

**TaiGen Biopharmaceuticals  
Holdings Ltd.  
2023 ESG Sustainability Report**

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## About the Report

This report is a sustainability report issued by TaiGen Biopharmaceuticals Holdings Ltd. (hereinafter referred to as "TaiGen Holdings"). The content is comprehensively presented through five main chapters, showcasing the company's performance in areas such as sustainable management, sustainable governance and operations, drug development and safety, talent resource development, and environmental sustainability. This report is intended to help stakeholders understand TaiGen Holdings' commitment to and practices in corporate sustainability. The company is also attentive to stakeholders' expectations and needs, and has addressed these in the report. We will continue to improve and respond to stakeholders' expectations with an open and humble attitude.

## Report Scope and Data Basis GRI 2-3~4

The information period for this report is from January 1, 2023, to December 31, 2023. For governance and financial-related aspects, the focus is on TaiGen Holdings; for drug development and safety, talent resource development, and environmental protection, the focus is on TaiGen Biotechnology Co., Ltd. (hereinafter referred to as 'TaiGen Taiwan' or 'TaiGen'). To fully present performance trends year by year, some information includes data from before 2023.

The statistical data disclosed in this report are results from self-reported statistics and surveys conducted by TaiGen Taiwan, presented using internationally recognized indicators. Estimated data will be noted in the relevant sections. Financial data sources are from the consolidated financial reports audited and certified by KPMG, in accordance with International Financial Reporting Standards (IFRS), and are presented in New Taiwan Dollars.

The 2023 Sustainability Report is the third annual edition, with a publication date of August 2024. It is planned to be published annually. To enhance the accessibility of this report, stakeholders can download it from the corporate sustainability section on the company's official website.

## Editorial Principles and Verification

This report is prepared using the 'Global Reporting Initiative (GRI) Standards: 2021

Edition' issued by the Global Reporting Initiative (GRI), and includes a GRI Content Index (see Appendix 1). The report also refers to the following guidelines: Sustainability Accounting Standards Board (SASB) standards. Currently, no external assurance has been conducted.

## Information Reorganization GRI 2-4

Update the greenhouse gas inventory for 2022 with a power emission factor of 0.495 kg CO<sub>2e</sub>/kWh, and the estimation methods for general waste for 2021 and 2022.

## Report Management Process GRI 2-14

The data and project information disclosed in this report are provided by the relevant departments, collected and compiled by the CEO Office, and reviewed by the relevant departments before being submitted for approval by the responsible supervisors and the board of directors prior to publication.

## Issuance Date GRI 2-3

Current Edition / August 2024

Previous Edition / August 2023

## Contact Information GRI 2-3

If you have any questions or suggestions regarding to the content of this report, please feel free to contact us.

**TaiGen Biopharmaceuticals Holdings Ltd.**

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# Message from the Chairman GRI 2-22

In today's global economy, corporate sustainability is key to growth, competitive advantage, and reputation. As a biotech company, TaiGen is dedicated to improving patient quality of life while advancing medical progress and societal welfare. Through innovation and research, we tackle disease treatment challenges and provide safer, more effective options, fulfilling our commitment to social responsibility and sustainability.

In early 2023, TaiGen out-licensed TG-1000's development and distribution rights in mainland China to Joincare Pharmaceuticals Group, known for its expertise in anti-infection and respiratory treatments. Within a year, Phase 3 trials were completed and New Drug Application was filed. The trials showed significant and safe results, increasing confidence. With the influenza market rebounding, the new drug's novel mechanism and single-dose treatment offer substantial potential.

In the post-pandemic era, the innovative antibiotic Taigexyn<sup>®</sup> (Nemonoxacin) is vital in managing infectious diseases and improving patient health. Since its 2018 launch, Taigexyn<sup>®</sup> oral capsules have been included in formularies of over a hundred hospitals, and the intravenous infusion has rapidly entered more than 50 hospitals. By the end of 2023, sales of Taigexyn<sup>®</sup> oral capsules grew by 61.8% and intravenous infusion sales surged by 370.6%, reflecting our successful expansion efforts.

In addition to drug development, Tai King also emphasizes corporate sustainability. Institutional shareholders are closely monitoring the planning and progress of Tai King's greenhouse gas inventory work. The company began planning the greenhouse gas inventory and verification schedule in 2022, which was approved by the board of directors in August of the same year. Subsequent progress is reported to the board on a quarterly basis, ensuring adherence to the schedule set by the Financial Supervisory Commission's "Sustainability Development Roadmap for Listed Companies."

Through ongoing scientific innovation and a steadfast mission, Tai King is committed to addressing global medical challenges and advancing the pharmaceutical field. We firmly believe that only through innovation, integrity, and a responsible corporate spirit can we achieve long-term social impact and economic value.





Chairman, TaiGen Biopharmaceuticals Holdings Ltd.

