dishonest conduct, including integrity clauses in confidentiality agreements and work rules. Meanwhile, employees are prohibited from engaging in illegal or dishonest behavior, and are forbidden from accepting gifts, entertainment, special discounts, or preferential treatment obtained due to their position or duties. In 2024, a total of 39 participants attended the orientation training courses. Going forward, we will continue to promote anti-corruption awareness and ethical management matters to Company members, in order to continuously enhance employees' awareness of anti-corruption.

### [Suppliers]

When engaging in business with suppliers and other business partners, the Company first evaluates their legality and ethical management practices to ensure fairness and transparency in business operations, and to avoid any involvement in the solicitation, offering, or acceptance of bribes.

Contracts explicitly stipulate that both parties must adhere to the good faith principle and must not provide, accept, promise, or request bribes, commissions, percentage fees, agency fees, gratuities, kickbacks, gifts, entertainment, or other improper benefits. Confidentiality clauses are also included, requiring both parties and their personnel not to use or disclose to third parties any information obtained during transactions that involves or belongs exclusively to either party, such as technology, trade secrets, expertise, or business conditions, without prior consent. Any violation of these provisions entitles the other party to terminate or rescind the contract and may result in claims for damages; based on integrity, contracts also establish clear and reasonable payment terms in compliance with relevant tax regulations.

## [Governance Body]

For members of governance bodies, anti-corruption promotion is conducted through emails or reports to the Board of Directors, informing directors and managerial officers of updates to the Securities and Exchange Act and related regulations, as well as common violations by insiders; upon assuming office, insiders shall receive training supported with materials such as equity promotion manuals, regulatory manuals, and explanatory notes on matters requiring attention, ensuring that no violations occur during their term.

In 2024, all Company sites completed 100% anti-corruption evaluations. According to the results of annual internal audit operations, no corruption incidents were identified.

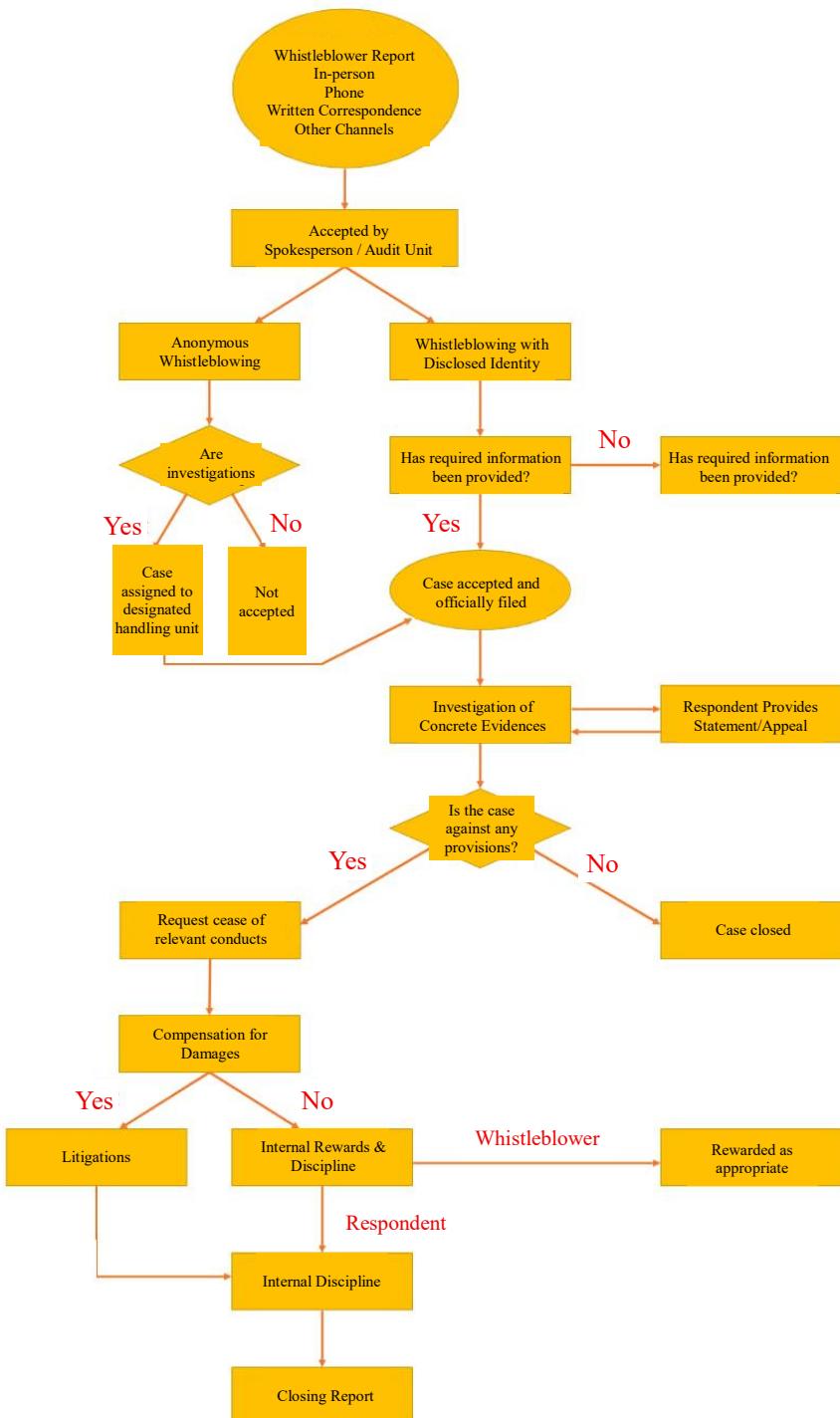
In 2024, the Company did not receive any whistleblowing or involve in any litigation with respect to violation against ethical management.

In a continuous and proactive manner, Sunmax Biotech will communicate with employees, suppliers and members of governance bodies to convey the importance of anti-corruption.

## 2.2.1 Whistleblower System

To implement the Company's Code of Ethical Conduct and Code of Ethical Management, and to encourage reporting of any illegal acts or violations of the Code of Ethical Conduct or Code of Ethical Management, Sunmax Biotech has established the "Regulations governing the Handling of Reports on Illegal and Unethical or Dishonest Conduct." In 2024, Sunmax Biotech did not receive any reports concerning illegal, unethical, or dishonest conduct.

### ■ Flowchart for Handling Reports of Illegal, Unethical, or Dishonest Conduct



## 2.3 Risk Management

Items	Contents
Policies and Commitments, and Their Significance	The Company emphasizes the critical role of risk management in safeguarding corporate stability and advancing sustainable development. Although a Risk Management Committee has not yet been established, we are committed to conducting risk analysis and discussion through management-level operations meetings to ensure strategic oversight and response to various potential risks.
Responsible Unit	Board of Directors and Departments of Each BU
Goals	<p>■ Short-term Goals:</p> <ol style="list-style-type: none"> <li>1. To identify and review corporate risks through regular operations meetings, and to propose preventive and improvement measures.</li> <li>2. The audit unit reports quarterly to the Board of Directors and the Audit Committee on internal control compliance audit results, with no major deficiencies.</li> </ol> <p>■ Medium- to Long-term Goals:</p> <ol style="list-style-type: none"> <li>1. No information security breaches occurred during the year.</li> <li>2. No major regulatory violations occurred during the year.</li> <li>3. No financial losses due to climate risks occurred at any operating site during the year.</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. Formulating and implementing risk management policies.</li> <li>2. Establishing cross-departmental climate working groups to facilitate tracking of climate actions and related management strategies.</li> <li>3. In compliance with Financial Supervisory Commission and domestic regulatory requirements, the Company compiled risk lists for various business operations, reviewed and revised internal control systems, and conducted annual self-evaluation of internal controls to implement self-monitoring and reduce the impact of unexpected risks on operations.</li> </ol>
2024 Outcome	<ol style="list-style-type: none"> <li>1. All departments have followed the Company's internal control system; annual internal audits revealed no major anomalies, and the design and implementation of the internal control system proved effective.</li> <li>2. The Company has complied with personal data protection laws and regulations, and has ensured that the collection, processing, and use of personal data held by the Company meet legal requirements. All new employees are required to sign a personal data consent form.</li> <li>3. The Company has appointed independent directors with expertise in finance, accounting, and law to participate in Board of Directors discussions. Through their professional input, the Company's highest governance body enhances its risk management capabilities in financial and social domains.</li> </ol>
Grievance Mechanism	The Company has established an internal audit system and appointed independent directors to ensure the effective operation of internal control and reporting mechanisms.

### 2.3.1 Risk Management Structure and Responsibilities

To enhance corporate governance and risk control capabilities, the Company implements tiered management across different levels and establishes various internal regulations to conduct risk assessments and management in order to face the rapidly changing landscape. The Company aims to minimize the impact of risks, thereby seizing future development opportunities and realizing its vision of sustainable development.

#### ■ Sunmax Biotech Risk Management Structure and Responsibilities

Body	Scope of Duties
Board of Directors	As the Company's highest guiding body for risk management, it ensures that major risks are identified and strategic directions for key risks are determined by legal compliance, policies promotion, and maintaining operations. These acts enable the organization to effectively manage risks and allocate resources appropriately.
C-Suite	Through regular operations meetings, they implement risk management policies formulated by the Board of Directors, coordinate cross-departmental risk management affairs, and tracks the progress of risk management implementations across departments.
Audit Office	As an independent unit under the Board of Directors, the Office is responsible for executing internal audits, reviewing and verifying deficiencies in the Company's internal control systems, and evaluating operational effectiveness and efficiency. The Office provides improvement recommendations to ensure the internal control system is continuously and effectively implemented, and provides rationale for the review and revision of the internal control system.
Other Departments	Each responsible department is in charge of daily risk management operations, conducting comprehensive analysis and management of risks related to its respective functions, and ensuring the effective operation of risk control mechanisms.

### 2.3.2 Critical Risks

The Company consolidates industry risk trends and discusses risk management issues with various departments through operations meetings. Subsequently, potential risks in current operations are collected under different aspects, risk factors are categorized, and the Company's response strategies and current status are reviewed. This ensures that all potential risks remain within a reasonable scope of control and do not cause serious financial, reputational, or production implications.

The following table lists the major operational risks identified by Sunmax Biotech in 2024 and the corresponding management policies.

#### ■ 2024 Risks

ESG Aspects	Governance	Environmental	Social	Governance
Risks	Financial Risk	Climate Change Risk	Human Resources Risk	Infosec Risk
Risk Factors	For market risks (exchange rate risk), credit risk, and liquidity risk, appropriate policies, procedures, and internal controls are established in accordance with relevant regulations.	The Company ensures stability of key raw material supply chains, replaces old machinery and equipment, and optimizes emergency response mechanisms for extreme climate-induced natural disasters. For climate change-related risks, refer to Section 3.1 "Response to Climate Change."	Key talent retention, employee development, and succession planning.	To protect corporate intellectual assets and maintain information security, measures are in place to mitigate risks of sensitive client or Company data incidents e.g. attack, extortion, or leak by hackers.
Risk Management and Responses	1. Market risk refers to the risk of fluctuations in the fair value or cash flows of financial instruments due to changes in market prices; foreign exchange risk mainly arises from operating activities (when the currency used for revenues or expenses differs from the Group's functional currency). When the Company's foreign currency receivables and payables are	1. The Company diversifies sources of key raw materials, sets reasonable safety stock reserves, and evaluates supply chain risk warning systems. 2. The Company reviews the usage of machinery and equipment in plants, and evaluates replacement with	1. The Company aligns manpower planning with its short- and medium-term development plans, assesses types and numbers of manpower needs, and strengthens recruitment and talent training. The Company also facilitates employee learning and growth through on-the-job guidance and education.	1. The Company classifies documents to meet information security control requirements, ensuring that only properly authorized personnel can access confidential files. 2. The Company conducts cybersecurity and social engineering training. Each year, internal information security

	<p>denominated in the same currency, a natural hedging effect occurs for a significant portion of the position. The Company's foreign exchange risk is primarily affected by fluctuations in the Renminbi (RMB) exchange rate; accordingly, the Company adopts measures such as reducing foreign exchange losses on foreign currency payments (e.g., advances of subsidiary payments), monitoring exchange rate movements/negotiating with banks for favorable spreads, increasing time deposits, and securing more favorable interest rates.</p> <p>2. Credit risk of the Company arises from operating activities (primarily accounts receivable and notes) and financial activities (primarily bank deposits and various financial instruments). Credit risk assessment is conducted by considering factors such as the counterparty's financial condition, ratings from credit rating agencies, historical transaction experience, the current economic environment, and the Group's internal evaluation standards. At appropriate times, certain credit enhancement tools (such as advance from clients) are engaged to reduce credit risk with specific counterparties.</p> <p>3. Liquidity risk management is achieved by maintaining financial flexibility through cash, cash equivalents, and highly liquid securities.</p>	<p>energy-efficient equipment to address potential impacts of extreme climate.</p> <p>3. The Company assesses the impact of climate change on the overall economic environment and regulations, as it may be directly or indirectly affected by global GHG emission controls and carbon fee measures.</p> <p>4. Against the backdrop of increasing natural disasters and shorter cycles of large-scale infectious diseases, the Company has recognized the need to strengthen emergency response mechanism.</p>	<p>2. The Company optimizes salary and benefits structures.</p> <p>3. The Company aims to build a healthy and friendly workplace, maintaining mutual trust, respect, and caring labor relations.</p>	<p>training is provided to employees, and phishing tests are conducted for all employees to enhance awareness and response capabilities.</p> <p>3. The Company establishes emergency reporting procedures for information security incidents.</p>
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### 2.3.3 Internal Audit

The Company is committed to establishing an effective and comprehensive internal control system to ensure operational efficiency, reliability of financial reporting, and legal compliance. The internal control system contains design, implementation, and inspection to achieve the following objectives:

1. Effectiveness and efficiency of operations;
2. Reliability, timeliness, transparency, and compliance of reporting with relevant standards; and
3. Compliance with applicable laws and regulations.

The department of Internal Audit is an independent unit under direct supervision of the Board of Directors for independence and objectivity. Internal audit personnel conduct routine and special audits as a part of its examinations, including: examination and evaluation of the effectiveness and appropriateness of the current internal control system; audits of the implementation of policies, business activities, and work plans; audits of compliance with policies, laws, regulations, and procedures; audits of asset safeguarding; evaluation of the economic and efficient use of resources; audits of the reliability and completeness of operational information; and follow-up on the implementation of improvement measures.

The Internal Audit is staffed with full-time auditors. The Chief Auditor and audit personnel all meet statutory qualifications and continue to pursue professional development to ensure audit quality. The appointment or dismissal of the Chief Auditor must be approved by the Audit Committee and resolved by the Board of Directors, thereby maintaining independence and fairness. Audit personnel do not concurrently engage in routine operational tasks, focusing exclusively on preserving the objectivity of internal audit.

Audit work is carried out in accordance with the Board-approved annual audit plan, which is risk-based and may be adjusted as needed. The Chief Auditor regularly reports to the Audit Committee and the Board of Directors on audit progress, deficiencies in the internal control system, and improvement results. In 2024, audit results revealed no material deficiencies.

### 2.4 Legal Compliance

To an enterprise, compliance with regulations is a fundamental responsibility and a manner to demonstrate its responsibility. Abiding by such principle, Sunmax Biotech proactively monitors regulatory changes and makes timely adjustments to ensure compliance. Albeit without in-house legal personnel, the Company engages attorneys each year for legal consultation and review of contracts executed with stakeholders, thereby ensuring compliance with government regulations and administrative orders.

The Company manages its operations in accordance with the law and defines a major regulatory event as either a fine imposed by the competent authority amounting to NT\$500,000 or more, or an incident involving the Company's core operations that has a significant impact on its reputation or financial condition.

Departments share responsibilities to ensure proper establishment and implementation of legal compliance; each department shall be responsible for the following matters:

1. Establishing clear and appropriate systems for regulatory communication, consultation, coordination, and information flow to ensure effective dissemination of regulations; and
2. Periodically reviewing and updating operational procedures and management rules to meet regulatory requirements, ensuring that all business activities comply with applicable laws and regulations.

In 2023 and 2024, Sunmax Biotech did not incur any penalties related to environmental regulations or social regulations, nor did the Company experience any violations concerning product and service health and safety regulations, product and service information, or marketing communications (including advertising, promotion, and sponsorship) regulations.

#### ■ Compilation of Major Violations in 2023~2024

Violation Category	Determination Details	About Incident	Corrective Measures	Year of Occurrence
Environmental Protection	None	-	-	-
Labor	None	-	-	-
Governance	None	-	-	-
Quality	None	-	-	-
Others	None	-	-	-

## 3.1 Response to Climate Change

### 3.1.1 Climate Governance

Following the conclusion of COP27, the global challenge of insufficient progress in carbon reduction has been highlighted. With rising temperatures, extreme climate events such as heavy rainfall and droughts are intensifying, elevating these risks into critical potential threats to corporate operations; according to the Intergovernmental Panel on Climate Change (IPCC), companies must actively respond by adopting both mitigation and adaptation strategies.

As a global citizen, Sunmax Biotech is committed to addressing the potential risks brought by climate change, and has formulated management strategies and actions to strengthen climate resilience; in the meantime, we are progressively transforming our operations toward a low-carbon business model to help slow the pace of climate change.