黃國龍

# Sustainability Performance

## ✧ Awards in recent years

2023		
Influenza antivirus -- TG-1000 National Innovation Excelsior Award, IBMI		
 <p>國家新創獎 NATIONAL INNOVATION AWARD</p> <p>茲證明以下項目申請 2023 年度國家新創精進獎， 經審確有持續精進創新及具體推進研發進程事項， 予以核定通過。</p> <p>This is to certify the completion of the National Innovation Award renewal and issue the Excelsior Award in recognition of continuing innovations and advancements in R&amp;D to the project indicated below.</p> <p>項目名稱：流感抗病毒新藥 TG-1000 單位名稱：太景生物科技股份有限公司</p> <p>Project: Influenza Antiviral TG-1000 Institute: TaiGen Biotechnology</p> <p>財團法人生物醫學科技政策研究中心 Research Center for Biomedical Policy and Medicine Policy 董事長 王金平 Chairperson: Ging-Ping Wang 中華民國一一二年十二月二十五日 Dec. 25, 2023</p>		
2022		
Antibiotic -- Taigexyn® National Legacy of Innovation Award, IBMI	Antibiotic -- Taigexyn® Symbol of National Quality, IBMI	
 <p>國家新創獎 National Innovation Award</p>	 <p>圖品字第B00642號</p>	
2021		

Influenza antivirus -- TG-1000 National Innovation Award, IBMI	Antibiotic -- Taigexyn® Symbol of National Quality, IBMI	Antibiotic -- Taigexyn® National Innovation Excelsior Award, IBMI
		

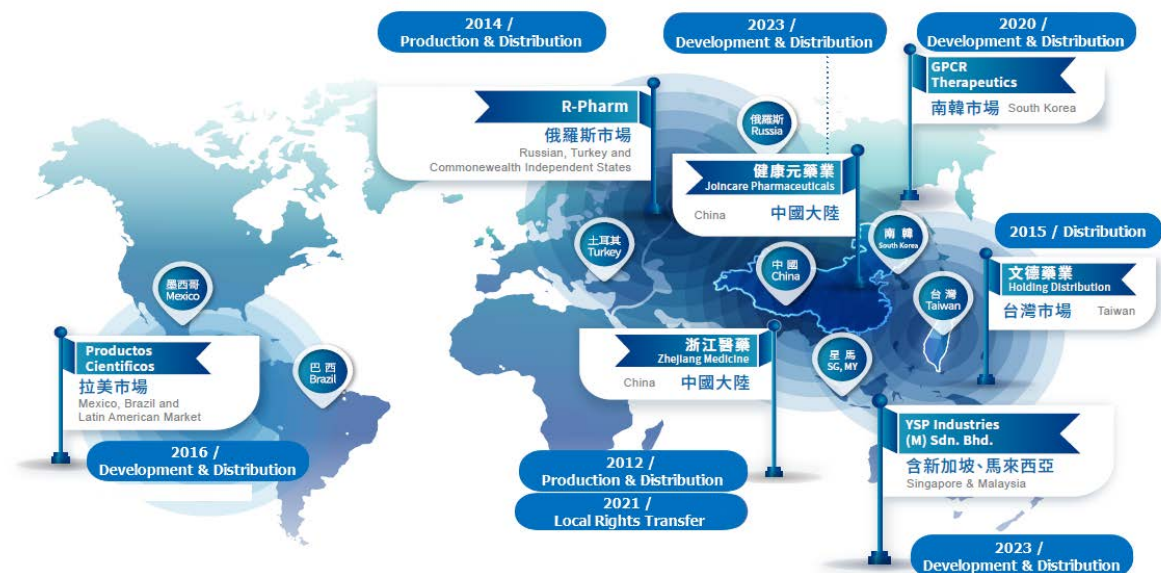
## ✧ ESG Performance

<b>Environment</b>	<ul style="list-style-type: none"> <li>● In 2023, a lighting replacement project saved 6,439,737.6 kJ of energy, reducing annual CO<sub>2</sub>e emissions by 0.88 metric tons.</li> <li>● No incidents of violations of environmental regulations, no incidents of accidental leakage of toxic chemicals.</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>● Listed on the over-the-counter market in 2014, subject to regulatory oversight, with a strong focus on protecting investors' rights.</li> <li>● Held 7 board meetings, with an average attendance rate of 90% (excluding proxies).</li> <li>● Invested NT\$240 million in the development of drugs to address unmet medical needs.</li> <li>● Implemented Taiwan's Intellectual Property Management System (TIPS) and successfully passed the second-level A-grade verification, achieving a 100% execution rate for intellectual property management goals.</li> <li>● Accumulated a total of over 160 valid patents.</li> <li>● Ensured 100% of new employees received integrity management training.</li> </ul>

Society	<ul style="list-style-type: none"> <li>● Safety monitoring of Antibiotic Taigexyn reached 2 million patients in Mainland China and Taiwan.</li> <li>● Granted TG-1000 influenza antiviral drug development and sales rights in China to Health Yuan Pharmaceutical Group.</li> <li>● Completed Phase III clinical trials for TG-1000, benefiting over 750 patients.</li> <li>● Partnered with YSP Industries (M) Sdn. Bhd. to expand into the Singapore and Malaysia markets.</li> <li>● Achieved over 90% employee retention, with balanced gender representation.</li> <li>● Processed 213 employee welfare claims.</li> <li>● No workplace accidents, with health checkups exceeding legal requirements.</li> <li>● Sponsored academic and industry organizations such as the Infectious Diseases Society of Taiwan, Taiwan Society of Pulmonary and Critical Care Medicine, and the Taiwan Bio Industry Organization.</li> </ul>
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## ✧ Overseas Licensing Performance

TaiGen' s innovative drugs are out-licensed to 35 countries across Asia, Eastern Europe, and Latin America, targeting the global threat of drug-resistant bacteria and influenza.



## ✧ Milestone

2001 TaiGen Taiwan established.

2004

- Developed and conducted preclinical research on the stem cell-driven new drug Burixafor (TG-0054, Burixafor).
- Established TaiGen Beijing, responsible for the implementation of clinical trial plans, new drug registration, and market research in China.
- Licensed-in from P&G, the new antibiotic Nemonoxacin, which completed a Phase 1a single-dose clinical trial, underwent a Phase 1b multiple-dose trial under U.S. IND.

2007

- Completed Phase 2 trials for Nemonoxacin under the U.S. IND for community-acquired pneumonia (CAP).
- Received IND approval for Nemonoxacin oral formulation in China.

2008

- Completed Phase 1 trials for Nemonoxacin oral capsules for CAP under China IND.
- Received IND approval for Nemonoxacin intravenous formulation in China.

2009

- Completed Phase 2 trials for Nemonoxacin under U.S. IND for diabetic foot infections.

- Completed Phase 1 trials for Burixafor under U.S. IND.

2011

- Completed Phase 1 trials for Nemonoxacin intravenous formulation under China IND.
- Received U.S. IND approval for the hepatitis C antiviral Furaprevir.

2012

- Signed an out-licensing agreement with Zhejiang Medicine for the development and sale of Nemonoxacin in China.
- Completed Phase 3 trials for Nemonoxacin oral capsules in Taiwan and China.
- Completed Phase 1a and 1b trials for Furaprevir under U.S. IND.

2013

- Completed Phase 2 trials for Nemonoxacin intravenous formulation in Taiwan and China.
- Nemonoxacin oral capsules received U.S. FDA Qualified Infectious Disease Product (QIDP) status and Fast Track designation.
- Completed Phase 2 trials for Burixafor for autologous hematopoietic stem cell transplantation.

2014

- Listed on the Taiwan OTC Exchange (TPEX) Market (stock code: 4157).
- Signed an out-licensing agreement with R-Pharm for the development and sale of Nemonoxacin in Russia, Turkey, and other CIS countries.
- Nemonoxacin oral capsules approved by Taiwan's Ministry of Health and Welfare, becoming the first domestically developed new drug approved for market in Taiwan.
- Completed Phase 1c and 1d trials for Furaprevir.

2015

- Completed Phase 3 trials for Nemonoxacin IV under China IND.
- Approved for Burixafor to conduct chemotherapy sensitization trials for relapsed or refractory acute myeloid leukemia (AML) in China.

2016

- Nemonoxacin API and oral capsules received drug registration and production licenses from China FDA.
- Signed an out-licensing agreement with Productos Científicos for the development and sale of Nemonoxacin in 17 Latin American countries.
- Formed a joint venture with Yichang HEC Changjiang Pharmaceutical in China

to develop an oral antiviral for hepatitis C.

2017

- Nemonoxacin oral capsules received health insurance price approval in Taiwan; Phase 3 trials for intravenous formulation in Taiwan were successfully unblinded.
- Completed Phase 2 trials for Furaprevir under Taiwan IND.

2018

- Partner R-Pharm completed Phase 3 trials for Nemonoxacin IV and oral capsules in Russia.
- Completed Phase 1 trials for Burixafor in China for AML chemotherapy sensitization.

2019

- Nemonoxacin capsule included in China's medical insurance supplemental catalog.
- Completed Phase 2 trials for Furaprevir in China in combination with Imitavir.

2020

- Influenza antiviral TG-1000 approved for clinical trials in China and completed Phase 1 trials.
- Signed an out-licensing agreement with Luminarie Canada for the development and sale of Nemonoxacin in Canada, New Zealand, and Australia.
- Nemonoxacin IV received new drug registration approval from Taiwan's Ministry of Health and Welfare.
- Signed a global rights transfer and out-licensing agreement with GPCR Therapeutics for Burixafor and Nemonoxacin in South Korea.

2021

- Completed Phase 1 clinical trials for TG-1000.
- Signed a local rights transfer agreement with Zhejiang Medicine for Nemonoxacin in China, generating NT\$1.243 billion in revenue.
- Nemonoxacin IV approved for market in China.
- Nemonoxacin IV received GMP certification from Russia's Ministry of Industry and Trade.

2022

- Completed and unblinded Phase 2 clinical trials for TG-1000.
- Nemonoxacin IV received health insurance pricing approval in Taiwan.
- Nemonoxacin IV approved for market in Russia.
- Nemonoxacin was awarded the National Legacy of Innovation Award.

2023

- Out-licensed TG-1000 development and commercialization rights for Greater China (excluding Taiwan) to China Joincare Pharmaceutical Group and initiated Phase 3 trials.
- Partnered with Y SP to expand into the Singapore and Malaysia pharmaceutical markets.
- Disposed of joint venture equity and received \$9.98 million in milestone payments.
- TG-1000 awarded the National Innovation Excelsior Award by the I.B.M.I.