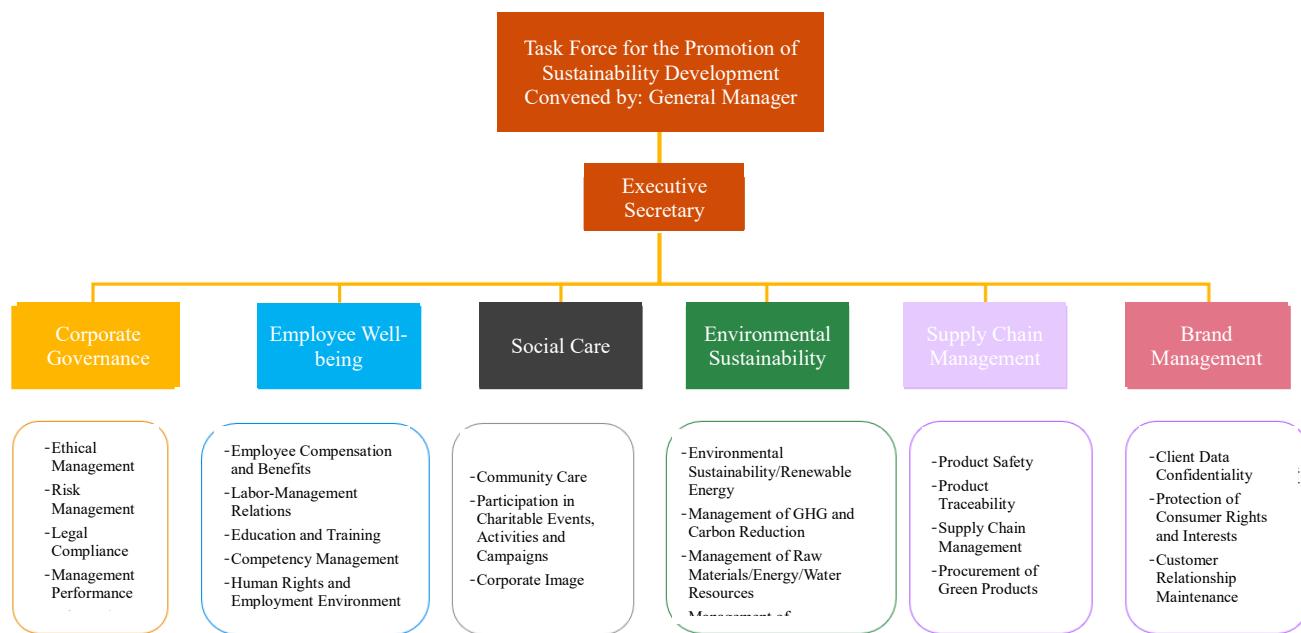
#### Risk Management Organization-Board of Directors as the Highest Governance Body

The Board of Directors serves as the highest governance body for climate-related risk management. It is responsible for driving and deciding the Company's climate strategies, and supervising the implementation of climate actions. The Board also serves as the key role in resolving the Company's climate commitments and goals, regularly discussing emerging climate risks and opportunities and proposing concrete strategies to ensure sustainable operations. Under the Board of Directors, Sunmax Biotech has established the "Task Force for the Promotion of Sustainable Development," convened by the General Manager. At least once per year, Sunmax Biotech reports to the Board of Directors on sustainability strategies and project outcomes.

To strengthen the identification and management of climate-related risks and opportunities, Sunmax Biotech established the Task Force for the Promotion of Sustainable Development in 2024, with the General Manager serving as convener. The Task Force is required to convene annually to review key climate risk and opportunity issues and submit its findings to the Board of Directors.

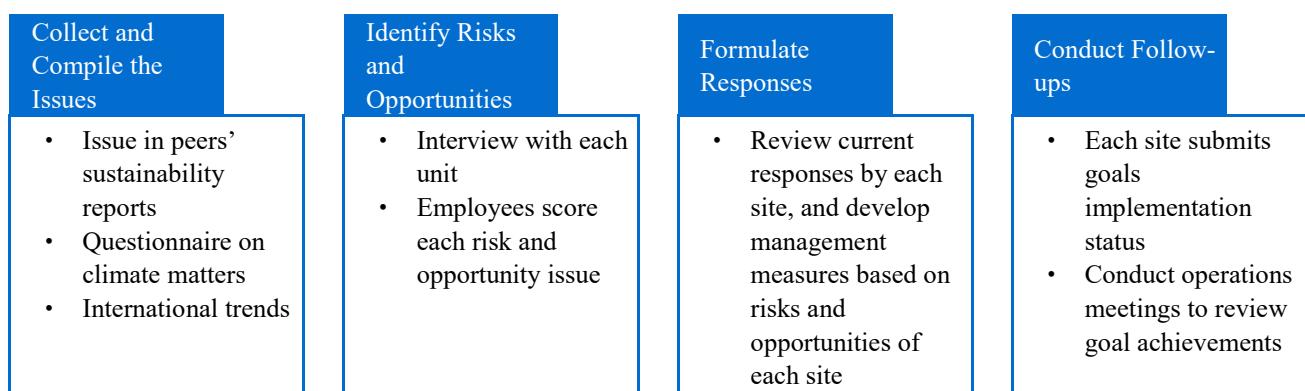
Responsibilities of the Task Force include: assisting the Board of Directors in implementing climate risk management policies and goals; reviewing climate risk response plans and execution results submitted by the Executive Secretary; and supervising the achievement of climate goals and actions across all Company sites, along with communication and integration of the Company's climate governance practices.

To reduce the impact and financial risks of climate change while identifying critical risks and opportunities, the Task Force for the Promotion of Sustainable Development oversees six dedicated working groups: Corporate Governance, Employee Well-being, Social Care, Environmental Sustainability, Supply Chain Management, and Brand Management. The Task Force is responsible for collecting climate-related information from each site, evaluating industry trends in climate risks and opportunities through meetings, and providing resource support and recommendations based on current responses to climate risk issues by site for enhanced climate resilience.



### 3.1.2 Climate Risk Management

To enable the Company to grasp current critical climate-related risks and opportunities, the Task Force for the Promotion of Sustainable Development collects information from peer companies' sustainability reports and climate questionnaires regarding risk and opportunity issues. The Task Force also gathers annual data from internal units on their responses to climate risks and conducts interviews with relevant departments to assess the perceived impact and likelihood of these issues. Based on this process, the Task Force consolidates and identifies Sunmax Biotech's annual key climate risks and opportunities, and submits the results to the Board of Directors.



### 3.1.3 Climate Change Responses and Strategies

To formulate the Company's climate change strategies, it is first necessary to identify the annual key climate risks and opportunities; in 2024, Sunmax Biotech, through the Task Force for the Promotion of Sustainable Development, collected climate-related issues specific to the Company by following the TCFD guidelines, peer companies' sustainability reports, and international trends. The Task Force further discussed with Company units and departments the actual challenges faced and the measures adopted. Ultimately, five key climate issues were identified: three transition risks, one physical risk, and one climate opportunity. These five key issues are listed below, together with their timeframes, current status, and future response strategies.

## ■ Sunmax Biotech Key Climate Risks and Opportunities and Response Strategies

Aspect	Issue		Current Climate Risks and Opportunities	Response Strategies and Management Measures
Transition Risks	Strengthened obligations for emissions reporting, as mandated by policies and regulations	Short-term (Within 3 years)	<p>The Company's mandatory disclosure of GHG emissions and climate information, undergoing of third-party verification, and education and training for personnel of involved units have increased manpower hours and operating costs; failure to disclose truthfully or on time may result in increased costs due to production suspension, fines, or litigation.</p> <p>Regulations governing the Collection of Carbon Fees, effective 2024, applies to enterprises with annual emissions &gt;25,000 tons. Although the Company is not included in the first batch of enterprises under management, risks arising from such regulations shall be included as future thresholds may be lowered.</p>	<p>Carrying out greenhouse gas inventory operations, allocating budgets for staff carbon-reduction awareness programs, inventory training expenses, and assurance costs.</p> <p>Assessing aging equipment and allocating replacement budgets to gradually improve the energy efficiency of facilities and plant equipment.</p>
	Rising Raw Material Costs	Medium-term (Between 3 and 10 years)	Climate change may trigger issues related to natural resources, food security, and health, and indirectly affect local political stability, thereby causing compromised supply stability in form of risen cost or disrupted supply.	Establishing a raw material backup plan to prevent supply chain disruptions, and gradually diversifying suppliers to reduce reliance on single sources and mitigate costs arising from climate impacts.
	Changes in Client Behaviors	Long-term (Over 10 years)	Clients request disclosure of carbon emission and sustainability information to evaluate procurement decisions; failure to meet such requests may reduce revenue, while disclosure increases operating costs.	Ongoing monitoring of changes to external trends, and building plans concerning integrity of carbon emission information and sustainability information on a by-year basis.

Physical Risks	Increases in the Severity and Frequency of Extreme Climate Events	Medium-term (Between 3 and 10 years)	<p>Extreme climate events (heavy rainfall, typhoons, droughts) may cause catastrophic implications including transportation disruption, power outages, water shortages, and pollution, leading to supply chain interruption, production suspension, and property loss.</p> <p>Increasing average temperatures directly affect the cooling requirements of machinery and plant environments, leading to higher air-conditioning energy consumption; to ensure the effectiveness of product cold-chain logistics, stricter supporting measures are required. These factors collectively result in higher operating costs for the Company.</p>	<p>Establishing raw material backup plans to prevent supply chain disruptions; gradually diversifying suppliers to reduce reliance on single sources and mitigate costs arising from climate impacts.</p> <p>Installing water pumps at plant sites to reduce flooding risks caused by heavy rainfall or disasters.</p> <p>Installing generators at plant sites to prevent production interruptions resulting from power shortages due to electricity rationing.</p>
Opportunities	Adopting a more effective production flow to enhance resource utilization	Long-term (Over 10 years)	<p>The Company identifies primary source of carbon emission and further develops energy-saving improvement to reduce production costs and increase margins.</p>	<p>Gradually reviewing and replacing aging equipment, such as air-conditioning and chiller systems.</p> <p>Application of new technologies (e.g., IoT, BigData analytics, automation, and smart systems) to increase yield, reduce material usage and waste generation, enhance employee health and safety, lower operating costs, and improve overall productivity.</p>

### 3.1.4 Indicators and Targets

To address the impacts of climate change in a proactive manner, countries worldwide have announced and undertaken net-zero emission commitments and actions. Taiwan followed this trend by amending relevant regulations and deploying long-term net-zero planning, most notably through its 2023 amendment to the “Climate Change Response Act.” In line with the Financial Supervisory Commission’s “Sustainable Development Roadmap for TWSE/TPEX-listed Companies”, Sunmax Biotech advanced its 2024 GHG inventory work to 2025. Based on the inventory results, the Company has formulated corresponding indexes and goals, and has adopted a rolling adjustment to revise climate goals according to annual achievement levels, with updates reported to the Board of Directors each year to ensure their effectiveness and appropriateness.

Enhancing Quality of GHG Emissions Information Disclosure	Developing Measurement Indexes and Follow-up of Effects
<ul style="list-style-type: none"> <li>◆ Early disclosure of the Company’s 2024 parent-only GHG inventory information in 2025.</li> <li>◆ Completing the disclosure of the Company’s 2026 consolidated GHG inventory information by 2027.</li> <li>◆ Completing the assurance for 2027 parent-only GHG inventory by 2028, and formulating feasible reduction plans based on inventory results.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The 2025 water withdrawal intensity has reduced compared to that in 2024.</li> <li>◆ The electricity use relating to Scope 2 emission is one of the Company’s primary carbon emission sources. Through equipment improvement, the Company aims to reduce carbon emission intensity.</li> </ul>

## 3.2 Energy and GHG Management

Items	Contents
Policies and Commitments, and Their Significance	Energy management is closely linked to GHG emissions and is a critical factor influencing global warming. With the increasing global trend of implementing carbon taxes and the gradual rise in global carbon tax rates, Taiwan also announced its Regulations governing the Collection of Carbon Fees in 2024; recognizing the importance of energy and carbon management, Sunmax Biotech is committed to requiring all operating sites to conduct annual routine GHG inventories in accordance with the GHG Protocol, and progressively increasing the share of renewable energy in its operations. These measures aim to mitigate the additional costs that future carbon-related regulations may impose on the Company.
Responsible Unit	All plant units, together with the Task Force for the Promotion of Sustainable Development.
Goals	<p>■ Short-term Goals:</p> <ol style="list-style-type: none"> <li>1. To establish an internal GHG inventory management system, including accountability system, data collection processes, and audit mechanisms.</li> <li>2. To enhance employees' awareness of climate change impacts and carbon management.</li> </ol> <p>■ Medium- to Long-term Goals:</p> <ol style="list-style-type: none"> <li>1. To set GHG reduction targets.</li> <li>2. To establish continuous goals for inventory, and progressively expanding Scope 3 emission inventory year by year.</li> <li>3. To require a 30% response rate of supply chain climate questionnaire.</li> <li>4. To complete third-party verification of the GHG inventory.</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. Establishing the internal GHG inventory management system.</li> <li>2. Providing climate change and carbon management training for relevant internal departments.</li> <li>3. Devising the supply chain climate questionnaire.</li> </ol>
2024 Outcome	In 2024, the Company completed its first Scope 1 and Scope 2 GHG inventory, enabling clarification of its emissions profile and energy consumption.
Grievance Mechanism	Each year, all operating sites submit annual carbon inventory information to the Task Force for the Promotion of Sustainable Development. The results are reviewed in management meetings to track and evaluate energy management and carbon reduction strategies.

### 3.2.1 Energy Management

Following the conclusion of COP27, the global challenge of insufficient progress in carbon reduction has been highlighted. Governments and enterprises worldwide are strengthening carbon management and reduction regulations. As a member of the global community, Sunmax Biotech shall strive to minimize the environmental impact of its operations. Since 2024 marked the Company's first year of GHG inventory, Sunmax Biotech has clarified its current situation and identified carbon reduction and energy conservation as key management priorities for the future.

To establish a foundation for carbon reduction, all operating sites of Sunmax Biotechnology Co., Ltd. completed their first Scope 1 and Scope 2 GHG inventory in 2024, in accordance with the GHG Protocol. The baseline year was set as 2024, and routine internal audits and carbon inventory management systems were established. Sunmax Biotechnology Co., Ltd. will take concrete actions to align with Taiwan's carbon reduction goals and actively demonstrate its commitment to clients and stakeholders.

### 3.2.2 Energy Use Overview

In 2024, the Total Energy Consumption by Sunmax Biotech was 26,082.55 GJ.

The Company's main business activities involve collagen solution extraction and product manufacturing. The primary sources of energy consumption are liquefied natural gas (LNG) used in production processes and purchased electricity for production machinery and air conditioning, accounting for 21.03% and 78.63% of total consumption, respectively; together, these account for 99.66% of total energy consumption.

In 2024, the energy intensity was 27.4791 (GJ/million NT\$ of revenue). As 2024 was the first year of energy inventory, no prior year data is available. Moving forward, 2024 will serve as the baseline year for annual comparisons. Sunmax Biotechnology Co., Ltd. will continue to track energy consumption trends annually across all categories and consistently reflect on potential energy-saving measures.

Energy Consumptions					
Type	Energy Type	Unit	2024	Calorific Value (Kcal)	GJ Gigajoule
Internally Consumed Non-renewable Fuels-(A)	Petroleum	Liter(s)	2,590.06	7,520	81.55
	Diesel	Liter(s)	194.29	8,629	7.02
	LNG	Unit	149,659.58	8,755	5,486.10
Self-Generated and Consumed Renewable Energy-(B)	None	—	—	—	—
Non-renewable Energy Purchased and Consumed-(C)	Electricity-General	kWh	5,695,337.51	860	20,507.89
Self-generated Energy Not Consumed-(D)	None	—	—	—	—
Energy Sold-(E)	Electricity-Green Electricity-Solar Power	kWh	—	—	—
Total Calorific Value of Consumed Energy (A+B+C+D-E)		GJ	26,082.56		
Total Energy Intensity (GJ/Million NT\$ of Revenue)		27.4791			

Note 1: The conversions of calorific values are based on numbers drawn from the “Net Calorific Value of Energy Products (2024)” announced by the Energy Administration, Ministry of Economic Affairs.

Note 2: Energy Intensity=Total Energy Consumption (GJ)/Revenue of the Year (in NT\$ Millions).

### 3.2.3 GHG Management

In 2024, Sunmax Biotech completed its GHG inventory in accordance with the GHG Protocol and recorded the total annual GHG emissions amounting to 3,078.737 metric tons of CO<sub>2</sub>e. Among which, Scope 1 direct emissions accounted for 12.32% of the total, primarily from company vehicles (petroleum), generators (diesel), boilers (natural gas), and refrigerant leakage; Scope 2 emissions accounted for 87.68%, mainly from electricity consumption in office activities and manufacturing operations at plant sites.

This was the Company's first Scope 1 and Scope 2 inventory in accordance with GHG Protocol. As 2024 was the Company's baseline year, no prior inventory data is available for comparison. Moving forward, Sunmax Biotech will conduct annual routine GHG inventories to track the achievement of its short-, medium-, and long-term carbon reduction goals, thereby contributing to global carbon reduction efforts.

Scopes	Emission (tCO <sub>2</sub> e)	Proportion
Scope 1: Direct GHG Emissions and Removal	379.1471	12.32%
1.1 Stationary Emissions (Generators, Boilers)	281.9982	
1.2 Mobile Emissions (Petroleum Combustion of Office Vehicles)	5.9679	
1.3 (Industrial) Process Emissions	-	
1.4 Sources of Fugitive Emissions (Chillers, Air-conditioning, Refrigerators, Cold Storage Cabinets, Freezers, Freeze-dryers, Stability Testing Chambers, Constant Temperature and Humidity Chambers, Water Dispensers, Vehicle Refrigerants (Company Vehicles), Pharmaceutical Freezers, and Fire Extinguishers)	91.1810	
Scope 2: Indirect GHG Emissions from Imported Energy	2,699.5899	87.68%
2.1 Emissions from Electricity Consumption (Office Activities, Manufacturing and Operations at Plants)	2,699.5899	
Total Emission	3,078.737	100.00%
Scope 1 + Scope 2 Intensity (CO <sub>2</sub> e/Million NT\$ of Revenue): 3.2436		

Note 1: Sites Covered in this GHG Inventory:

Plant I: 1 & 2F, No. 10 and 1F, No. 8, Ln. 31, Sec. 1, Huandong Rd., Xinshi Dist., Tainan City

Headquarters: No. 6, Nanke 1st Rd., Xinshi Dist., Tainan City

Taipei Office: 3F, No. 206, Reiguang Rd., Neihu Dist., Taipei City

Note 2: GHG Factors Drawn: The GWP values refer to the IPCC Sixth Assessment Report (AR6) in 2021.

The 2024 Carbon Emission Factors from Electricity Use announced by the Energy Administration, Ministry of Economic Affairs has been drawn as Factors for the Emissions from Electricity Consumption.

Note 3: Verification Methodology: GHG Protocol.

Note 4: Scope of Gases for this GHG inventory: Seven GHGs including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>).

Note 5: GHG inventory has been conducted using the operational control manner.

Note 6: Emission Intensity = (Total CO<sub>2</sub> Equivalent for Scope 1 + Scope 2 Emission)/Revenue of the Year in Million NT\$.