# Chapter 1: Sustainability Management and Communication

## 1.1 About TaiGen GRI 2-1、GRI 2-6~7

TaiGen Biotechnology, established in Taiwan in 2001, is a pharmaceutical R&D company focused on developing anti-infective drugs. They have a subsidiary in Beijing for clinical trials and drug registration in mainland China. TaiGen Biopharmaceuticals Holdings Limited, founded in 2005, is listed on the Taiwan Stock Exchange with stock code 4157. The company has issued around 716 million shares with a par value of USD 0.001 per share. Major shareholders include YFY Group, the National Development Fund, Taiwan Sugar Corporation, and Yaohua Glass Co., Ltd.

### ▼Company Profile

Item	Content
Company Name	TaiGen Biopharmaceuticals Holdings Ltd.
Market	TPEX Listed Company
Code	4157
Industry	Biotechnology and Medical Care
Head Office / Address	TaiGen Biopharmaceuticals Holdings Ltd. / 7F., No.138, Xinming Rd., Neihu Dist., Taipei City
Chairman / General Manager	Kuo-Lung Huang
Product	Non-fluoroquinolone antibiotic - Taigexyn (Nemonoxacin) (oral & intravenous formulation) Cap-dependent endonuclease inhibitor - Pixavir marboxil (TG-1000)
Date of Establishment	2005/09/15
Date of Listing	2014/01/17
Contributed Capital	20,941,907 元
No. of Employees (TaiGen Taipei)	Refer to 4.1 Employee Structure
Net Sales	Refer to 2.1 Operation Overview
Operation Base	Taipei, Beijing



## ✧ Business Philosophy

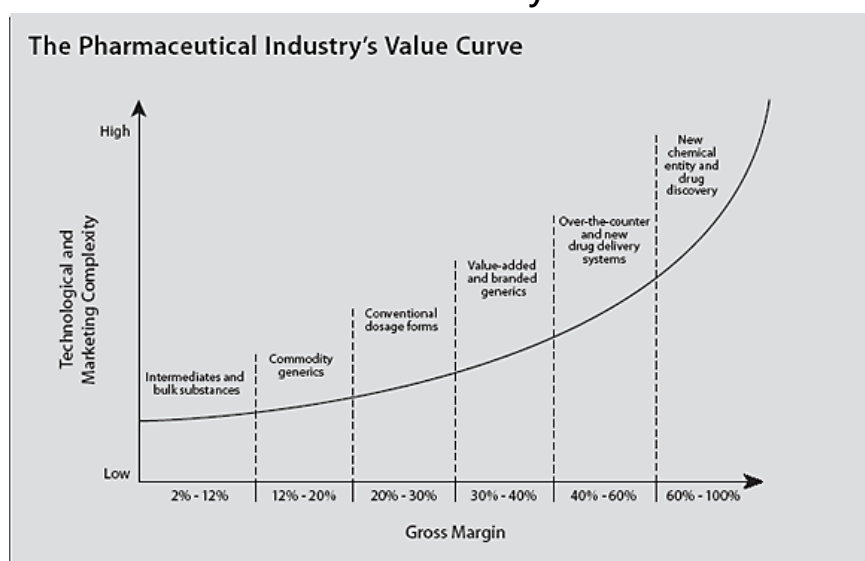
### 1. Integrated Pharmaceutical Leader

We have built a comprehensive R&D platform from basic research to clinical trials, with technologies competitive on a global scale.

### 2. Innovative Drug Development

Focused on developing first-in-class and best-in-class drugs, particularly New Chemical Entities (NCEs), which offer breakthrough therapies and market advantages.

### The Pharmaceutical Industry's Value Curve



Resouce: Christopher A. Bartlett and Sumantra Ghoshal in Harvard Business Review, March 2000

### 3. Expert in Infectious Disease Treatment

Our first drug, Taigexyn<sup>®</sup>, combats superbugs like MRSA and VRSA,

contributing to the fight against the global antibiotic resistance crisis.

## ✧ Shareholding Ratio

As of March 31, 2024

Shareholder Structure						
Item	Government Agencies	Financial Institutions	Other Legal Entities	Individuals	Foreign Institutions	Total
Quantity	1	6	114	31,754	27	31,902
No. of shares held	103,007,259	4,189,298	269,374,879	339,891,394	1,380,805	717,844,175
Shareholding ratio (%)	14.35%	0.58%	37.53%	47.35%	0.19%	100.00%

Note 1: The par value of the Company's common stock is **USD 0.001 per share**.

Note 2: The Company's shareholders do not include any Mainland Chinese investors.

Note 3: The definitions of "individual" and "foreign institutions and foreign nationals" are based on whether the individual holds the nationality of the Republic of China (Taiwan). Therefore, in this table, "individual" refers to individuals holding Taiwanese nationality, while "foreign institutions and foreign nationals" refer to non-Taiwanese individuals and legal entities.

## ✧ Products and Service

TaiGen's business strategy leverages the expertise of its management team in drug discovery, development, global regulatory approval, and commercialization, aiming to build a fully integrated pharmaceutical company. The team, composed of senior international executives from the biotech and pharmaceutical industries, uses its extensive R&D experience to focus on developing new drugs for prevalent diseases in Asia, such as pneumonia and influenza.

TaiGen has established an operational platform in Greater China to support product development and sales, while collaborating with partners to enhance value through innovative business models. This approach has enabled the licensing of Taigexyn<sup>®</sup> to over 30 countries and regions, extending its reach to global markets.