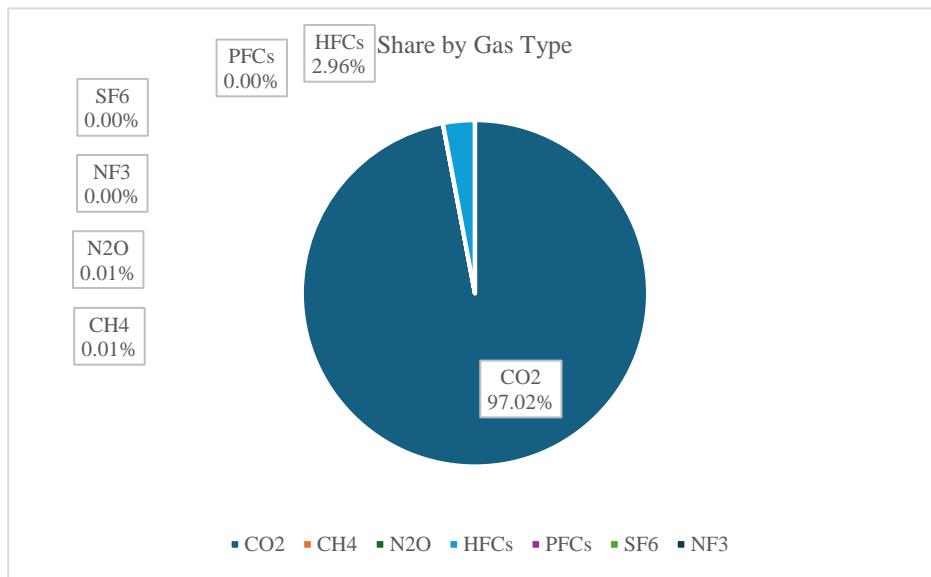
**Statistics of GHG Emissions Involving Seven Primary Gas Types across All Sites**

	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs	PFCs	SF <sub>6</sub>	NF <sub>3</sub>	Total Annual Emission Equivalent of the Seven Primary Gases	Biogenic Emissions Equivalent
Emission Equivalent (tCO <sub>2</sub> e/Year)	2,987.0303	0.1981	0.3276	91.1810	0.00	0.00	0.00	3,078.7370	0.0000
Share by Gas Type (%)	97.02%	0.01%	0.01%	2.96%	0.00%	0.00%	0.00%	100.00%	-

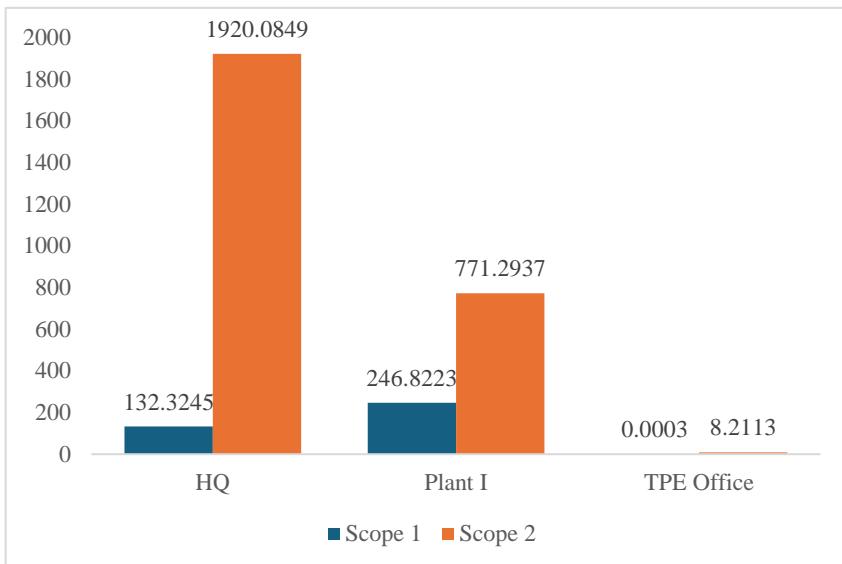
**GHG Emissions by Site**

	HQ	Plant I	TPE Office	Total Emission
Scope 1 Emission (tCO <sub>2</sub> e)	132.3245	246.8223	0.0003	379.1471
Scope 2 Emission (tCO <sub>2</sub> e)	1,920.0849	771.2937	8.2113	2,699.5899
Total Emission (tCO <sub>2</sub> e)	2,052.4094	1,018.1160	8.2116	3,078.737
Proportion	66.66%	33.07%	0.27%	100%

- Share by the Gas Type



- Emissions by Site



### 3.2.4 Reduction and Energy-Saving Measures

With growing global awareness of environmental protection, countries worldwide have reached a consensus on controlling GHG emissions, whilst several developed nations have begun implementing reduction measures. In recent years, global warming has caused environmental disasters across regions. Sunmax Biotech recognizes that GHG emissions can harm the environment. Guided by the spirit of caring for life and contributing to society, the Company has completed a systematic GHG inventory and registry, aiming to achieve sustainable energy development goals that balance resource efficiency, energy conservation, and environmental protection, while supporting the domestic industry's transition toward a low-carbon economy.

As 2024 marked Sunmax Biotech's first year of GHG inventory, no reduction goals have yet been set. Based on the inventory results, the Company will gradually establish and implement effective GHG reduction measures in the future, helping to mitigate global warming and fulfill its responsibility as a member of the global community.

## 3.3 Waste Management

### 3.3.1 Waste Management System

Sunmax Biotech's waste includes general mixed chemical substances generated from operations and manufacturing, as well as organic sludge. The main source of waste is employee domestic garbage, all of which are non-hazardous materials, and no hazardous waste has been generated; however, if hazardous waste were to occur, it would be stored in designated warehouses in accordance with regulations, with dedicated personnel conducting regular monitoring and reporting of total volumes.

All waste is cleared by qualified third-party clearance contractors, as legally bound by industrial waste clearance contracts, and both parties complete documentation in accordance with the "Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste." When clearing waste, "Manifests for the Joint Disposal, Control and Delivery of Industrial Wastes on Commission" and written documents of "Proper Clearance of Industrial Waste" are prepared to comply with operational requirements.

To prevent the Company's operational waste from negatively impacting nearby communities and ecosystems, Sunmax Biotech's environmental, safety, and health (ESH) personnel annually select clearance contractors to ensure they hold valid waste clearance permits issued by the environmental protection authorities. The rights and obligations of both parties are properly stipulated in clearance contracts to ensure waste is appropriately disposed of.

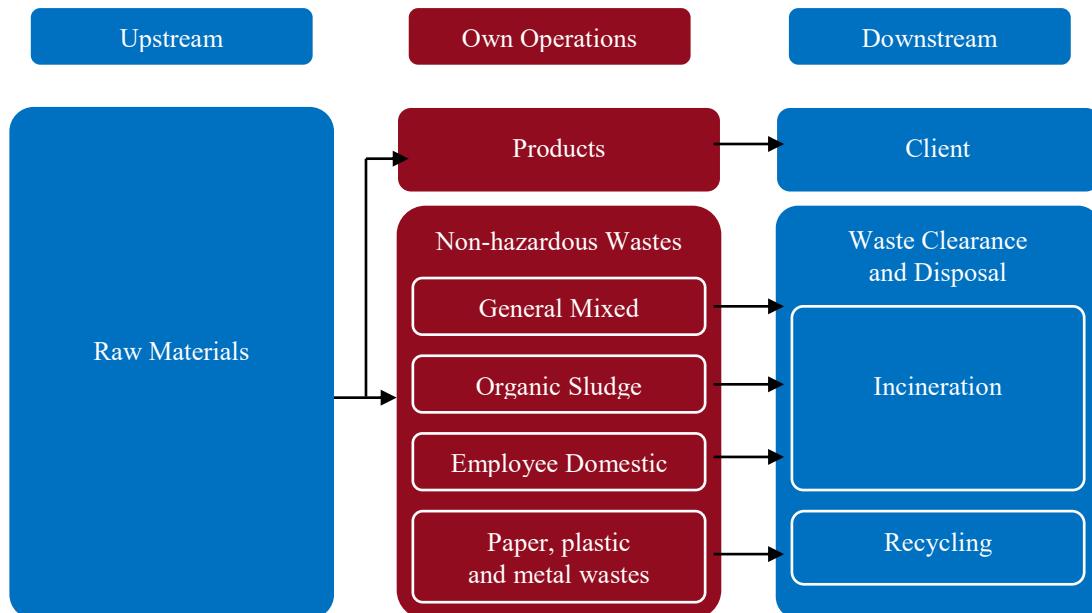
#### ■ Waste Clearance Process



■ Management Measures for Waste Value Chain

Management Measures for Waste Value Chain	
Upstream of Value Chain	Management measures have not yet been initiated; however, tally on incoming materials has been planned.
Own Operations—Wastes from Offices and Plants	In accordance with waste management regulations, hazardous waste storage areas will be clearly marked, and quantitative data will be compiled on the storage status of all waste (hazardous/non-hazardous).
Downstream of Value Chain—Waste Disposal	<ol style="list-style-type: none"> <li>1. Record monthly reports based on the industrial waste manifest.</li> <li>2. Select qualified third-party waste clearance contractors and sign clearance contracts.</li> </ol>

■ Waste Disposal Flowchart



### 3.3.2 Waste Generation

In 2024, Sunmax Biotech's total waste volume increased compared to 2023, primarily due to the growth in the number of employees, which led to a rise in domestic waste. Going forward, Sunmax Biotech will continue to monitor trends in various types of waste and gradually increase the proportion of resource recycling and reuse, in order to reduce impacts on the external environment.

- Statistics on Waste Generated

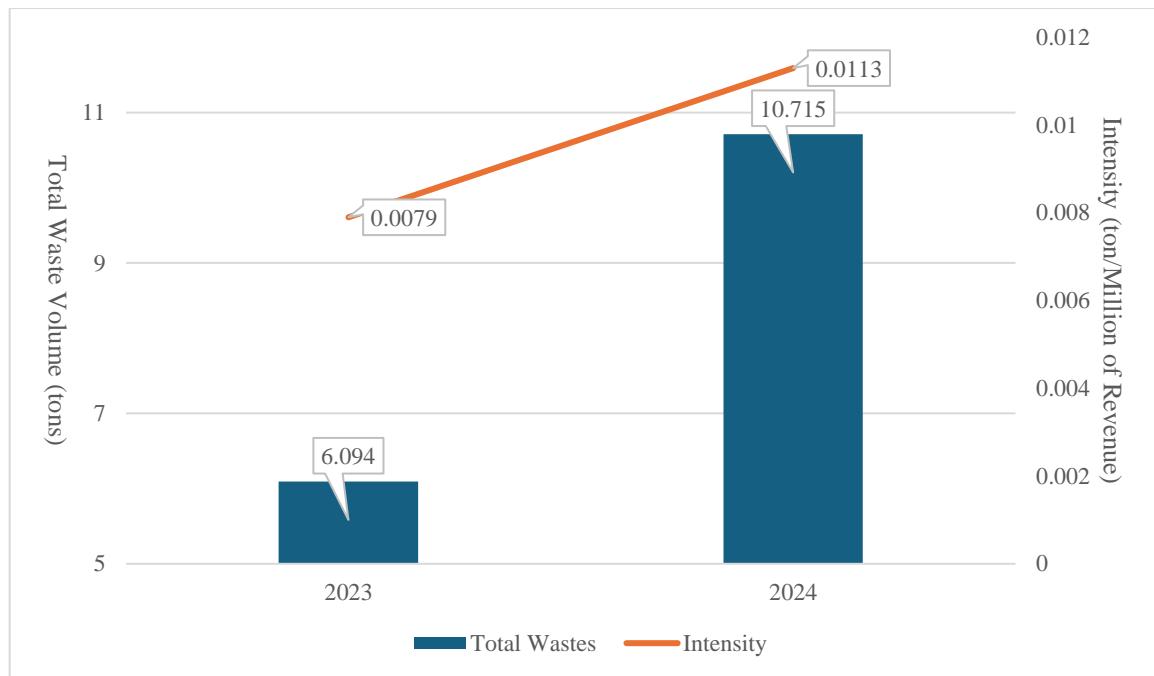
The difference between Sunmax Biotech's waste generated and waste disposed is mainly attributable to moisture evaporation during storage and waiting periods, which reduces weight, as well as differences in disposal timing across fiscal years. The Company adheres to relevant regulations to ensure proper management and disposal of waste.

(Unit: tons)

Waste Type	Sub-items	Disposal Manner	2023			2024			
			Generated	Diverted from Disposal	Directed to Disposal	Generated	Diverted from Disposal	Directed to Disposal	
Non-hazardous Waste	General Mixed Chemical Substances	Incineration	3.4000	-	2.8200	4.6800	-	2.8900	
	Organic Sludge		0.1200	-	0.0682	0.1900	-	0.2140	
	Mixed Waste Plastics		-	-		0.0300	-	-	
	Mixed Waste Fibers or Other Cotton/Cloth Materials		-	-		0.1650	-	-	
	Mixed Waste Oil		-	-		0.0020	-	-	
	Waste Activated Carbon		-	-		0.5750	-	-	
	Employee Domestic Waste		2.5740	-	2.5740	4.3730	-	4.3730	
	<b>Subtotal</b>		<b>6.0940</b>	-	<b>5.4622</b>	<b>10.0150</b>	-	<b>7.4770</b>	
Waste Paper	Recycling	Recycling	-	-	-	0.4800	0.4800	-	
			-	-	-	0.2200	0.2200	-	
			-	-	-	<b>0.7000</b>	<b>0.7000</b>	-	
<b>Total</b>			<b>6.0940</b>		<b>5.4622</b>	<b>10.7150</b>	<b>0.7000</b>	<b>7.4770</b>	
<b>Intensity</b>			<b>0.0079</b>			<b>0.0113</b>			

Note 1: All waste generated by Sunmax Biotech during 2023–2024 was non-hazardous waste, with no hazardous waste produced.

Note 2: All waste was cleared by qualified third-party clearance contractors, with off-site treatment.



### 3.3.3 Waste Reduction Initiatives

To reduce the impact of operations on the environment, Sunmax Biotech plans to begin with reducing domestic waste generated from daily operations. Within, we promote the use of environmentally friendly tableware and containers, advance the digital transformation of written materials, and implement paperless meetings (using electronic whiteboards and tablets) to reduce paper consumption. We also encourage suppliers and clients to recycle and reuse transportation cartons. By 2026, we plan to conduct a review of raw materials at the product source, prioritizing end-of-life materials with recycling and reuse mechanisms, thereby increasing the proportion of waste reuse and promoting circular economy within the industry.

In 2024, Sunmax Biotech did not adopt recycled materials. The Company will evaluate recyclable and reusable materials that meet product requirements, with the expectation that initiating the use of recycled and reusable materials will reduce reliance on and exploitation of natural resources.

## 3.4 Water Resource Management

Items	Contents
Policies and Commitments, and Their Significance	In recent years, extreme climate events have intensified, causing uneven global rainfall distribution, with many countries experiencing droughts and heavy rains. With steep terrain unfavorable for reservoir storage, Taiwan has experienced large-scale drought and water rationing incidents have occurred in central and southern counties and cities in recent years. Sunmax Biotech recognizes the importance of water conservation and is committed to managing water resource usage within its plants, compiling annual water consumption statistics, and conducting water quality testing to track annual water-saving performance and achievement of goals.
Responsible Unit	Engineering
Goals	<ul style="list-style-type: none"> <li>■ Annual Ongoing Goals: <ul style="list-style-type: none"> <li>1. No penalties incurred during the year for violations of wastewater discharge regulations.</li> <li>2. Completion of third-party wastewater quality testing at each plant annually.</li> </ul> </li> <li>■ Short-term Goals: <ul style="list-style-type: none"> <li>1. Annual water withdrawal intensity reduced by 3% compared to baseline year.</li> <li>2. To increase overall water reclamation rate to 1%.</li> </ul> </li> <li>■ Medium-term Goals: <ul style="list-style-type: none"> <li>1. Annual water withdrawal intensity reduced by 5% compared to baseline year.</li> <li>2. To increase overall water reclamation rate to 3%.</li> </ul> </li> <li>■ Long-term Goals: <ul style="list-style-type: none"> <li>1. Annual water withdrawal intensity reduced by 8% compared to baseline year.</li> <li>2. To increase overall water reclamation rate to 5%.</li> </ul> </li> </ul>
Action Plans	<ul style="list-style-type: none"> <li>1. Evaluating water consumption sources in plants and implementing wastewater reclamation measures for water-intensive equipment to increase recycling rates.</li> <li>2. Conducting effluent quality analysis through regular monitoring and testing to ensure discharge quality meets local and national standards, preventing adverse impacts on ecosystems.</li> </ul>
2024 Outcome	<ul style="list-style-type: none"> <li>1. Water reclamation rate reached 13%, representing a 13% improvement compared to the previous year.</li> <li>2. Monetary penalties for violations of wastewater discharge regulations: 0.</li> <li>3. Annual water quality testing results all complied with local wastewater discharge standards.</li> </ul>
Grievance Mechanism	<p>The Company ensures compliance by tracking water resource usage and recycling at each operating site, with wastewater quality tested by third-party units.</p> <p>Grievance Contact: <a href="mailto:esg@sunmaxbiotech.com">esg@sunmaxbiotech.com</a></p>

### 3.4.1 Risk Assessment for Water Resources

In recent years, extreme climate events have intensified, and uneven global rainfall distribution has become the norm. The frequency and severity of heavy rains, droughts, and floods have surpassed past records year by year, affecting general domestic water use and increasing instability in corporate supply chains as well as risks of plant operation interruptions. Water resource risk management has therefore become an issue that enterprises cannot ignore in their operations.

To evaluate presence of water risks at operating sites, in 2024, Sunmax Biotech adopted the World Resources Institute's online tool Aqueduct Water Risk Atlas to conduct water withdrawal stress analyses for each site. The assessment results indicated that Sunmax Biotech is located in areas of medium-to-low water stress. Going forward, we will continue to track and evaluate water resource stress at each site annually to avoid potential impacts of our water use on local residents and ecosystems.