## ✧ Engaged Organizations GRI 2-28

The company is a member of six industry associations related to the biotech and pharmaceutical sector, including the Taiwan Biotechnology and New Drug Development Association, the National Biotechnology and Medical Industry Promotion Association, and the Taiwan BioIndustry Organization, among others.

Organization	Position
Taiwan Research Pharmaceutical Manufactures Association	General member
Institute for Biotechnology and Medicine Industry	General member
Taiwan Bio Industry Organization	General member
Taipei Biotech Association	General member
Taiwan Pharmaceutical Manufacture and Development Association	General member
Taipei Pharmaceutical Business Association	General member

## ✧ Support Biotech Industry

The development of the medical biotechnology industry in Taiwan relies not only on the company's long-term investment and efforts but also on government support and close collaboration with the medical community and industry. As such, TaiGen actively participates in domestic biotech industry development activities, such as the "Bio Asia-Taiwan" organized by the Taiwan Bio Industry Organization and the "Taiwan Healthcare+ Expo" hosted by the Institute for Biotechnology and Medicine Industry.



## 1.2 Stakeholder Identification and Engagement GRI 2-29

### ✧ Stakeholder Identification

TaiGen follows the AA1000 Stakeholder Engagement Standards (SES) and collaborates with senior management and the ESG sustainability task force to identify 7 key stakeholder groups related to the company' s operations. These stakeholders include employees, government agencies, business partners, investors, suppliers, customers (including medical staff and patients), and the media. The identification process considers factors such as dependency, responsibility, tension, influence, and diverse perspectives.

Subsequently, a survey is conducted to assess the sustainability issues of concern for these seven stakeholder groups, aiming to identify their key topics of interest comprehensively. After analyzing the risks and impacts of these issues on the company' s operations, corresponding management policies are established, effective communication channels are created, and regular communication is maintained to respond to stakeholders' expectations regarding the company' s operations.

### ✧ Engagement with Stakeholders

Categories	Importance	Communication Issues	Communication Channels/Frequency	Communication Performance
<b>Employees</b>	Employees are TaiGen' s most valued asset. Their commitment and recognition are reflected in key areas such as new drug development, quality and safety management, governance, and transparency. Creating a supportive	<ul style="list-style-type: none"> <li>• New drug R&amp;D and innovation</li> <li>• Clinical trials and development</li> <li>• Drug quality and safety management</li> <li>• Partnership strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Performance appraisal, annually</li> <li>• Company website, immediately</li> <li>• Company internal website, real-time</li> <li>• Employee meeting, annually or semi-annually</li> <li>• Employee welfare committee, irregularly</li> <li>• Telephone/email, real-time</li> </ul>	<ul style="list-style-type: none"> <li>• Organization of 1 performance appraisal in 2023</li> <li>• Organization of 2 employee meeting in 2023</li> <li>• Real-time release of operational information on the company' s website and intranet</li> </ul>

	workplace that encourages personal growth is a key goal for TaiGen's sustainable development.		<ul style="list-style-type: none"> <li>• Education and training courses, irregularly</li> </ul>	<ul style="list-style-type: none"> <li>• No appeal cases</li> </ul>
<b>Government Agencies</b>	Government agencies focus on financial performance, corporate governance, integrity, and social perception. TaiGen also values and adheres to government regulations for sustainable and stable operations.	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Governance operation and information transparency</li> <li>• Clinical trials and development</li> <li>• Information and Privacy Security</li> <li>• Economic performance</li> <li>• Employee diversity and equal opportunities</li> <li>• Drug quality and safety management</li> <li>• Human resource development</li> </ul>	<ul style="list-style-type: none"> <li>• Official documents, irregularly</li> <li>• Policy promotion meetings of competent authorities, irregularly</li> <li>• Email, real-time</li> </ul>	<ul style="list-style-type: none"> <li>• Management of official correspondence with government agencies by the Department of Justice</li> <li>• Disclosure of information through MOPS as per regulatory requirements</li> <li>• No violation of relevant laws and regulations</li> </ul>
<b>Business Partners</b>	Business partners value intellectual property and strategic alignment, which are TaiGen's key R&D and commercial assets. Both parties closely collaborate in global drug market development.	<ul style="list-style-type: none"> <li>• Intellectual property management</li> <li>• Partnership strategy</li> <li>• Marketing and labeling</li> <li>• Drug quality and safety management</li> <li>• Risk management</li> <li>• New drug R&amp;D and innovation</li> <li>• Regulatory</li> </ul>	<ul style="list-style-type: none"> <li>• Telephone, real-time</li> <li>• Email, real-time</li> <li>• Video-conference, real-time</li> </ul>	<ul style="list-style-type: none"> <li>• TG-1000's development and commercialization rights in Greater China (including Mainland China, Hong Kong, and Macau, excluding Taiwan) are licensed to Joicare Pharmaceutical</li> </ul>