#### ■ Destinations of Water Withdrawn and Effluents

Main Water Withdrawal Source	Catchment for Water Withdrawn	Water Discharge Treatment Level	Final Destination for Water Discharged	Water Stress
Zengwen River	Zengwen Reservoir	Tertiary Treatment Plant	Wastewater Treatment Plant in Southern Taiwan Science Park	Medium to Low

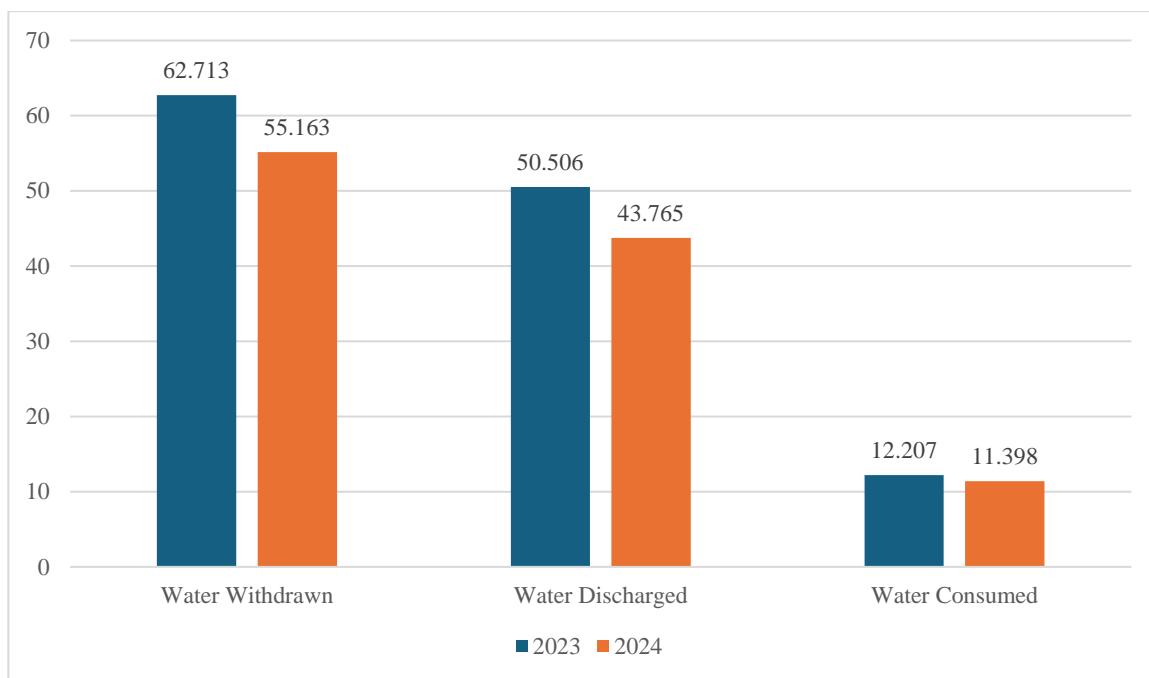
#### 3.4.2 Withdrawal, Consumption and Discharge of Water

Sunmax Biotech's water withdrawal is sourced from third-party water companies. The primary use of water is for production processes, as large amounts of water are required for machine circulation. Process water accounts for approximately 80% of total water consumption. In 2024, total water withdrawal amounted to 55.163 million liters, representing a decrease of 7.55 million liters compared to the previous year. Water withdrawal decreased by about 12%, and water withdrawal intensity decreased by approximately 29%, both attributable to our plants' implementation of reduced water withdrawal through water-saving, drainage, and wastewater reclamation measures, following with tightening reclaimed water policies by the Southern Taiwan Science Park (STSP) Administration.

(Unit: Million Liters)

Water Use Type	Categories of Water Withdrawal/Discharge Destinations	2023	2024
Water Withdrawal	From rainwater harvesting, rivers, and lakes	—	—
	From groundwater	—	—
	From water company, municipal water supply, or wastewater treatment plants	62.713	55.163
	Total Water Withdrawal	62.713	55.163
Water Discharge	Into rivers, glaciers, lakes, or wetlands	—	—
	Into groundwater	—	—
	Into wastewater treatment plant for treatment	50.506	43.765
	Total Water Discharge	50.506	43.765
Water Consumption	Total Water Consumption	12.207	11.398
Annual Revenue (in Million NT\$)		768.186	949.177
Water Withdrawal Intensity		0.082	0.058

Unit: Million



### 3.4.3 Wastewater Discharge Management

For the industrial wastewater to be discharged, Sunmax Biotech conducts proper planning and treatment in accordance with the characteristics of process wastewater, followed with suitable equipment and technologies for treatment. This ensures that the wastewater treatment system effectively degrades pollutants and prevents adverse impacts on local ecosystems.

Each year, we commission external institutions to conduct water quality testing, while also performing in-house sampling and testing according to standard methods; in compliance with wastewater regulatory standards, both domestic sewage and industrial wastewater are discharged into the industrial park's sewer system. In 2024, all wastewater testing results across Sunmax Biotech's facilities met regulatory requirements, and no violations of wastewater discharge regulations occurred.

#### ■ 2024 Wastewater Testing Results and Discharge Standards

Site	HQ		Plant I	
	Annual Test Value	Local Threshold	Annual Test Value	Local Threshold
pH	8.3	5-10	7.3	5-10
COD (mg/L)	11.5	<450	44.2	<450
SS (mg/L)	6.2	<250	16.8	<250
Ammonia nitrogen (mg/L)	0.2	<20	2.7	<20
Total Chromium (mg/L)	0.001	<1.5	ND	<1.5
Water Temperature (°C)	25	<38	31.8	<38
Oil and Grease (mg/L)	2.2	<25	ND	<25
Phenols (mg/L)	0.0035	<1	ND	<1
True Color	12	<400	<25	<400
Nitrate Nitrogen (mg/L)	3.55	<30	ND	<30
BOD (mg/L)	<1.0	<250	9.9	<250

### 3.4.4 Management or Reduction Initiatives for Water Resources

Sunmax Biotech recognizes the importance of water conservation. In recent years, frequent extreme droughts worldwide have further highlighted the significance of water resource management for corporate operations. Therefore, the Company encourages each plant to annually evaluate and review feasible water-saving measures to reduce reliance on water resources and mitigate the impact of sudden water shortages on operations. In 2025, Sunmax Biotech plans to implement four water-saving actions, with an estimated total water savings of approximately 7,560 cubic meters.

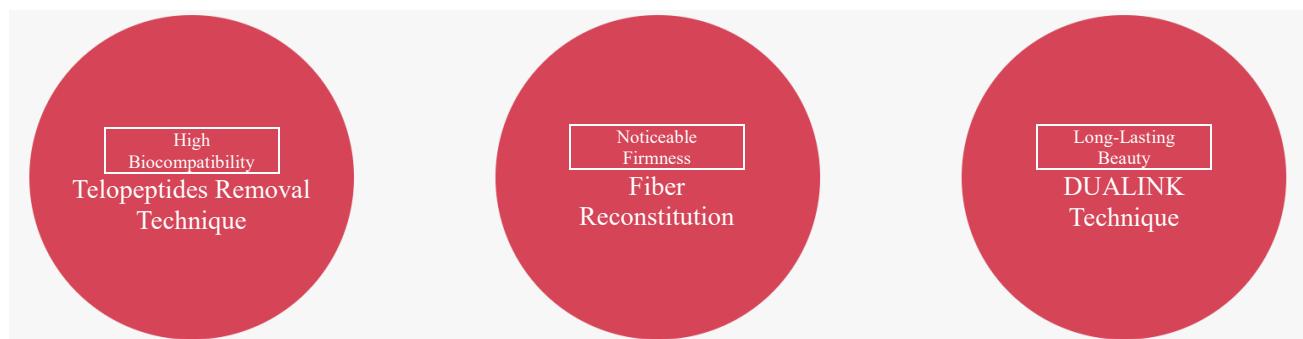
Operating Site	Initiative	Description	Total Volume of Water Saved (m <sup>3</sup> )	Calculation Basis (Flow Meter/Estimation)
HQ	RO Wastewater Reclamation	Recycling and Reuse	3,240	3T*3HR=9T/day , 9*30 days*12 months=3,240T/year
HQ	EDI Wastewater Reclamation	Recycling and Reuse	3,600	1T*10HR=10T/day , 10*30 days*12 months=3,600T/year
HQ	Air Conditioner Condensate Water Recovery	Recycling and Reuse	480	0.083T*24HR=2T/day; 2*20 days*12 months=480T/year
HQ	Boiler Wastewater Reclamation	Recycling and Reuse	240	0.16T*6HR=1T/day; 1*20 days*12 months=240T/year
Total Initiatives	4	Total Volume Saved	7,560	

## 4.1 R&D and Innovation

### 4.1.1 Proprietary Technologies

Since establishment in 2001, Sunmax Biotech has focused on the research and application of medical-grade collagen. Through proprietary purification technology, the Company has successfully developed biomedical-grade collagen raw materials characterized by high biocompatibility and low immunogenicity and for versatile applications in aesthetic medicine, dentistry, orthopedics, ophthalmology, and general surgery.

In the field of collagen R&D, Sunmax Biotech possesses three exclusive core technologies to manufacture products exhibiting outstanding performance in biocompatibility, stability, and long-lasting efficacy.

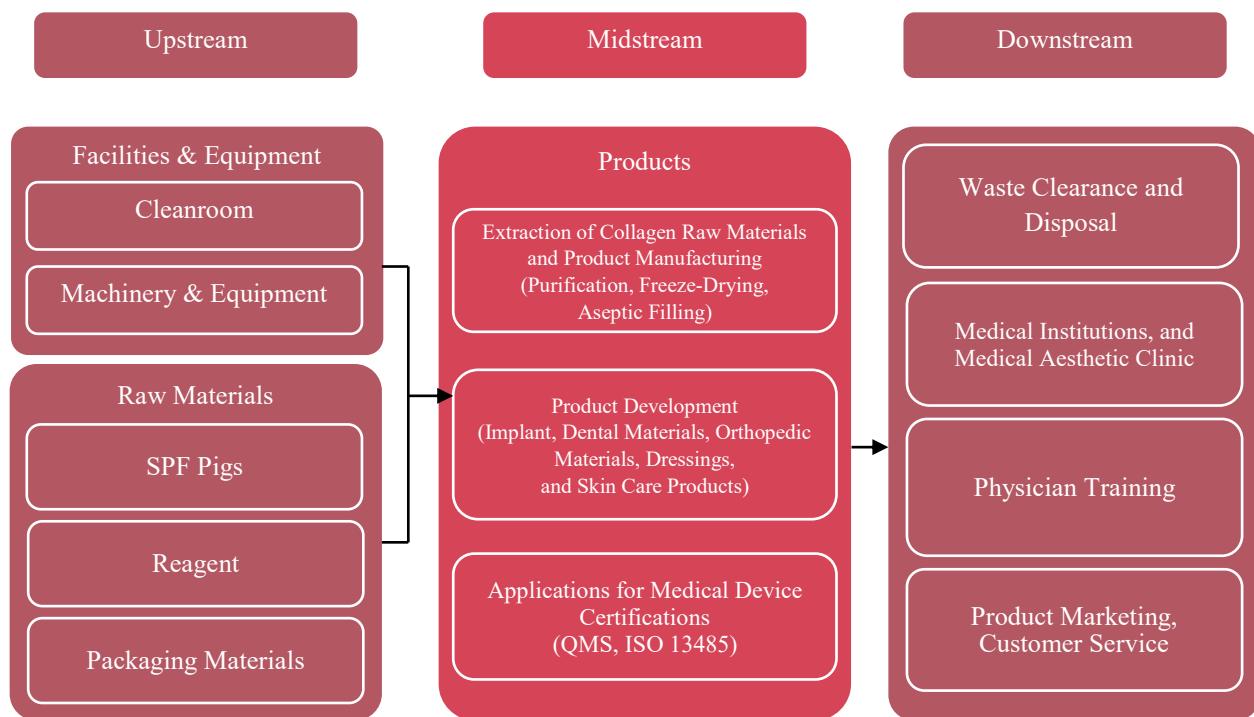


Immensely reduces the possibility of triggering allergies and immunogenicity.

Efficiently condenses collagen into tightly packed fiber bundles, ensuring immediate and stable contour results.

Enhances the stability and sustainability for a longer duration and collagen regeneration.

### 4.1.2 Value Chain of Products



### 4.1.3 Product Overview

Product Types	Market Positioning	Products
Collagen Implant	The collagen implant by Sunmax Biotech is recognized as the industry standard dermal filler, delivering highly effective nutritional support to the skin, improving skin structure, and providing physicians with stable and reliable treatment outcomes.	Sunmax Collagen Implant I Sunmax Collagen Implant I-Plus Sunmax FACIALGAIN Collagen Implant with Lidocaine
Biomedical Materials	The high-purity biomedical-grade collagen produced through proprietary patented extraction contains complete triple-helix structure preserved through specialized processing. Boasting exceptional bioactivity, collagen positions Sunmax at the forefront of global biomaterial technology, with applications across multiple fields of regenerative medicine.	PORCOGEN Biomedical-grade Collagen Solution
Collagen Dental Materials	Sunmax's collagen dental materials –manufactured using natural collagen structure – rapidly induces angiogenesis, leading to effective tissue integration and stable wound healing.	Sunmax Collagen Dental Bone Graft Sunmax Collagen Dental Membrane Sunmax" Dental Bone Graft Granules
Collagen Orthopedic Materials	The collagen bone graft by Sunmax Biotech is a highly purified bone mineral product specifically designed for orthopedic regeneration; combined with natural collagen, it effectively promotes bone repair and regeneration.	Sunmax" Collagen Bone Graft Matrix
Skin Care Series	Formulated with collagen as the core ingredient, Sunmax's skin care line is tailored for fragile, prematurely aging, and mature skin. It helps restore skin structure, enhances elasticity and radiance, and rejuvenates the skin to a healthy, youthful glow.	Sunmax 8 Collagen Facial Mask Sunmax 12 JIAO DIDI SPRAY

#### 4.1.4 Staffing and Expenditure of R&D

The primary unit responsible for product research and process technology development at Sunmax Biotech is the R&D department. In 2024, Sunmax Biotech employed 8 R&D personnel, representing 6% of total employees. The Company invested NT\$39 million in R&D during 2024, accounting for approximately 4% of annual revenue. Looking ahead, Sunmax Biotech will gradually increase the proportion of R&D expenditure, strengthening its innovation capacity and advancing sustainability as its overarching goal.

##### ■ R&D Headcount and Proportions

Year	R&D Headcounts (Persons)	Proportions to Total Employees (%)
2023	6	5
2024	8	6

##### ■ R&D Expenditures and Proportions

Year	R&D Expenditure (Million NT\$)	Proportions to Annual Revenue (%)
2023	29	4
2024	39	4

#### 4.1.5 IP Protection and Patent Deployment

As of December 31, 2024, Sunmax Biotech has obtained totally 8 valid patents. Through effective intellectual property management, the Company safeguards the research achievements of both the organization and its employees, thereby enhancing corporate competitiveness; looking ahead, Sunmax Biotech will continue to strengthen its intellectual property portfolio to further reinforce competitive advantages and ensure the Company's sustainable and sound operations.

##### ■ Patents Owned by Sunmax Biotech

Region	Name of Patent
Taiwan	Method for Extracting Soluble Collagen from Animal Tissue
Taiwan	Medical Collagen Membrane and Its Preparation Method
Taiwan	Biodegradable Filler for Alveolar Bone Repair
Taiwan	Biodegradable Prosthesis for Orthopedic Use

Taiwan	
US	
Mainland	Triple-Crosslinked Collagen, Its Manufacturing Method and Applications
China	
Mainland	Biodegradable Filler for Alveolar Bone Repair
China	

## 4.2 Customer Relationship Management

Prioritizing customer relationship management, Sunmax Biotech maintains close communication with clients, builds a professional customer service team, and establishes a comprehensive sales and service system to deliver all-round premium support, thereby creating greater added value from its product.

Each year, we conduct client satisfaction surveys, which help enhance customer experience and strengthen communication between the Company and its clients. Our systematic collection of client feedback reflects our commitment to social responsibility, improves product and service quality, and reinforces client trust.

For handling client complaints, we have established standardized procedures for customer service, communication, and grievance resolution. Complaint forms are consolidated and reviewed through management meetings to drive cross-departmental improvements. Where necessary, corrective and preventive measures are initiated to ensure issues are resolved promptly and effectively, minimizing negative social impact.

Regarding invasion of customer privacy and negligence involving client data loss, the Company provides email and customer service hotlines on its official website for filing complaints. If a complaint is verified as a violation of operating procedures resulting in personal data theft, leakage, alteration, or other infringements, the Company will investigate, notify the affected parties appropriately, and enforce compensation clauses stipulated in client contracts. In 2024, Sunmax Biotech received no verified complaints related to customer privacy invasions or client data loss.

#### 4.2.1 Customer Satisfaction Survey

Each year, Sunmax Biotech distributes customer satisfaction questionnaires through business representatives, emails, and faxes, covering 50% of major clients (ranked by revenue) and ensuring a response rate above 50%. Completed surveys are consolidated into a satisfaction summary table and statistical charts.

The survey results are reviewed and discussed during management review meetings; decisions serve as a reference for corrective and preventive measures. When decisions require action, the Quality Assurance issues corrective and preventive action plans to the relevant units for execution.

Regarding the survey, in 2024, the Company recorded a 100% response rate, with an average client satisfaction score of 98.35, reflecting a high level of approval and recognition of the Company's overall services.

##### ■ Customer Satisfaction Survey Result

Year	Distributed	Responses	Response Rate	Satisfaction Score
2024	166	166	100%	98.35

## 4.2.2 Product Quality Management

Items	Contents
Policies and Commitments, and Their Significance	To ensure the Company's advancement and leadership in the biotechnology sector, the Company continuously strengthens research and design, developing products related to medical and pharmaceutical applications, and actively building a highly efficient marketing and business planning team. These initiatives encourage the Company's adoption of operations under an integrated model encompassing design, development, manufacturing, sales, and service; the Company is committed to enhancing the quality of domestically produced biotech products and medical devices, elevating national standards, and progressing toward becoming an internationally recognized medical device manufacturer; in compliance with the Medical Device Act and the Establishment Standards for Medical Device Manufacturers, the Company has established a facility that meets Quality Management System (QMS) requirements. The Company has implemented the ISO 13485:2016 medical device quality management system, aligned with government regulations, to ensure product quality assurance, incorporate customer feedback, and strengthen other essential quality management system elements.
Responsible Unit	Quality Assurance
Short-, Medium-, and Long-term Goals	<p>Continuous Goals:</p> <ol style="list-style-type: none"> <li>1. On-time Delivery Rate of 90% or Above</li> <li>2. Client Satisfaction Rate of 90% or Above</li> <li>3. Product Quality Pass Rate of 90% or Above</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. To ensure product testing, quality control, and evaluation, the Company defines the required competencies for direct personnel and technical staff according to their job attributes. Meanwhile, a systematic training program with defined items and courses is established, and an appraisal system is implemented to maintain operational quality and stability.</li> <li>2. Emphasizing professional talent development and enhancing employees' soft skills, the Company conducts competency assessments, education and training, internal audits, management reviews, external audits (QMS and ISO 13485), and supports staff in obtaining professional certifications related to medical devices.</li> <li>3. To provide consumers and society with high-quality and safe products, management over vendors engaged in the production supply chain becomes essential. Regarding the supply chain, the Company has formulated code of conduct as well as management requirements for managing vendors, and has implemented quality control for raw materials through on-site evaluations, inspections, and traceability audits.</li> </ol>
2024 Outcome	<ol style="list-style-type: none"> <li>1. Internal Audit Reports – Completed annually according to plant-wide scheduling and planning.</li> <li>2. Management Review Meetings – Convened once per quarter, totaling four sessions per year.</li> <li>3. Quality Goals Achievement Rate – Reviewed quarterly, with all goals successfully achieved.</li> <li>4. Reports of Plant Inspection by Competent Authority or Audit Unit – In 2024, the ISO 13485 regular annual audit was conducted, with full compliance to standards.</li> </ol>
Grievance Mechanism	Corporate Website, E-Mail, Phone, and Adverse Event Reporting System

## ■ Valuing Product Quality

To minimize potential risks of products and services to consumer health and safety, Sunmax Biotech adheres to the principle of delivering high-satisfaction products to clients by establishing rigorous product quality management policies and implementing management systems compliant with both domestic and international regulations and standards. For its major products—implants, dental materials, and bone materials—the Company has obtained “medical device licenses issued by the Taiwan Food and Drug Administration (TFDA)” under the Medical Device Act, ensuring compliance with government requirements for safety and efficacy prior to market launch. For implant products marketed outside Taiwan, the Company prepares technical documentation in accordance with local medical device regulations, submits them for review by health authorities, and obtains the necessary medical device licenses before commercialization.

In terms of quality system management, Sunmax Biotech has further implemented and achieved certification under the ISO 13485:2016 international medical device quality management system and the QMS guidelines for medical devices, reinforcing full life-cycle quality control from product design, raw material procurement, process control, and finished product inspection to post-market surveillance. These systems form the foundation of quality assurance and underpin the Company’s brand trust and continuous innovation.

Sunmax Biotech has also established post-market surveillance and adverse event reporting mechanisms to ensure that any potential risks are promptly identified and addressed. In 2024, the Company recorded no major adverse event reports and no violations of product health and safety regulations, demonstrating the effectiveness of its risk control and quality management practices.

Facing increasingly stringent regulatory environments and stakeholder expectations regarding product responsibility, Sunmax Biotech will continue to enhance its quality management systems and strengthen employee training on quality awareness to ensure ongoing improvements in product safety and stability. Through company-wide participation and system renovation, Sunmax Biotech is committed to becoming a trusted quality leader in the medical aesthetics industry, fulfilling its sustainable responsibility to patients, physicians, and society. Under the management of the Quality department, all major products achieved 100% compliance with product safety regulations.

## ■ Product Licenses

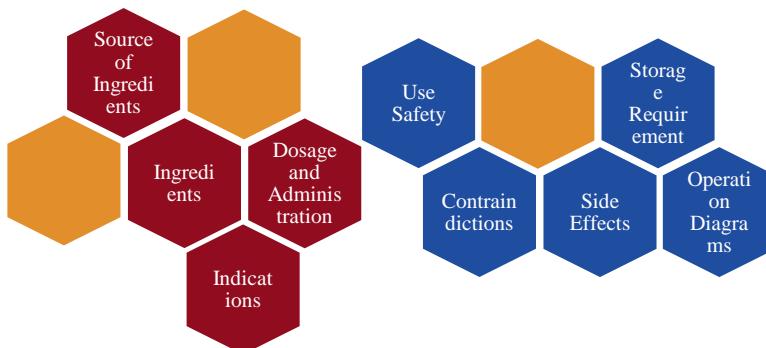
### Products and Verification Standards Thereof

Product Type	Products	Verification Standard
Collagen Implant	双美 I 號膠原蛋白植入劑 Sunmax Collagen Implant I	MOHW-MD-No. 002164
	双美膚力原膠原蛋白植入劑(含利度卡因) Sunmax Collagen Implant I-Plus	DOH-MD-No. 002394
	双美膚力原膠原蛋白植入劑(含利度卡因) Sunmax FACIALGAIN Collagen Implant with Lidocaine	MOHW-MD-No. 004509
	双美膚漾美膠原蛋白植入劑(含利度卡因) Sunmax Deusaderm ULTRA Collagen Implant with Lidocaine	MOHW-MD-No. 008134
	双美牙科骨填料 Sunmax Collagen Dental Bone Graft	DOH-MD-No. 003343

Product Type	Products	Verification Standard
Collagen Dental Materials	双美膠原蛋白牙科膜 Sunmax Collagen Dental Membrane	DOH-MD-No. 002947
	Sunmax 牙科骨填補顆粒 Sunmax" Dental Bone Graft Granules	DOH-MD-No. 003973
Collagen Orthopedic Materials	双美膠原蛋白骨填料 Sunmax" Collagen Bone Graft Matrix	DOH-MD-No. 002964
Biomedical Materials	PORCOGEN 生醫級膠原蛋白溶液 PORCOGEN Biomedical-grade Collagen Solution	QMS (Quality Management System) Complies with Sunmax Biotech's factory inspection standards
Skin Care Series	Sunmax 8 膠原蛋白面膜 Sunmax 8 Collagen Facial Mask	Complies with Sunmax Biotech's factory inspection standards
	Sunmax 12 双美嬌滴滴噴霧 Sunmax 12 JIAO DIDI SPRAY	Complies with Sunmax Biotech's factory inspection standards

For medical devices sold in Taiwan, Sunmax Biotech ensures product labeling complies with Article 33 of the Medical Device Act and follows the principles announced by the Ministry of Health and Welfare for drafting medical device instructions in Chinese. All products with market approval adhere to disclosure requirements in Taiwan and export regions, providing detailed information on indications, usage, shelf life, contraindications, and precautions to help users fully understand product applications and usage. In addition, all Company marketing advertisements are submitted to health authorities for review and approval prior to release, whilst contents of our advertisements strictly avoids any allegedly exaggerated or misleading statements. In 2024, Sunmax Biotech recorded no violations related to product labeling regulations or marketing communications, demonstrating its

commitment to regulatory compliance and responsible communication.



## 4.3 Privacy and Security of Information

Items	Contents
Policies and Commitments, and Their Significance	The Company places great emphasis on information security, dedicated to protecting the personal data and information of clients and stakeholders. The Company has established a comprehensive infosec policy covering business continuity, data and information protection, incident response, and security awareness enhancement. Through business continuity planning, stringent security measures, robust incident response mechanisms, and regular employee training, the Company is committed to building a secure and reliable information environment, delivering services that are safer and more trustworthy for its clients.
Responsible Unit	IT
Goals	<p>Short-term:</p> <ol style="list-style-type: none"> <li>1. To conduct at least one annual employee information security training.</li> <li>2. To conduct at least one annual social engineering drill.</li> </ol> <p>Medium- and Long-term Goals:</p> <ol style="list-style-type: none"> <li>1. To conduct at least one annual penetration test and vulnerability scan.</li> <li>2. To implement endpoint protection.</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. Employee information security awareness training</li> <li>2. Information security account management operations</li> <li>3. Endpoint protection controls</li> <li>4. Social engineering drills</li> <li>5. Network management defense controls</li> </ol>
2024 Outcome	<p>Performance Management Outcome:</p> <ol style="list-style-type: none"> <li>1. No complaints regarding invasion of personal data and privacy (employees, clients, suppliers, or third parties).</li> <li>2. No complaints regarding breaches of clients' sensitive data.</li> <li>3. No information security-related complaints received from external parties or regulatory authorities.</li> </ol> <p>Achievement Rates of Goals:</p> <ol style="list-style-type: none"> <li>1. Held one information and communication security training session.</li> <li>2. Held one social engineering drill.</li> </ol>
Grievance Mechanism	Regarding customer privacy invasion or client data loss, the Company has availed E-Mail and Customer Service Hotline for complaints. Contacts on official website: E-Mail: <a href="mailto:collagen@sunmaxbiotech.com">collagen@sunmaxbiotech.com</a> ; Customer Service Hotline: 0800-039-139

### 4.3.1 Infosec Management Structure and Responsibilities

In recent years, many well-known enterprises have suffered significant losses due to ransomware attacks, making the strengthening of information security an urgent priority. Sunmax Biotech recognizes the critical impact of intellectual property security on its own competitiveness and that of its partners, and therefore actively reinforces information security and confidential data protection mechanisms, continuously enhancing defense capabilities—including information security monitoring systems, vulnerability scanning to prevent external hacking and internal data leakage, and strict control of IT hardware and software—to mitigate the risks of ever-evolving cyberattacks.

Sunmax Biotech's information security policy is built around four core goals. On the system level, it has established firewalls, intrusion detection, vulnerability scanning, antivirus systems, data access controls, and multiple internal control mechanisms; on the management level, it cultivates information security professionals, establishes management standards, and promotes company-wide awareness of information security. These actions strengthen its capabilities to defend against external attacks and safeguard internal confidential information.

#### Four Major Goals

1. To establish a business continuity management plan for information and communication systems to ensure uninterrupted core operations.
2. To strengthen the protection of critical information and personal data to prevent leakage or tampering.
3. To ensure rapid handling and reporting of information security incidents.
4. To conduct regular information security education and training.

#### 4.3.2 Infosec Management Strategies

The IT department at Sunmax Biotech serves as the dedicated unit for information security protection, and a comprehensive information security management system based on five key strategies—data center security, employee computer control, prevention of external cyberattacks and intrusions, graded information security protocols, and internal/external security audits—has been built. Through clearly defined policies, management procedures, and standards, the Company safeguards corporate competitiveness while protecting client rights and interests.

Items	Infosec Aspects	Management Strategy
1	Data Center Security	Temperature and humidity monitoring, and access control management
2	Employee Computer Control	Antivirus management, and continuous implementation of endpoint protection
3	External Network Attack / Intrusion Prevention	Firewall deployment, establishment of DMZ zones, and intrusion detection mechanisms
4	Information Security Classification System	Information asset inventory, and document classification system
5	Internal and External Information Security Audits	Implementation of internal and external audit mechanisms

The protection of customer privacy and confidential data is essential to the long-term development and competitiveness of an enterprise. Sunmax Biotech assumes this responsibility without compromise and continues its efforts to strengthen system support and establish management frameworks.

1. Systems for personal data processing—including workflows, storage, and privacy settings—are regulated under the Company's confidential protection platform to safeguard client information.
2. For the receipt, transmission, storage, and use of client data, access controls are established and managed according to different confidentiality levels.
3. Critical information is protected to reinforce the Company's commitment to data security.
4. Controls are implemented for USB portable storage devices and abnormal data access behaviors to prevent data loss caused by human factors.

To maintain stakeholder trust, Sunmax Biotech ensures privacy protection for clients, suppliers, employees, and all stakeholders, including healthcare professionals, medical institutions, outsourcing partners, and clinical trial participants.

In collecting, storing, processing, transmitting, and sharing personal data, the Company complies with applicable privacy and information security laws and regulatory requirements. Authorized personnel are strictly prohibited from providing, exchanging, renting, or selling personal data to other individuals, organizations, private enterprises, or public agencies, except where legally required or contractually obligated. When outsourcing vendors or individuals are engaged to collect, process, or use personal data, the Company exercises diligent supervision and management responsibilities.

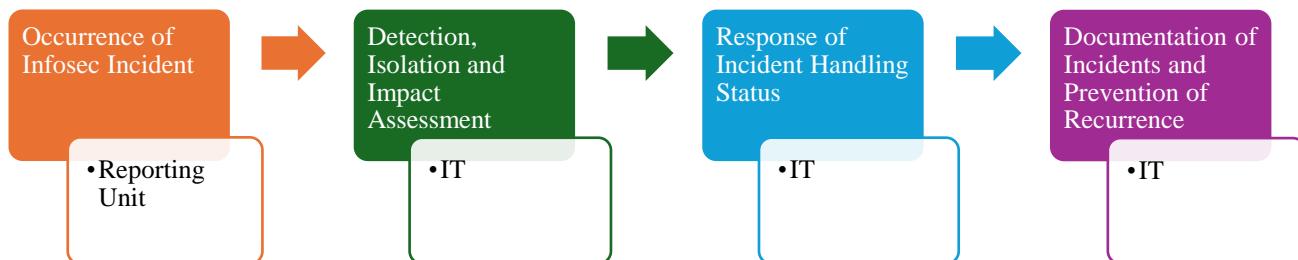
Scope	Data Protection Policies		Responsible Unit
Corporate Website	<p>When users visit the Company's website or use the services and functions provided therein, any personal data submitted will be processed and utilized solely within the scope of specific purposes.</p> <p>The Company's web servers are equipped with firewalls, antivirus systems, and other relevant information security facilities, along with necessary protective measures to safeguard both the website and personal data. All personnel involved in handling such data are bound by confidentiality agreements.</p>	Privacy Policy announced on the Corporate Website	IT
Employees, Clients and Stakeholders	<p>In accordance with the provisions of the Personal Data Protection Act, and based on the principles of honesty and good faith, the Company collects, processes, and utilizes personal data strictly within the scope of the specified purposes. The Company adheres rigorously to confidentiality requirements regarding all personal data.</p>	<ul style="list-style-type: none"> <li>■ In 2024, the Company obtained 38 consent forms from new employees for the use of personal data.</li> <li>■ Confidentiality clauses are stipulated in all sales contracts.</li> </ul>	Human Resources Business Development Stock Affairs
Partners and Clinical Trial Participants	<p>Outsourcing partners or clinical trial institutions, and participating healthcare professionals are required to comply with the personal data protection and clinical trial regulations of each country to ensure the safeguarding of private data.</p>	<ul style="list-style-type: none"> <li>■ Confidentiality clauses are stipulated in all clinical trial contracts.</li> <li>■ Data use consent forms are signed with trial participants.</li> </ul>	Legal Business Development

### 4.3.3 Infosec Incident Reporting and Response Processes

The efficiency of handling information security incidents directly affects the degree of impact on the Company. If major incidents are not addressed in a timely manner, they may disrupt client delivery schedules and undermine trust in Sunmax Biotech.

To enhance incident response efficiency, the Company has designated its IT department as the dedicated unit responsible for managing information security events, with full cooperation required from related business units. In the meantime, a formal incident reporting process has been established to guide employees in responding to security events through reporting, recovery, and corrective measures instructed by the responsible unit, thereby reducing potential risks arising from such incident.

In 2024, Sunmax Biotech recorded no regulatory violations or stakeholder complaints related to information security, and no major incidents occurred that affected production operations or caused losses.



#### 4.3.4 Infosec Education and Training

To enhance introductory knowledge of information security and emergency response of all employees, Sunmax Biotech organizes at least one annual information and communication security training session and at least one annual social engineering drill. Employees failing social engineering drill are required to attend additional information security sessions.

Year	Education and Training Topic	Session(s)
2024	Information and Communication Security Training Session	1
2024	Social Engineering Drill	1

## 4.4 Sustainable Supply Chain

Items	Contents
Policies and Commitments, and Their Significance	<p>In supply chain management, factors such as occupational safety, human rights issues, and high carbon emissions may significantly increase the risk of supply chain disruptions, thereby exerting a major impact on the Company's operations and reputation. These issues are directly related to the Company's commitment to fulfilling its social responsibility and also affect our competitiveness in the global market. Therefore, the Company will gradually incorporate suppliers' ESG performance into the evaluation system, aiming to enhance the positive environmental and economic impact of the supply chain, thereby ensuring supply chain resilience and the Company's sustainable development.</p> <p>The Company is committed to promoting occupational safety and health, labor human rights, and environmental protection. We require all suppliers to comply with relevant safety and health laws, provide a safe and healthy working environment, and respect employees' fundamental human rights by avoiding discrimination, forced labor, and child labor. We also encourage suppliers to adopt environmental protection measures to reduce their environmental footprint. The Company pledges to establish long-term partnerships with suppliers to jointly promote safety, health, and sustainable development.</p>
Responsible Unit	Purchasing Section
Goals	<p>Short-term: 100% compliance with supplier policies among the top five suppliers</p> <p>Medium- to Long-term: 100% compliance with supplier policies among all raw material suppliers</p>
Action Plans	<ul style="list-style-type: none"> <li>◆ Promoting Sunmax Biotech's policies on occupational safety, labor human rights, and environmental protection to suppliers</li> <li>◆ Including evaluation items on occupational safety, labor human rights, and environmental protection in supplier management/appraisal forms</li> <li>◆ Conducting regular supplier appraisal on an annual basis</li> </ul>
2024 Outcome	Annual supplier appraisal pass rate: 100%
Grievance Mechanism	<p>E-Mail: <a href="mailto:esg@sunmaxbiotech.com">esg@sunmaxbiotech.com</a></p> <p>Phone: 06-5053288</p>

#### 4.4.1 Supply Chain Management

In today's globalized economy, sustainable supply chain management has become increasingly important. With growing attention to environmental and social responsibility, consumers and stakeholders hold higher expectations for corporate sustainability and social impact. Against this backdrop, building a sustainable supply chain not only reduces business risks but also enhances competitiveness while contributing positively to society and the environment. Sunmax Biotech engages with supplier partners through annual evaluations and regular communication, aiming to foster strong collaboration and maximize economic performance and value creation.

##### ■ Sunmax Biotech's Supply Chain Management Policies

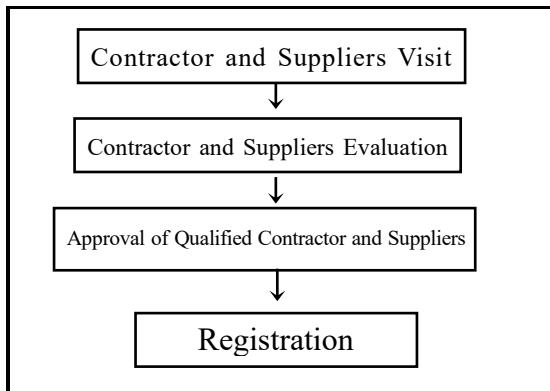
Currently, the Company's supply chain policy focuses primarily on quality, price, delivery schedule, and supplier cooperation; however, Sunmax Biotech recognizes the importance of environmental and social responsibility. Looking ahead, the Company will integrate consumer and societal expectations into its supply chain management policies to support its overall sustainability goals.