		<ul style="list-style-type: none"> <li>compliance</li> <li>Supply chain management</li> </ul>		<ul style="list-style-type: none"> <li>Group</li> <li>TaiGen Enters Exclusive License Agreement with YSP</li> </ul>
Investors	<p>Investors are the company's investors. To protect their rights and ensure fairness, TaiGen is committed to enhancing transparency, providing timely and accurate information, and maintaining effective communication with shareholders and investors.</p>	<ul style="list-style-type: none"> <li>Integrity management</li> <li>New drug R&amp;D and innovation</li> <li>Economic performance</li> <li>Drug quality and safety management</li> <li>Governance operation and information transparency</li> <li>Partnership strategy</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder conference, annually</li> <li>Annual report, annually</li> <li>Financial report, quarterly</li> <li>Investor conference, annually</li> <li>Email, real-time</li> <li>Company website, real-time</li> </ul>	<ul style="list-style-type: none"> <li>Financial and governance information is provided in the IR section of the company website</li> <li>Revenue and financial reports are regularly uploaded to MOPS</li> <li>Major operational updates are announced on MOPS as required by regulations</li> <li>Press releases and operational updates are posted in real-time on the website</li> <li>Organization of 1 investor conference in 2023</li> <li>Investor inquiries via email and hotline are answered in real-time</li> </ul>

<b>Suppliers</b>	The stable and reliable suppliers/contractors are essential for sourcing raw materials, services, and outsourced manufacturing, ensuring the full implementation of drug quality and safety management.	<ul style="list-style-type: none"> <li>• Toxoc chemical substance management</li> <li>• Drug quality and safety management</li> <li>• Intellectual property management</li> <li>• Clinical trials and development</li> <li>• Supply chain management</li> <li>• New drug R&amp;D and innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Telephone, real-time</li> <li>• Email, real-time</li> <li>• Conference, irregularly</li> <li>• Factory audit, irregularly</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to chapter 3.4 Supply chain management</li> </ul>
<b>Customers ( includes medical staff &amp; patients )</b>	Medical staff, with their expertise in pharmaceuticals and patient care, are key stakeholders for TaiGen, especially in clinical trials, post-market drug use, and providing critical professional insights. They are also important partners in drug development.	<ul style="list-style-type: none"> <li>• Drug quality and safety management</li> <li>• Regulatory compliance</li> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Academic activity, irregularly</li> <li>• Clinical trial, depends on R&amp;D plan</li> <li>• Visit, irregularly</li> <li>• Telephone, real-time</li> <li>• Email, real-time</li> <li>• Videoconference, irregularly</li> </ul>	<ul style="list-style-type: none"> <li>• Conducted Phase 3 clinical trials of TG-1000, ensuring compliance with human trial regulations and clinical trial laws</li> <li>• Communicated drug use information with medical staff via distributor Holding Distribution</li> </ul>
<b>Media</b>	The media values the company's R&D and operational performance, playing a role in oversight and public communication. TaiGen actively maintains close and open	<ul style="list-style-type: none"> <li>• New drug R&amp;D and innovation</li> <li>• Clinical trials and development</li> <li>• Drug quality and safety management</li> <li>• Partnership strategy</li> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Press conference, irregularly</li> <li>• Press release, real-time</li> <li>• Company website, real-time</li> <li>• Telephone, real-time</li> <li>• Email, real-time</li> </ul>	<ul style="list-style-type: none"> <li>• Financial and governance information is provided in the IR section of the company</li> <li>• Revenue and financial reports are regularly uploaded to MOPS</li> </ul>

	communication with the media.	• Economic performance		• 5 press releases posted on the company website in 2023
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## 1.3 Material Topics Analysis GRI 3-1~2

### ✧ Material Topics Identification Process

Since TaiGen identified key topics following the GRI Standards 2016 in August 2022, in 2023, the company used these findings to follow the GRI Standards 2021 steps 2 and 3 for identifying the actual and potential impacts of 3 material topics, and assessing their significance.

TaiGen uses a comprehensive scale based on 'Impact Type (actual and potential)', 'Impact Severity (positive and negative)', and 'Likelihood (high and low)' to identify key topics. The evaluation process involves department heads and ESG team members, who assess the impact of sustainability topics on governance, economics, environment, and society.