Management Policies	Management Guidelines
Quality	When selecting suppliers, the Company conducts strict screening and requires them to hold relevant quality certifications to ensure their capabilities meet the Company's quality inspection standards. All incoming raw materials undergo comprehensive quality checks and testing to prevent non-compliant products from entering the production process.
Price	During the supplier selection process, the Company makes comprehensive considerations incorporating price, quality, and delivery capability, seeking suppliers with high cost-performance value to secure the best prices while maintaining quality.
Delivery Schedule	In the order process, the Company explicitly specifies delivery time requirements to suppliers and establishes reasonable delivery schedules based on production plans and market demand to avoid unnecessary delays. In the meantime, the Company builds close cooperative relationships with suppliers, maintains effective communication, monitors production progress, and promptly resolves issues that may affect delivery schedules.
Supplier Cooperation	The Company is committed to identifying and establishing long-term partnerships with suppliers, creating two-way communication channels to enhance collaboration and alignment.

#### 4.4.2 Screening and Evaluation of Suppliers

Sunmax Biotech has established subcontractor and supplier management procedures. New suppliers are required to undergo an evaluation process that includes assessments of quality, price, delivery schedule, and cooperation. Starting in 2025, the Company will gradually incorporate environmental standards and social standards into the selection criteria for new suppliers. Only those who successfully pass the Company's evaluation process can qualify as Sunmax Biotech's approved business partners.

## ■ Flowchart/Evaluation Items for the Selection of New Suppliers



Sunmax Biotech conducts annual audits and evaluations of suppliers. Based on the audit results, suppliers are graded accordingly. For suppliers rated below Grade C, the Company will strengthen guidance and support; and in cases where suppliers are rated Grade D or involved in other major incidents—such as situations that may affect the Company's reputation—the Company will immediately terminate the partnership. In 2024 appraisal, the passing rate was 100%.

## ■ Supplier Audit and Evaluation Items

1. Company registration
2. Certified qualified supplier status
3. Provision of original factory inspection reports or certificates of origin
4. Delivery performance
5. Quality of products

### 4.4.3 Procurement Practices

The majority of raw materials used by Sunmax Biotech rely on imports through agents, as there are currently no equivalent domestic substitutes. Deepening local production and supply of raw materials remains highly challenging; nevertheless, in line with strengthening the local supply chain, Sunmax Biotech strives to ensure that the proportion of local procurement does not fall below 30%. In 2024, the Company's total procurement amounted to NT\$81 million, of which approximately NT\$29 million derived from domestic procurements, representing 36.6% of the total.

## ■ Amounts of Local Procurements

Year	Total Net Procurement (Million NT\$)	Total Net Procurement from Local Suppliers (Million NT\$)	Proportion of Local Procurement (%)
2023	71.4	30.2	42.3%
2024	81	29.7	36.6%

Note: "Local Procurement" refers to cases where the origin of raw material shipment and the receiving factory are located in the same country.

## 5.1 Human Rights Protection for Employees

### 5.1.1 Promoting Human Rights Protection at Workplace

To address workplace human rights issues, Sunmax Biotech has established its “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace” to ensure that no harassment or discrimination cases occur. Employees may file complaints through multiple channels, including a dedicated hotline, E-Mail, or labor-management meeting representatives. All complaints are handled by designated personnel, and information regarding the complainant and the complaint process is kept strictly confidential to safeguard employee rights. In 2024, Sunmax Biotech received no human rights-related complaints.

### 5.1.2 Manpower Structure and Diverse Workplace

In 2024, Sunmax Biotech has a total of 137 employees. Among them, regular (non-fixed term contract) employees accounted for 99.27%, while fixed-term contract employees accounted for 0.73%. In terms of gender distribution, 56.20% of the employees are male, and 43.80% of the employees are female; in terms of age distribution, employees aged 30–50 represented the largest proportion, accounting for 66.42% of the workforce, followed by employees aged below 30 at 21.17%; and in terms of positions, there are 9 senior executives in total, of whom 2 were female, representing 22% of all senior executives.

Sunmax Biotech values cultural diversity and workplace inclusion. In 2024, the Company employed 1 colleague with disabilities, with an average service tenure of 1.79 years. To foster a friendly workplace environment, the Company has furnished accessible ramps and restrooms, as well as breastfeeding rooms, ensuring equal and consistent workplace experiences for all employees. In 2024, Sunmax Biotech received no reports or findings of discrimination through any reporting or investigation channels.

#### ■ Employee Composition

	Gender	2023	2024
Quantity of Employee under Fixed Term Contract	Female	0	1
	Male	0	0
Quantity of Employee under Non-fixed Term Contract	Female	51	59
	Male	73	77
Quantity of Employees without Guaranteed Working Hours (Note 4)	Female	0	0
	Male	0	0
Full-time Employees	Female	51	59
	Male	73	77
Part-time Employees	Female	0	1
	Male	0	0
Total Employees	Female	51	60
	Male	73	77

	Gender	2023	2024
	Total	124	137

Note 1: Employee figures are reported as of December 31, the end date of the reporting period.

Note 2: Fixed term/non-fixed term contracts: refer to definitions stipulated in Article 9 of the “Labor Standards Act.”

Note 3: Part-time (also referred to as reduced working hours labor) is defined by the Ministry of Labor as employment with significantly shorter working hours compared to full-time employees within the organization. The reduced hours are mutually agreed upon by both employer and employee.

Note 4: Employees without guaranteed working hours are those who are not assured of a minimum or fixed number of working hours.

### ■ Diverse Manpower Composition

Gender	Age	2023				2024			
		<30	30-50	>50	Subtotal	<30	30-50	>50	Subtotal
General Employees	Male	4	16	3	23	3	17	3	23
	Female	6	17	0	23	8	11	2	21
Technical Personnel	Male	11	21	1	33	9	25	2	36
	Female	7	11	0	18	9	19	1	29
Middle Management	Male	-	10	2	12	-	8	3	11
	Female	-	8	0	8	-	8	-	8
Senior Executives	Male	-	2	3	5	-	2	5	7
	Female	-	1	1	2	-	1	1	2
Subtotal		28	86	10	124	29	91	17	137

Note 1: Employee figures are reported as of December 31, the end date of the reporting period.

Note 2: Senior Executives: Assistant Vice President (included) and above

Note 3: Middle Management: Section Level (included) ~ Manager Level

Note 4: Technical Personnel: Assistant ~ Quality Control Staff

Note 5: General Employee: Employees ~ Team Leader

## ■ Composition of Non-employee Workers

Worker Type	2023	2024
Securities	2	2
Janitors	2	2
Advisors	2	2
Nurses	1	1
Total:	7	7

Note 1: Non-employee figures are reported as of December 31, the end date of the reporting period.

### 5.1.3 Smooth Communication Channels

Sunmax Biotech seeks to foster a workplace culture of real-time and transparent communication, providing multiple channels for employees to promptly express suggestions and feedback. Any adjustments to labor conditions must be approved through labor-management meetings, and all business operations are conducted in full compliance with local legal regulations. In accordance with the provisions for the minimum period of advance notice under the “Labor Standards Act”, the Company adopts the periods by employee seniority as follows: Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance; where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance; and where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance. Where the Company terminates the contract without serving an advance notice within the time limit prescribed in the preceding paragraph, the Company shall pay the worker wages for the advance notice period.

## 5.2 Attraction and Retention of Talents

Items	Contents
Policies and Commitments, and Their Significance	Sunmax Biotech has established a comprehensive grading and remuneration system, providing employees with salaries above industry standards to maintain external competitiveness; at the same time, by defining clear job grades and levels, the Company ensures a fair and appropriate salary structure to maintain internal equity. In addition, the Company offers a complete set of employee benefits to support physical and mental well-being, encouraging employees to actively engage in their work, maximize performance, enhance satisfaction, and reduce the intangible costs associated with high turnover.
Responsible Unit	Human Resources
Goals	<p>Short-term Goals</p> <ol style="list-style-type: none"> <li>1. To participate in at least one major recruitment event annually.</li> <li>2. To conduct internal and external remuneration surveys and reviews every two years.</li> <li>3. To expand diverse communication channels.</li> <li>4. To reduce turnover rate to below 15%.</li> </ol> <p>Medium- to Long-term Goals</p> <ol style="list-style-type: none"> <li>1. To link managerial officers' performance with ESG objectives.</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. Reviewing and adjusting salaries every two years based on industry and market salary surveys, Company operations, and individual performance.</li> <li>2. Connecting the salary management system with performance management results, awarding various bonuses according to operational and individual performance outcomes.</li> </ol>
2024 Outcome	<ol style="list-style-type: none"> <li>1. Employee turnover rate was 18.25%, representing a 1.91% decrease compared to the previous year.</li> <li>2. All employee salaries were above the statutory minimum wage.</li> <li>3. For employees requesting unpaid parental leave for rising children, the reinstatement rate and retention rate both reached 100%.</li> <li>4. New initiatives included departmental gatherings, winter solstice rice dumpling distribution, and Christmas celebrations.</li> </ol>
Grievance Mechanism	Through labor-management meetings, hotline, and E-Mail, the Company responds to employee complaints and feedback—both positive and negative. Each department then develops corresponding improvement measures or preventive actions to ensure continuous workplace enhancement.

### 5.2.1 New Hire and Turnover Statuses

In 2024, Sunmax Biotech recruited 38 new employees, representing a new hire rate of 27.74%. During the same period, 25 employees resigned, resulting in a turnover rate of 18.25%. An analysis of the reasons for employee departures indicated that the primary factors were family considerations, health issues, and individual career development plans. Looking ahead, the Company will strengthen communication during interviews regarding job responsibilities and career advancement opportunities, ensuring that candidates have a clear understanding of their career development prospects. In addition, the Company will provide supportive measures such as unpaid leave options and training subsidies, offering employees comprehensive assistance to enhance retention of talented personnel.

#### ■ Statistics of Employee New Hires/Turnovers

Gender	Age	2023				2024			
		New Hire	New Hire	Turnover	Turnover	New Hire	New Hire	Turnover	Turnover

			Rate		Rate		Rate		Rate
Female	<30	9	7.26%	5	4.03%	9	6.57%	2	1.46%
	31-50	13	10.48%	5	4.03%	11	8.03%	10	7.30%
	>51	-	-	1	0.81%	1	0.73%	-	-
Male	<30	8	6.45%	5	4.03%	3	2.19%	5	3.65%
	31-50	10	8.06%	6	4.84%	13	9.49%	8	5.84%
	>51	1	0.81%	3	2.42%	1	0.73%	-	-
Total		41	33.06%	25	20.16%	38	27.74%	25	18.25%

Note 1: New Hire Rate is calculated as [(Number of New Hires of the Year by Category)/ (Total Number of Employees at Year-end)]\*100%

Note 2: Turnover Rate is calculated as [(Number of Turnovers of the Year by Category)/ (Total Number of Employees at Year-end)]\*100%

## 5.2.2 Complete Remuneration System

Sunmax Biotech is committed to providing a transparent and equitable remuneration system, determining salary levels based on employees' academic background and work experience(s), professional knowledge and skills, years of experience, and individual performance. Employee remuneration is not influenced by gender, age, ethnicity, nationality, religion, political stance, or sexual orientation. In 2024, the overall male-to-female remuneration ratio showed no significant differences across all job levels, except among senior executives, where minor variations were observed due to differences in position levels and length of service.

### ■ Male-to-Female Base Salary Ratios

	Year	2023		2024	
		Gender	Male	Female	Male
Employee Type	Senior Executives	1	0.88	1	0.94
	Middle Management	1	1	1	0.98
	General Employees	1	0.96	1	0.93
	Technical Personnel	1	0.99	1	0.97

### ■ Male-to-Female Remuneration Ratios

	Year	2023		2024	
		Gender	Male	Female	Male
Employee Type	Senior Executives	1	0.68	1	0.81
	Middle Management	1	0.96	1	0.95
	General Employees	1	1.01	1	0.94
	Technical Personnel	1	0.99	1	0.97

Note 1: Senior Executives: Assistant Vice President (included) and above

Note 2: Middle Management: Section Level (included) ~ Manager Level

Note 3: General Employee: Employees ~ Team Leader

Note 4: Technical Personnel: Assistant ~ Quality Control Staff

Note 5: Remuneration includes: Base Salary + Shift Allowance + Overtime Pay + Meal Allowance + Unused Leave Bonus + Year-end Bonus + Profit-sharing Bonus

■ Average and Median of Salaries Received by Non-supervisory Full-time Employees

(Unit: NT\$ Thousands)

Items	2023	2024
Non-supervisory Full-time Employees (Persons)	101	116
Average of Salary Received by Non-supervisory Full-time Employees	842	826
Median of Salary Received by Non-supervisory Full-time Employees	727	707

For non-supervisory full-time employees, the average salary in 2024 was NT\$826,000, while the median salary was NT\$707,000. Compared with 2023, the average salary decreased by NT\$16,000, and the median salary decreased by NT\$20,000. Such decline was primarily due to the increase in employee headcount in 2024, with the majority being entry-level production staff. In addition, many of the new hires had shorter tenure during the year, which lowered the overall average salary compared to the previous year. Nevertheless, the Company's average salary in 2024 remained above industry standards, and in the second quarter of 2025, the Company implemented remuneration optimization measures for all non-managerial full-time employees.

■ Ratio of the Compensation for the Top Managerial Officer to Median Compensation

Ratio of the Annual Compensation for the Top Managerial Officer to Median Annual Compensation
6.6

Note 1: Annual Compensation includes: base salary, cash allowances, bonuses, commissions, cash profit-sharing, and stock options.

Note 2: The annual compensation ratio is calculated as:

[Annual compensation of the highest-paid individual in the organization/Median annual compensation of all employees (excluding the highest-paid individual)].

### 5.2.3 Diverse Employee Benefits

Sunmax Biotech provides employees with reasonable rights and benefits, strictly complying with local laws and regulations at each operating site to ensure that employees receive their entitled basic rights. In addition to statutory labor insurance and health insurance, the Company further offers group insurance (including life insurance, accident insurance, and hospitalization insurance), as well as travel insurance for employees on overseas business trips, ensuring comprehensive protection both domestically and internationally.

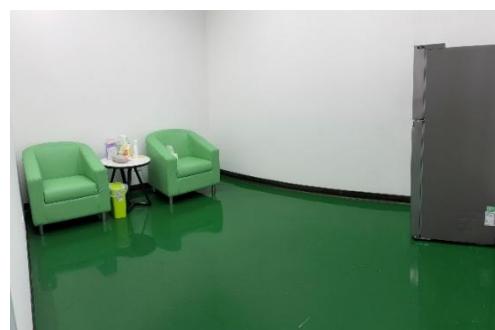
The Company is committed to building a friendly workplace, with facilities such as comfortable breastfeeding rooms and flexible benefits including parental leave, enabling employees to balance work and family responsibilities. The Company believes that happy employees create greater value for the Company, and will continue to promote thoughtful measures to foster a warm working environment, strengthen cohesion, and build harmonious labor-management relations.

The Employee Welfare Committee organizes activities according to planned schedules to

enhance employees' physical and mental well-being. Employee trips, in particular, are consistently well-received and highly anticipated. The Committee also seeks discount programs by signing agreements with designated partner stores, allowing employees to benefit from its efforts directly and effectively.

■ Sunmax Biotech Employee Benefits

Items	Contents
Welfare Allowances	<ul style="list-style-type: none"> <li>■ Meal allowance for overtime work</li> <li>■ Childbirth gift allowance</li> <li>■ Marriage gift allowance</li> <li>■ Condolence allowance for bereavement</li> <li>■ Holiday gift allowance (Three Major Taiwanese Festivals)</li> <li>■ Birthday gift allowance</li> <li>■ Employee profit-sharing, holiday bonus, and year-end performance bonus</li> </ul>
Insurance and Health	<ul style="list-style-type: none"> <li>■ Employee insurance</li> <li>■ Group insurance</li> <li>■ Breastfeeding room facilities</li> <li>■ On-site health services</li> <li>■ Employee health check-ups</li> </ul>
Additional Leaves	<ul style="list-style-type: none"> <li>■ Marriage leave for attending wedding of children/siblings</li> </ul>
Entertainment Subsidy	<ul style="list-style-type: none"> <li>■ Discounts at designated partner stores</li> <li>■ Annual spring banquet</li> <li>■ Department gatherings</li> <li>■ Snacks</li> </ul>



## 5.2.4 Parental Leave

To encourage and support employees in raising the next generation with peace of mind, the Company has included application methods for unpaid parental leaves for raising children in its employee work rules, as stipulated in the “Regulations for Implementing Unpaid Parental Leave for Raising Children,” and has provided a dedicated consultation channel to assist employees in applications in accordance with the “Gender Equality in Employment Act” and the “Regulations for Implementing Unpaid Parental Leave for Raising Children.” In 2024, a total of two employees applied for unpaid parental leave for raising children, with one expected to return and one actually reinstated, resulting in a 100% reinstatement rate. In 2023, two employees returned from parental leave, all of whom remained with the Company for more than one year, achieving a 100% retention rate.

Items	Male	Female	Total
2024—Total Quantity- Employees Eligible for Parental Leave (A)	4	6	10
2024—Total Quantity- Employees Having Used Their Parental Leave (B)	1	4	5
2024—Expected Reinstatement from Parental Leave (C)	-	1	1
2024—Total Quantity- Employees Having Reinstated in 2024 from Parental Leave (D)	-	1	1
2023—Total Quantity- Employees Having Reinstated in 2023 from Parental Leave (E)	1	1	2
2023—Quantity of Employees Having Reinstated from Parental Leave and Completed One Full Year of Service (F)	1	1	2
Ratio of Applications for Unpaid Parental Leave for Raising Children (B/A)	25%	66.67%	50.00%
Reinstatement Rate (D/C)	-	100%	100.00%
Retention Rate (F/E)	100%	100%	100.00%

## 5.3 Cultivation and Development of Talents

Items	Contents
Policies and Commitments, and Their Significance	The Company continuously listens to employees' voices and refines development programs to enable effective learning and growth through education and training. Each year, the Company allocates a dedicated budget for both internal and external training to enhance employees' professional skills and leadership capabilities, while also encouraging self-development to support career advancement and employment stability.
Responsible Unit	Human Resources
Goals	<p>Short-term Goals</p> <ol style="list-style-type: none"> <li>1. To organize at least one management course every quarter.</li> <li>2. To develop a new employee training system.</li> </ol> <p>Medium- to Long-term Goals</p> <ol style="list-style-type: none"> <li>1. To encourage self-learning, foster a book club culture, and build a learning organization.</li> <li>2. To develop training and appraisal systems at each department.</li> <li>3. To cultivate echelons for the development and succession of key talents.</li> </ol>
Action Plans	<ol style="list-style-type: none"> <li>1. Implementing optimization of talent development and training programs, which may improve employees' skills and knowledge, enhance flexibility and value, thereby facilitating innovation and competitiveness in the Company and increasing employee satisfaction and retention.</li> <li>2. Providing diverse and comprehensive learning channels and resources, including on-the-job training, classroom training, coaching, and job rotation.</li> </ol>
2024 Outcome	<ol style="list-style-type: none"> <li>1. Totally 972 participants have been trained.</li> <li>2. Total training hours amounted to 3291.5 hours.</li> <li>3. Education and training costs amounted to NT\$800,000, representing an average training cost at NT\$4,240 per employee.</li> </ol>
Tracking Mechanism	The Company, through course satisfaction survey, tracks employee feedback for optimization of future training and courses.