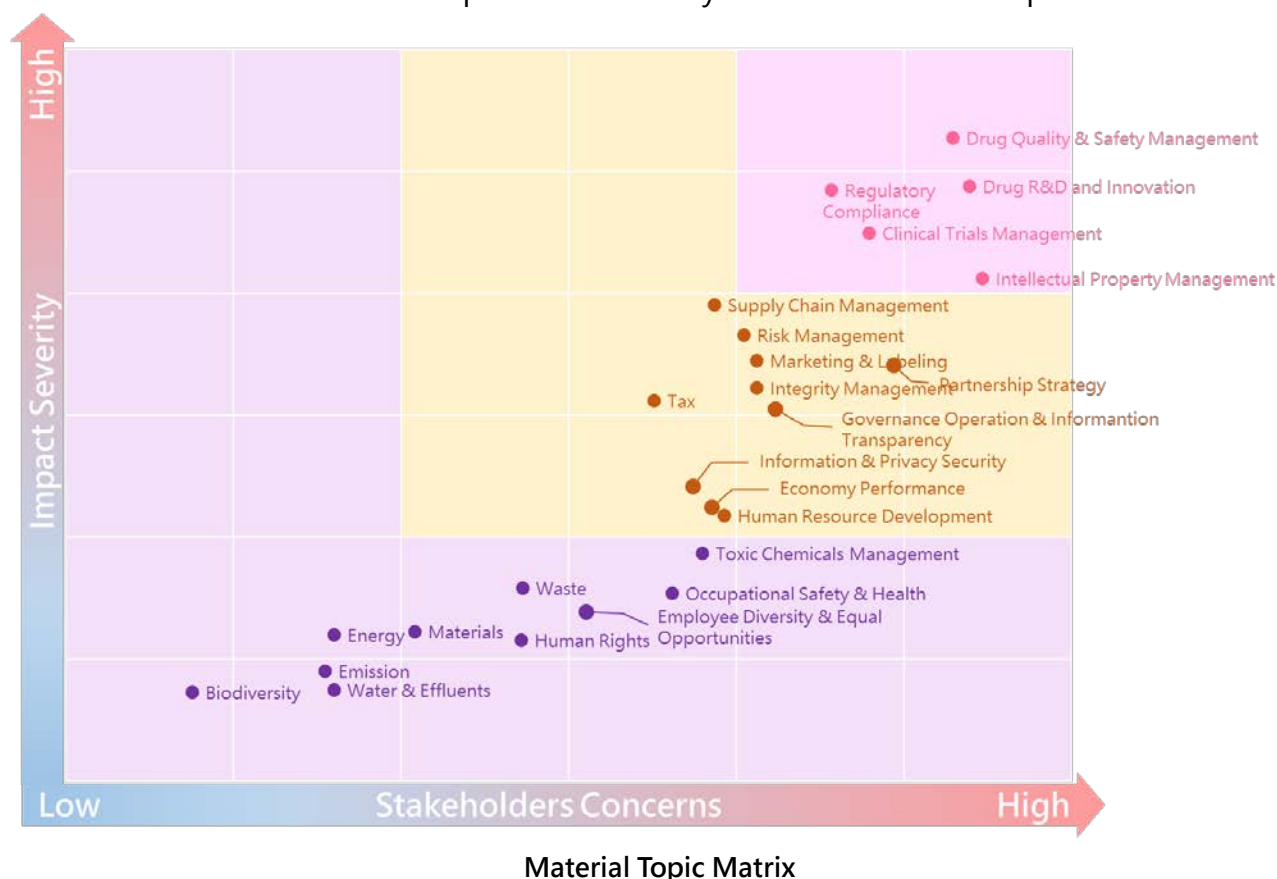
The results are presented using a material topics matrix (with impact and relevance axes), alongside an impact assessment for the 6 material topics (severity and likelihood).

1	<b>Stakeholder Engagement</b>	The 7 stakeholders include employees, government agencies, business partners, investors, suppliers, customers (medical staff and patients), and media. Please refer to the chapter 1.2 “Stakeholder Identification and Engagement”	7 Stakeholders
2	<b>Issue Identification</b>	The identification is based on various international benchmark guidelines and standards, including GRI Standards, SASB, and stakeholder concerns.	3 aspects 25 ESG topics
3	<b>Sustainability Issues Survey</b>	Distribution of the material topics survey: <ul style="list-style-type: none"> <li>69 stakeholder concern questionnaires were distributed, with corresponding departments inviting stakeholders to respond.</li> <li>20 impact questionnaires were distributed to senior executives and ESG working group members.</li> </ul>	89 questionnaires were collected
4	<b>Disclosure and Communication</b>	For the 6 material issues, a materiality matrix for TaiGen was created, and data collection and information disclosure were conducted according to the GRI reporting requirements and management guidelines.	6 material topics 6 management of material topics

5	Impact Assessment	For the 6 material topics, identify actual and potential impacts, and assess the significance and likelihood of positive/negative impacts.	6 Impact assessment results
6	Review and Update	For the 6 material topics, follow relevant regulations or establish internal management rules, and organize cross-department/expert meetings to discuss and determine the direction of operational development, while regularly managing progress.	Sustainability report

### ✧ Material Topics Matrix

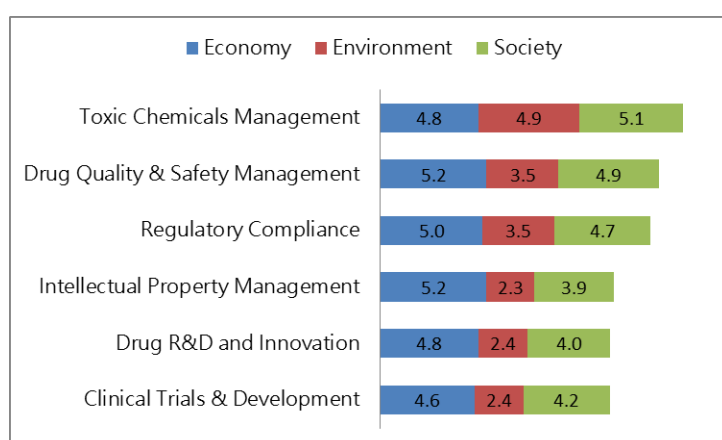
TaiGen identified 5 material topics from the "Stakeholder Concern" and "Impact" questionnaires: "Drug Quality and Safety Management," "New Drug R&D and Innovation," "Intellectual Property Management," "Clinical Trials and Development," and "Regulatory Compliance." Additionally, based on the characteristics of the pharmaceutical industry, a new material topic, "Toxic Chemicals Management," was added. A total of 6 material topics form the key framework of this report.