### 5.3.1 Talent Development Management

For employees at different levels and functions, Sunmax Biotech designs tailored training programs to enhance their professional competencies, strengthen their management capabilities, thereby driving achievement corporate operational goals and reinforcing organizational competitiveness. In 2024, the Company offered a variety of courses covering function-specific knowledge, general knowledge, regulatory compliance and management as well as briefings, enabling employees to stay current and continuously acquire new knowledge. During the year, training participation reached 972 instances, with a total of 3,291.5 training hours completed.

Discipline/Form	Summary
Function-Specific Knowledge	These courses are designed for departmental core competencies e.g., R&D, manufacturing, quality assurance, marketing, and finance, covering product knowledge, experimental techniques, process control, clinical applications, market analysis, and regulatory updates. These courses help employees enhance professional skills and strengthen job performance.
General Knowledge	These courses aim to improve employees' fundamental literacy and diverse capabilities, including orientation and general training for current employees. Instances include system operation tutorials, time management, and cross-departmental collaboration. Through these courses, the Company cultivates well-rounded talent and promotes teamwork.
Regulatory Compliance	These courses are organized to strengthen employees' understanding and adherence to relevant regulations, including QMS/ISO standards, ESG regulations, labor laws, and occupational safety and health (OSH). Through these courses, the Company may raise compliance awareness of employees, thereby reducing operational risks and ensuring legal operations of the Company.
Management	These programs are designed for supervisors and potential future leaders, focusing on performance management, goal setting, team leadership, conflict resolution, and strategic planning, aiding them in the development of high-performing management teams.
Briefings	These briefings are sessions on Company policies, systems, operating procedures, or major organizational changes, aimed at strengthening internal communication, enhancing employee recognition, and fostering cohesion.

### ■ Talent Development and Cultivation Courses Organized by Sunmax Biotech in 2024

Gender	Discipline	Employee Type	Participants	Total Training Hours	Average Training Hours per Participant
Male	Regulatory Compliance	Middle Management	2	6	3.0
		General Employees	3	22	7.3
	Function-specific Knowledge	Middle Management	19	41.5	2.2
		General Employees	172	173.5	1.0
		Technical Personnel	205	679.5	3.3
	General Knowledge	Senior Executives	1	1	1.0
		Middle Management	1	2.5	2.5
		General Employees	1	1	1.0
		Technical Personnel	14	31.5	2.3
	Management	Senior Executives	21	127	6.0
		Middle Management	76	462	6.1
		General Employees	32	201	6.3
		Technical Personnel	8	47	5.9
	Briefings	Senior Executives	15	19.5	1.3
		Middle Management	20	29.5	1.5
		General Employees	12	11.5	1.0

Gender	Discipline	Employee Type	Participants	Total Training Hours	Average Training Hours per Participant
Female	Regulatory Compliance	Technical Personnel	20	20	1.0
		Middle Management	1	3	3.0
	Function-specific Knowledge	Senior Executives	1	1	1.0
		Middle Management	32	100.5	3.1
		General Employees	69	142	2.1
		Technical Personnel	116	631	5.4
	General Knowledge	Middle Management	1	2.5	2.5
		General Employees	13	27.5	2.1
		Technical Personnel	8	18.5	2.3
	Management	Senior Executives	12	74	6.2
		Middle Management	52	321	6.2
		General Employees	12	50	4.2
		Technical Personnel	1	3	3.0
	Briefings	Senior Executives	5	6.5	1.3
		Middle Management	14	20	1.4
		General Employees	7	9	1.3
		Technical Personnel	6	6	1.0
Total			972	3291.5	

#### ■ Average Hours of Training Received by Sunmax Biotech Employees in 2024, by Employee Type

Employee Type	Gender	Persons	Total Training Hours	Average Training Hours per Participant
General Employees	Male	23	409	17.78
	Female	21	228.5	10.88
Technical Personnel	Male	36	778	21.61
	Female	29	658.5	22.71
Middle Management	Male	11	541.5	49.23
	Female	8	447	55.88
Senior Executives	Male	7	147.5	21.07
	Female	2	81.5	40.75
Total	Male	77	1876	24.36
	Female	60	1415.5	23.59
<b>Total</b>		<b>137</b>	<b>3291.5</b>	<b>24.03</b>

Note: To fully demonstrate Sunmax Biotech's commitment to employee training, the average training hours are calculated using the following formula, facilitating future comparisons of training hours:  
 Total training hours received by employees ÷ total number of employees at year-end.

### 5.3.2 Performance Appraisal Mechanism

Sunmax Biotech, in accordance with the “Regulations governing Employee Appraisal,” conducts annual performance appraisals and holds performance review meetings with employees. The appraisal focuses on evaluating the execution of past work assignments and setting future work goals, with the results serving as the basis for remuneration adjustments, promotions, and career development planning. Each year, personnel promotions are determined with reference to the previous year’s appraisal results, ensuring a transparent, fair, and well-structured promotion pathway.

The appraisal process begins with employee self-evaluation, followed by a supervisor’s review based on employee performance and goal achievement. This two-way communication approach fosters mutual understanding between employees and the Company regarding corporate objectives and goals. In 2024, excluding probationary employees and those reinstating from unpaid leave (with less than three months of service in the year), 100% of full-time employees at Sunmax Biotechnology Co., Ltd. completed the annual performance appraisal.

#### ■ Sunmax Biotechnology Co., Ltd. Performance Appraisal Items

Items	Sub-items
Core Value	Alignment of an employee’s core values with the Company’s shared values comprising four dimensions: integrity and honesty, lifelong learning, pursuit of excellence, and client orientation.
Competency Indices	Assessment of whether the behavioral demonstrations of core, professional, and managerial competencies are consistent with the Company’s expectations.
Work-Life Balance	Surveys on job satisfaction, career expectations, and work–life balance.

#### ■ Performance Appraisal Percentages

Items	Male	Female	Subtotal	Total Quantity of Employees Subject to Appraisal	Male	Female	Subtotal	Male	Female	Subtotal	Percentage of Appraisal Participation by All Employees
	Quantity of Employees Subject to Appraisal	Quantity of Employees Subject to Appraisal	Having Completed the Appraisal		Employees Having Completed the Appraisal	Employees Having Completed the Appraisal	Total Quantity of Employees Having Completed the Appraisal	Percentage of Appraisal Participation	Percentage of Appraisal Participation		
Senior Executives	5	2	7	7	5	2	7	100%	100%	100%	100%
Middle Management	11	8	19	19	11	8	19	100%	100%	100%	100%
General Employees	23	27	50	50	23	27	50	100%	100%	100%	100%
Technical Personnel	36	23	59	59	36	23	59	100%	100%	100%	100%

## 5.4 OSH

### 5.4.1 OSH Policies and Management System

Sunmax Biotech is committed to creating a safe and healthy working environment for all employees. Through comprehensive management measures, the Company identifies and mitigates potential workplace hazards. In 2024, occupational safety personnel were appointed in accordance with relevant regulations, and a Labor Health Protection Policy was established. By 2025, the Company plans to implement Safety and Health Work Guidelines and an OSH management program, with the goal of introducing the ISO 45001 OSH Management System by 2027. In line with OSH management requirements, the Company designates labor safety and health affair managers, whose responsibilities include planning, implementation, evaluation, and continuous improvement of the occupational safety and health environment, thereby enhancing management standards and achieving safety management goals.

The Company provides education and training programs to strengthen employees' safety awareness and skills, encouraging active participation in safety management. A systematic incident reporting mechanism has been established to learn from past events and drive improvements. Meanwhile, we implement continuous performance evaluation and communication to ensure ongoing optimization of the safety system. These initiatives reflect the Company's strong commitment to occupational safety and health, as well as its dedication to safeguarding employee well-being.

General employees may also submit suggestions to their unit supervisors via phone or E-Mail; relevant OSH laws and regulations are communicated to all employees through E-Mails and training sessions, ensuring that safety and health information is widely perceived.

### 5.4.2 Hazard Identification and Risk Assessment Management

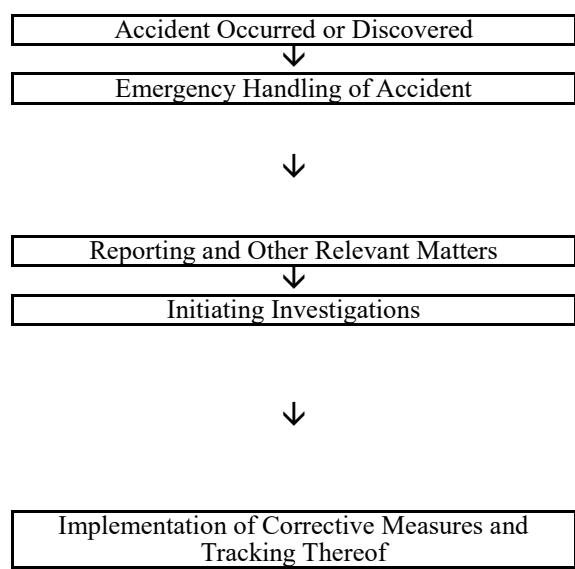
To identify potential hazards in the working environment and operational processes, the Company's dedicated OSH unit conducts annual hazard identification and occupational safety risk assessments. Hazards are identified according to chemical, physical, ergonomic, biological, and other occupational safety and health factors. Furthermore, based on the severity and likelihood of occurrence, the risk level is determined, followed by the implementation of appropriate risk control measures. Response strategies and action plans are then developed in accordance with the assessed risk levels, ensuring continuous improvement and reduction of hazard risk values.

### 5.4.3 Procedure for Investigating Occupational Accidents

To ensure the safety of all workers, Sunmax Biotech promotes incident reporting procedures and conducts investigations. When there is an imminent danger in the workplace, the responsible person must immediately suspend operations and instruct employees to retreat to a safe location. If employees themselves identify hazardous conditions, they may cease operations and withdraw to safety, report the situation to their supervisors, and will not be subject to disciplinary action.

In the event of an occupational accident, on-site personnel must promptly report to Company Affairs and initiate emergency response measures, and subsequently, the supervisor of the affected unit convenes a task force composed of relevant departments to investigate the incident. The investigation process includes employee interviews, equipment inspections and analyses, document and record reviews, and reconstruction of the accident scene to identify root causes. Corrective and preventive measures are then proposed, with Company Affairs continuously monitoring and tracking implementation to ensure that similar accidents are fully prevented in the future.

### Flowchart for Accident Investigations



- Control the site and prevent secondary injuries
- Assist the injured in obtaining necessary first aid or medical treatment
- Preserve the integrity of the accident scene
- Immediately notify the OSH management unit
- Form an investigation team with relevant units to conduct the investigation
- Identify and analyze the causes of the accident, prepare an investigation report and improvement plan
- Submit the investigation report, reviewed by the unit supervisor, to the OSH manager
- Responsible units/personnel implement all corrective measures
- The OSH management unit monitors and records the implementation of improvements

### 5.4.4 OSH Education and Training

To ensure that all employees understand OSH regulations and are familiar with the Company's occupational safety and health management mechanisms, the Company provides OSH education and training in accordance with legal requirements and job responsibilities. Relevant trainings cover OSH affair managers, OSH management personnel, supervisors in charge of harmful operations, firefighting management personnel, first-aid personnel, and general employees' on-the-job training. In 2024, to strengthen employees' knowledge of occupational safety and fire prevention, employees participated in a four-hour fire drill training course held semi-annually.

In 2024, a total of 67 participants completed 260 hours of OSH training, comprising 236 hours of self-defense fire brigade training participated by 59 participants, and 24 hours of general OSH education and training participated by 8 participants.





#### 5.4.5 Occupational Health Service and Promotion Events

To build a friendly, healthy, and safe workplace, Sunmax Biotech adopts the OSH regulations and the PDCA management cycle as its framework, establishing four major labor health protection programs: Ergonomic Hazard Prevention Program, Abnormal Workload-Induced Disease Prevention Program, Prevention Program for Unlawful Infringement During Duty, and Maternal Health Protection Program, to ensure comprehensive care for employees' physical, mental, and spiritual well-being, thereby enhancing employee recognition and cohesion while continuously strengthening the Company's competitive advantage.

The Company does not engage in any special hazardous operations; therefore, special hazard health examinations are not required. The Company has appointed first-aid personnel, provides regular retraining and education at Company expense, and has installed first-aid kits with periodic inspections to ensure the validity and usability of their contents.

Employees' personal health conditions and records are accessible only to authorized health service personnel. Other non-health-related personnel have no right to access such information. Furthermore, personal health conditions are not used as a basis for employment decisions, subsidies, salaries, performance appraisals, promotions, or any other employment-related considerations.

Items	Action Plans	Outcome
Ergonomic Hazard Prevention Program	<ul style="list-style-type: none"> <li>■ “Ergonomic Hazard Prevention Program” established according to the Company’s scale and nature, along with executions thereof based on goals and schedules.</li> <li>■ Regular (four times per year) on-site physician consultation.</li> <li>■ Regular physical conditions review on employees via the “Musculoskeletal Disorder Survey” for tiered management.</li> <li>■ Furnishing all employees with adjustable chairs, whose height can be adjusted as needed to avoid lower back pain.</li> <li>■ Health consultation interviews and care based on the findings in the Musculoskeletal Disorder Survey. After evaluating work environment and duties, employees receive advice on adjusting working posture to reduce ergonomic hazards, as well as activity suggestions to relieve discomfort, such as strength training, stretching exercises, and hot compresses.</li> </ul>	<ul style="list-style-type: none"> <li>■ In 2024, a total of 116 responses were received, with a completion rate of 95%.</li> <li>■ The 2024 analysis results of the Musculoskeletal Symptom Questionnaire showed: Suspected hazard: 12 persons; Symptomatic but no hazard: 26 persons; and No hazard: 78 persons. Furthermore, totally 9 cases were considered suspected hazard cases following consultations; as one case has tendered his/her resignation, the Company ultimately recorded a completion rate of 83%.</li> <li>■ For suspected hazard cases, the KIM table and ROSA have been engaged to evaluate their workplaces and adjust their postures. All were deemed suitable for their jobs, with no need to adjust work contents.</li> </ul>
Abnormal Workload-Induced Disease Prevention Program	<ul style="list-style-type: none"> <li>■ “Abnormal Workload-Induced Disease Prevention Program” established according to the Company’s scale and nature, along with executions thereof based on goals and schedules.</li> <li>■ Regular “Overwork Survey” to identify mental stress faced by employee, with health management conducted based on survey results.</li> <li>■ Regular review on employee overtime work to prevent overwork due to workload.</li> <li>■ Free employee health check-ups on a regular basis (biennially). Following check-up, employees at risk of cardiovascular diseases will be identified and provided with health consultations for further guidance. With such initiative, the Company may enhance employees’ awareness of own health.</li> <li>■ Annual review on employees at risk of diseases induced by abnormal workload; for high-risk cases, they will undergo meet with a physician, or discussions with Human Resources and unit supervisors for duties adjustment.</li> </ul>	<ul style="list-style-type: none"> <li>■ In 2023, regular health examinations were conducted, with 116 persons examined, achieving a 100% completion rate.</li> <li>■ Concerning levels of cardiovascular diseases risks in employees, the 2023 health examination showed: 0 at high-risk, 5 at medium-risk, and 111 at low-risk.</li> <li>■ In 2024, the Overwork Survey was distributed, with 116 responses collected, achieving a 95% completion rate.</li> <li>■ The Overwork Survey results showed: 5 persons with high workload, 35 persons with medium workload, 86 persons with low workload.</li> <li>■ The overall overload risk in 2024 was: 1 high-risk, 6 medium-risk, 94 low-risk persons. Among the high- and medium-risk cases, 6 persons completed consultations, achieving an 85% completion rate.</li> <li>■ A total of 14 persons were arranged for on-site physician consultation, all deemed suitable for their work, with no need for duty adjustments.</li> </ul>

<b>Prevention Program for Unlawful Infringement During Duty</b>	<ul style="list-style-type: none"> <li>■ “Prevention Program for Unlawful Infringement During Duty” established according to the Company’s scale and nature, along with executions thereof based on goals and schedules.</li> <li>■ Assistance in identifying the Company’s potential environmental, internal, and external hazard factors, with preventive measures adopted.</li> <li>■ Management responses of the “Self-Assessment Checklist on Unlawful Infringement at Workplace—for Supervisors” evaluation form, demonstrating by example the intolerance of workplace bullying behaviors.</li> <li>■ Prescription of relevant handling procedures, as well as provision of hotline and E-Mail for grievance.</li> <li>■ Assistance and consultation programs for employees subject to unlawful infringement.</li> <li>■ Awareness videos “Prevention of Unlawful Infringement and Communication Skills-for Supervisors” and “Prevention of Unlawful Infringement and Communication Skills-For Employees” for enhancing employees’ understanding of workplace bullying and communication skills.</li> </ul>	<ul style="list-style-type: none"> <li>■ A survey has been conducted to evaluate hazard factors concerning unlawful infringement within and outside the Company as well as from the environment. The 116 responses indicated that the majority of potential hazard factors are physical and verbal in nature; administrative measures have already been adopted.</li> <li>■ Hazard identification and evaluation has been completed at 11 departments, among which 3 departments (Human Resources, R&amp;D, Quality Assurance) are classified as low risk, with administrative measures and engineering controls currently implemented.</li> <li>■ Supervisors of the said departments have completed the “Self-Assessment Checklist on Unlawful Infringement at Workplace—for Supervisors” evaluation form.</li> <li>■ Channels, including hotline, for grievance of unlawful infringement have been established.</li> <li>■ In 2024, no unlawful infringement incidents were reported.</li> <li>■ Awareness videos “Prevention of Unlawful Infringement and Communication Skills-for Supervisors” and “Prevention of Unlawful Infringement and Communication Skills-For Employees” have been released for employee access.</li> </ul>
<b>Maternal Health Protection Program</b>	<ul style="list-style-type: none"> <li>■ “Maternal Health Protection Program” established according to the Company’s scale and nature, along with executions thereof based on goals and schedules.</li> <li>■ Assistance in the identifications and evaluations of workplace hazards for further tiered management and preventive measures.</li> <li>■ Upon receiving notification of a maternal health protection case, the Company arranges physician interviews, evaluates the self-assessment form of the protected individual and potential hazards at workplace, and makes appropriate job adjustments.</li> <li>■ Provision of a breastfeeding-friendly environment and facilities, such as a breastfeeding room equipped with a bottle sterilizer, refrigerator dedicated to breast milk, bottle cleaning agents, protected by an access control system.</li> <li>■ Maternity leave and paternity leave.</li> <li>■ Return-to-work assistance measures for female employees on maternity/infant leave upon reinstatement.</li> </ul>	<ul style="list-style-type: none"> <li>■ Assisted in evaluating maternal health workplace hazards across 11 departments. 2 departments received Tier 3 Management, 1 department received Tier 2 management, and 8 departments received Tier 1 Management. R&amp;D and Quality Assurance were classified as Tier 3 management due to exposure to “acrylamide electrophoresis reagent, coulometric Karl Fischer reagent anolyte, and sodium tetraborate,” with administrative measures adopted. Production was classified as Tier 2 management due to handling of heavy objects and night shifts, with administrative measures adopted.</li> <li>■ In 2024, one maternal health protection case was completed.</li> </ul>

To prevent work-related injuries and occupational diseases, the Company has signed a contract

with a government-approved OSH consulting agency, employing one contracted nurse and one contracted physician to provide on-site health services at the following frequencies: 8 hours per month for the occupational health nurse and 8 hours per year for the physician. Their services cover the four major occupational health programs—Abnormal Workload-Induced Disease Prevention Program, Ergonomic Hazard Prevention Program, Maternal Health Protection Program, and Prevention Program for Unlawful Infringement During Duty—and facilitates environmental hazards identification and preventive measures for work-related injuries and occupational diseases.

To care for employees' health, the Company provides biennial health examinations, exceeding regulatory requirements. In 2023, a total of 116 employees participated in health examinations, with all costs fully covered by the Company.

Beyond the four major programs—Abnormal Workload-Induced Disease Prevention Program, Ergonomic Hazard Prevention Program, Maternal Health Protection Program, and Prevention Program for Unlawful Infringement During Duty—on-site services also include medical consultations and serve as a channel for employees' psychological relief. In the meantime, when OSH personnel detect abnormalities among employees, they actively provide access to on-site health service resources.

Annual health examination reports are forwarded to the on-site nurse, who identifies employees at specific health risks (e.g., the “three highs”—hypertension, hyperglycemia and hyperlipidemia). Through coordination with OSH personnel, targeted employees receive health education and guidance during on-site service sessions. For high-risk employees, continuous follow-up care is provided to ensure comprehensive well-being.

To safeguard employees' physical and mental health, the Company not only conducts workplace risk assessments but also implements preventive measures. To foster a friendly work environment and address workplace bullying issues, training programs are provided for different positions. For non-day-shift employees, educational videos on “Prevention of Unlawful Infringement and Communication Skills” are offered, helping them understand types of unlawful infringement, grievance channels, and response methods.



#### 5.4.6 Work-related Injuries and Occupational Diseases

To ensure the effectiveness of OSH management measures, Sunmax Biotech uses statistical data on work-related injuries and occupational diseases as key indexes to evaluate OSH performance, trace root causes, and continuously optimize management strategies. In 2024, the Company reported no major occupational accidents. The recordable Work-related Injuries primarily resulted from traffic incidents. In response to these identified issues, the Company implemented corresponding management measures, such as strengthening safety awareness campaigns on traffic and commuting processes. Looking ahead, the Company will continue to enhance work-related injury and disease prevention measures through regular reviews and dynamic optimization, steadily progressing toward the goal of zero occupational accidents.

## ■ 2024 Statistics of Work-related Injuries and Diseases

Worker Type	Total Working Hours <sup>Note 1</sup>	Work Days Lost <sup>Note 2</sup>	Recordable Work-related Injuries		Serious Work-related Injuries		Number of Employees with Occupational Diseases	Number of Deaths During Duty <sup>Note 5</sup>
			Number	Percentage <sup>Note 3</sup>	Number	Percentage <sup>Note 4</sup>		
Senior Executives	13,447	-	-	-	-	-	-	-
Middle Management	35,622.5	-	-	-	-	-	-	-
General Employees	89,513.5	-	-	-	-	-	-	-
Technical Personnel	108,545.5	34	1	1.84	-	-	-	-

Note 1: The total actual working hours of all employees: calculated as the total number of working days per year multiplied by the daily working hours, covering all personnel except the employer (including employees and non-employee workers).

Note 2: For the number of days an injured worker is temporarily unable to return to work, the total Work Days Lost does not include the day of injury or the day of return to work. However, it must include all intervening days (including Sundays, holidays, or business unit shutdown days) as well as any full days of incapacity after resuming work that are attributable to the injury.

Note 3: Percentage of Recordable Work-related Injuries =[Number of Recordable Work-related Injuries (Quantity of Employees Suffering from Work-related Injuries + Number of Deaths of Work-related Injuries) x 200,000]/Total Working Hours.

Note 4: Percentage of Serious Work-related Injuries=[Number of Serious Work-related Injuries (Excluding Deaths) x 200,000]/Total Working Hours.

Note 5: Includes employees who died as a result of work-related injuries and occupational diseases.

## 5.5 Community Care and Engagement in Public Welfare Initiatives

Sunmax Biotech recognizes that corporate success lies not only in financial performance but also in our contributions and responsibilities to society. We firmly believe that enterprises shall actively participate in and give back to society, thereby promoting harmony and progress. Guided by this belief, we have planned and invested in a diverse range of public welfare initiatives, covering education, environmental protection, and community development, with the aim of improving quality of life and advancing sustainable development.

We are convinced that true sustainability can only be achieved through the collective efforts of all sectors of society. Looking ahead, we will continue to uphold its commitment to public welfare, expanding and advancing our initiatives to contribute to a more harmonious and healthy society.



### Sunmax Biotech Talent Sustainable Cultivation Scholarship

At the end of 2023, Sunmax Biotech established the “Sunmax Talent Sustainability Scholarship” with a fund of NT\$1 million, aimed at encouraging undergraduate students of the College of Medicine at Chung Shan Medical University to pursue excellence and to foster innovation and development in medical education, injecting new vitality into Taiwan’s medical field; by 2024, a total of 11 outstanding students had been recognized.

As a cradle for talent development in Taiwan’s medical sector, Chung Shan Medical University actively promotes innovation in medical education, cultivating exceptional students with both professional competence and a strong sense of social responsibility. Sunmax Biotech continues to support educational initiatives, demonstrating our commitment to corporate social responsibility. It is anticipated that this support will shine in the future of medical education and contribute to Taiwan’s medical advancement.

Consistent with our dedication to excellence in education, the Company expects that the scholarship will inspire young students to realize their potential in academics, research, and service. Supporting medical education is not only an act of corporate social responsibility but also a commitment to medical education and public health. We aspire to inject positive energy into Taiwanese society, embodying the spirit of “Taiwan can help” and making this vision even more prominent.





## AMWC Asia-TDAC

As one of Asia's premier medical aesthetics and anti-aging congresses, AMWC Asia-TDAC 2024 is a prestigious academic event that integrates cutting-edge innovations, expert-led sessions, and valuable networking opportunities in the fields of aesthetic and anti-aging medicine.

Through its sponsorship of this innovative platform for knowledge exchange, Sunmax Biotech enables experts to explore the latest advancements in aesthetic medicine, dermatology, medical dermatology, and dermatologic surgery, thereby contributing to the enhancement of global standards in medical care.

**AMWC TDAC**

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**ACDS 2025**  
8th Asian Congress Of Dermatologic Surgery (Acds 2025)

**ACDS** THE 8TH ASIAN CONGRESS OF DERMATOLOGIC SURGERY

**AKD** Association Of Korean Dermatologists

**AMS** Aesthetic Multispecialty Society

**DST** Dermatological Society Of Thailand

**AMWC TDAC**

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Symposium of the Laser and Photonics Medicine Society of Taiwan (LMSTW)

The Society invited numerous distinguished domestic lecturers and session chairs to explore the latest knowledge and technologies in the field of laser and photonics, covering diverse applications such as voice hoarseness treatment, hair growth techniques, filler injections, picosecond vs. nanosecond lasers, fat reduction, and skin quality improvement. The Symposium also focused on emerging critical topics including medical infections and healthcare regulations. Through its sponsorship of the 2024 Spring Symposium organized by the Laser and Photonics Medicine Society of Taiwan, Sunmax Biotech provided participating physicians with a more comprehensive update of professional knowledge, supporting the advancement of medical aesthetics and clinical practice.



**SUNMAX**

[Laser and Photonics Medicine Society of Taiwan (LMSTW)]  
2024 Spring Symposium



## Appendix 1 GRI Standards Content Index

Statement of Use	Sunmax Biotech has prepared its sustainability report in accordance with the GRI Standards, with the data and information for the period from January 1, 2024, to December 31, 2024.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	None

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
GRI 2 : General Disclosure (2021)				
GRI 2: General Disclosure (2021)	2-1 Organizational details	1.1.1 Company Profile	P9	
	2-2 Entities included in the organization's sustainability reporting	About this Report	P8	
	2-3 Reporting period, frequency and contact point	About this Report	P8	
	2-4 Restatements of information			No such occurrence
	2-5 External assurance			No such occurrence
	2-6 Activities, value chain and other business relationships	4.1.2 Value Chain of Products	P67	
	2-7 Employees	5.1.2 Manpower Structure and Diverse Workplace	P81	
	2-8 Workers who are not employees	5.1.2 Manpower Structure and Diverse Workplace	P81	
	2-9 Governance structure and composition	2.1.1 Company Structure and Board Composition	P22	
	2-10 Nomination and selection of the highest governance body	2.1.2 Nomination and Election of Board Members	P29	
	2-11 Chair of the highest governance body	2.1.2 Nomination and Election of Board Members	P29	

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
2-12 Role of the highest governance body in overseeing the management of impacts	2.1.6 Sustainable Governance	P36		
2-13 Delegation of responsibility for managing impacts	1.2 Sustainable Governance Framework of Business 2.1.6 Sustainable Governance	P13 P36		
2-14 Role of the highest governance body in sustainability reporting	1.3 Identification and Analysis of Material Issues 2.1.6 Sustainable Governance	P14 P36		
2-15 Conflicts of interest	2.1.2 Nomination and Election of Board Members	P29		
2-16 Communication of critical concerns	2.1.6 Sustainable Governance	P36		
2-17 Collective knowledge of the highest governance body	2.1.1 Company Structure and Board Composition	P22		
2-18 Evaluation of the performance of the highest governance body	2.1.4 Performance Evaluation	P31		
2-19 Remuneration policies	2.1.5 Remuneration Policies	P34		
2-20 Process to determine remuneration	2.1.3 Functional Committees 2.1.5 Remuneration Policies	P30 P34		
2-21 Annual total compensation ratio	5.2.2 Complete Remuneration System	P84		Not disclosed as increase ratios in annual compensation are of sensitive information.
2-22 Statement on sustainable development strategy	Messages from the Management	P6		
2-23 Policy commitments	2.2 Ethical Management	P38		
2-24 Embedding policy commitments	2.2 Ethical Management	P38		
2-25 Processes to remediate negative impacts	2.2.1 Whistleblower System	P40		
2-26 Mechanisms for seeking advice and raising concerns	2.2.1 Whistleblower System	P40		

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
	2-27 Compliance with laws and regulations	2.4 Legal Compliance	P45	
	2-28 Membership associations	1.1.3 Membership of Associations and Organizations	P12	
	2-29 Approach to stakeholder engagement	1.4 Engagement and Communications with Stakeholders	P20	
	2-30 Collective bargaining agreements	—	—	The Company has not established a labor union; therefore, no collective agreement has been signed.
GRI 3: Material Topics (2021)				
GRI 3: Material Topics (2021)	3-1 Process to determine material topics	1.3 Identification and Analysis of Material Issues	P14	
	3-2 List of material topics	1.3 Identification and Analysis of Material Issues	P14	
	Management Guidelines for Risk Management	2.3 Risk Management	P41	
	Management Guidelines for Supplier Management	4.4 Sustainable Supply Chain	P78	
	Management Guidelines for Product Quality Management	4.2.2 Product Quality Management	P71	
	Management Guidelines for Privacy and Security of Information	4.3 Privacy and Security of Information	P74	
	Management Guidelines for GHG Emissions	3.2 Energy and GHG Management	P52	
	Management Guidelines for Water Resource Management	3.4 Water Resource Management	P61	
	Management Guidelines for Attraction and Retention of Talents	5.2 Attraction and Retention of Talents	P83	
	Management Guidelines for Cultivation and Development of Talents	5.3 Cultivation and Development of Talents	P88	

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
200 Economic Indexes				
GRI 201 (2016): Economic Performance	201-1 Direct economic value generated and distributed	1.1.2 Operational and Financial Statuses	P10	
GRI 204 (2016): Procurement Practices	204-1 Proportion of spending on local suppliers	4.4.3 Procurement Practices	P80	
GRI 205 (2016): Anti-corruption	205-1 Operations assessed for risks related to corruption	2.2 Ethical Management	P38	
	205-3 Confirmed incidents of corruption and actions taken	2.2 Ethical Management	P38	
300 Environmental Indexes				
GRI 302 (2016): Energy	302-1 Consumption within the organization	3.2.2 Energy Use Overview	P53	
	302-3 Energy intensity	3.2.2 Energy Use Overview	P53	
GRI 303 (2018): Water and Effluent	303-1 Interactions with water as a shared resource	3.4.1 Risk Assessment for Water Resources	P61	
	303-2 Management of water discharge related impacts	3.4.3 Wastewater Discharge Management	P64	
	303-3 Water withdrawal	3.4.2 Withdrawal, Consumption and Discharge of Water	P62	
	303-4 Water discharge	3.4.2 Withdrawal, Consumption and Discharge of Water	P62	
	303-5 Water consumption	3.4.2 Withdrawal, Consumption and Discharge of Water	P62	
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions	3.2.3 GHG Management	P54	
	305-2 Energy indirect (Scope 2) GHG emissions	3.2.3 GHG Management	P54	
	305-4 GHG emissions intensity	3.2.3 GHG Management	P54	
GRI 306 (2020): Waste	306-1 Waste generation and significant waste-related impacts	3.3.1 Waste Management System	P57	
	306-2 Management of significant waste-	3.3.1 Waste Management System	P57	

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
	related impacts			
	306-3 Waste generated	3.3.2 Waste Generation	P59	
	306-4 Waste diverted from disposal	3.3.2 Waste Generation	P59	
	306-5 Waste directed to disposal	3.3.2 Waste Generation	P59	
400 Social Indexes				
GRI 401 (2016): Employment	401-1 New employee hires and employee turnover	5.2.1 New Hire and Turnover Statuses	P84	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	5.2.3 Diverse Employee Benefits	P86	
	401-3 Parental leave	5.2.4 Parental Leave	P87	
GRI 402 (2016): Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	5.1.3 Smooth Communication Channels	P83	
GRI 403 (2018): Occupational Health and Safety	403-1 Occupational health and safety management system	5.4.1 OSH Policies and Management System	P92	
	403-2 Hazard identification, risk assessment, and incident investigation	5.4.2 Hazard Identification and Risk Assessment Management 5.4.3 Procedure for Investigating Occupational Accidents	P92	
	403-3 Occupational health services	5.4.5 Occupational Health Service and Promotion Events	P94	
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.4.1 OSH Policies and Management System	P92	
	403-5 Worker training on occupational health and safety	5.4.4 OSH Education and Training	P93	
	403-6 Promotion of worker health	5.4.5 Occupational Health Service and Promotion Events	P94	

GRI Standards	Disclosure	Section(s) of Disclosure	Page	Additional Notes
	403-9 Work-related Injuries	5.4.6 Work-related Injuries and Occupational Diseases	P97	
	403-10 Occupational Diseases	5.4.6 Work-related Injuries and Occupational Diseases	P97	
GRI 404 (2016): Training and Education	404-1 Average hours of training per year per employee	5.3.1 Talent Development Management	P88	
	404-2 Programs for upgrading employee skills and transition assistance programs	5.3.1 Talent Development Management	P88	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.3.2 Performance Appraisal Mechanism	P91	
GRI 405 (2016): Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	2.1.1 Company Structure and Board Composition 5.1.2 Manpower Structure and Diverse Workplace	P22 P81	
	405-2 Ratio of basic salary and remuneration of women to men	5.2.2 Complete Remuneration System	P84	
GRI 406 (2016): Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	5.1.2 Manpower Structure and Diverse Workplace	P81	
GRI 416 (2016): Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	4.2.2 Product Quality	P71	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	2.4 Legal Compliance 4.2.2 Product Quality	P45 P71	
GRI 417 (2016): Marketing and Labeling	417-1 Requirements for product and service information and labeling	4.2.2 Product Quality	P71	
	417-3 Incidents of non-compliance concerning marketing communications	2.4 Legal Compliance 4.2.2 Product Quality	P45 P71	

## Appendix 2 Mandated Disclosure of Climate Information by TPEx-Listed Companies

Items	Disclosure	Section	Page
1	Describe the oversight and governance by the Board of Directors and management regarding climate-related risks and opportunities.	3.1.1 Climate Governance	P46
2	Describe how the identified climate-related risks and opportunities impact the Company's business, strategy, and financial planning over the short, medium, and long term.	3.1.3 Climate Change Responses and Strategies	P48
3	Describe how extreme climate events and transition-related actions affect the Company's financial performance.	3.1.3 Climate Change Responses and Strategies	P48
4	Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management framework.	3.1.3 Climate Change Responses and Strategies	P48
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and key financial impacts used should be disclosed.	Not yet implemented	-
6	If there is a transition plan in place to manage climate-related risks, describe the content of the plan, as well as the indicators and targets used to identify and manage both physical and transition risks.	Not yet implemented	-
7	If internal carbon pricing is used as a planning tool, the basis for determining the price should be disclosed.	Not yet implemented	-
8	If climate-related targets have been set, information should be provided on the activities covered, the scopes of greenhouse gas emissions, the target timeframe, and the annual progress toward achieving the targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, the source and amount of carbon reductions offset, or the number of RECs used, should also be disclosed.	Not yet implemented	-
9	Greenhouse gas inventory and assurance status, as well as reduction goals and strategies and concrete action plans.	3.2.3 GHG Management	P54