## ✧ Impact Significance Assessment – Impact Severity and Likelihood

Material Topic	Severity		Likelihood	
	Positive	Negative	Positive	Negative
Drug Quality & Safety Management	3.0	1.9	2.6	1.2
Drug R&D and Innovation	3.0	1.0	2.7	1.0
Clinical Trials and Development	2.9	1.3	2.7	1.1
Intellectual Property Management	2.8	1.1	2.6	1.0
Toxic Chemicals Management	2.6	2.5	2.2	1.8
Regulatory Compliance	3.1	1.6	2.9	1.0

## ✧ Impact Assessment Result of 6 Material Topics



## ✧ Value Chain Boundary for Material Topics

The disclosure scope of this report focuses primarily on the business activities of TaiGen Biotechnology Co., Ltd. in Taiwan, as well as the clinical and regulatory-related operations of its subsidiary, TaiGen Biopharmaceuticals Co. (Beijing) Ltd. in mainland China. Financial data is primarily based on the publicly disclosed consolidated financial report of TaiGen Biopharmaceuticals Holdings Ltd. In the future, the TaiGen Sustainability Report will gradually expand its disclosure boundaries to cover the overall information of the consolidated group. There are no significant changes in the major topics or boundaries of the topics in this report year.

Material Topic	Value Chian Boundary					
	Internal	External				
	Company	Government Agencies	Clients	Business Partner	Investors	Suppliers
Drug Quality & Safety Management	●	○	●	◇	○	●

Drug R&D and Innovation	●		○	◇	○	
Intellectual Property Management	●		○	◇	○	○
Clinical Trials & Development	●	○		◇		●
Regulatory Compliance	●	○	○	◇		
Toxic Chemicals Management	●					○

Note: Level of impact: 「●」 is direct impact ; 「○」 is indirect impact ; 「◇」 impact caused by business relationships

### The significance and corresponding standards of 6 material topics

Material Topic	Description	Corresponding standards	Corresponding chapter
Drug Quality & Safety Management	By combining advanced biotech technology and talent, TaiGen develops new drug with a rigorous and responsible research approach, aiming to treat diseases and enhance human health.	GRI 416 Customer Health and Safety SASB HC-BP-260a.1 SASB HC-BP-260a.2 SASB HC-BP-430a.1 Industry-specific topic	3.2 Drug Quality Management 3.3 Drug Safety Surveillance 3.4 Supply Chain Management
Drug R&D and Innovation	Explore and develop innovative drugs for unmet medical needs, while continually advancing TaiGen's expertise and technology in new drug development.	SASB HC-BP-240a.1 SASB HC-BP-000.A SASB HC-BP-000.B Industry-specific topic	3.1 New Drug R&D and Achievements.
Intellectual Property Management	Intellectual property is the core technology and asset in new drug R&D for the biotech industry, and is TaiGen's most important business secret. TaiGen initiates a comprehensive global patent strategy early in the R&D phase to protect our innovations and enhance commercial value.	Industry-specific topic	2.5 Intellectual Property Protection
Clinical Trials and Development	Adhering to international clinical trial regulations and ethics, TaiGen carefully plans clinical trial protocols, implements quality control, and rigorously reviews data to meet regulatory requirements for	SASB HC-BP-210a.1 SASB HC-BP-240a.1 SASB HC-BP-240b.3 Industry-specific topic	3.1 New Drug R&D and Achievements.

	drug approval applications. Using epidemiology and market analysis, TaiGen develops strategies to maximize return on investment in drug R&D.		
Regulatory Compliance	The biotech industry is heavily regulated, from preclinical research to clinical trials, new drug applications, and post-market production. TaiGen not only complies with existing regulations but also monitors legal changes and responds promptly.	GRI 2-27 Regulatory Compliance SASB HC-BP-270a.2	2.6 Integrity Management & Regulatory Compliance
Toxic Chemicals Management	TaiGen strictly controls the use of special and toxic chemicals in the laboratories to protect employee health and ensure environmental safety.	SASB HC-BP-430a.1 Industry-specific topic	5.2 Toxic Chemical substance Management

Secondary Topics				
Partnership Strategy	Marketing & Labeling	HR Management	Waste	Water and Effluents
Supply Chain Management	Integrity Management	Information and Privacy Security	Human Rights	Emission
Risk Management	Tax	Occupational Safety & Health	Materials	Biodiversity
Governance Operation & Information Transparency	Economy Performance	Employee Diversity & Equal Opportunities	Energy	

# Chapter 2 : Sustainable Operations and Governance

## Key Topic Management—Intellectual Property Protection Key

Topic GRI 2-25 GRI 3-3

Impact Assessment	One of the most important assets for a pharmaceutical R&D company is intellectual property (IP). To strengthen and protect its hard-earned innovative technologies, the company integrates its operational goals and R&D resources into an IP strategy, establishing an IP management model to safeguard its interests, enhance competitive advantages, and create higher value. This also minimizes potential gaps in IP management systems and reduces risks. In the reporting year, there were no negative impacts from organizational activities or business relationships. The company continues to increase and manage its IP assets, avoiding negative impacts related to IP.
Policies / Commitments	The company is committed to adhering to all relevant IP regulations in Taiwan and continuously implementing IP management measures. In 2022, it successfully introduced Taiwan' s Intellectual Property Management Standards (TIPS).
Actions	The TIPS system involves adding and revising internal management systems, implementing 54 IP management procedures and documents. This aims to enhance vertical and horizontal communication, improve efficiency, and avoid resource wastage through a complete and standardized system. The systematization of R&D processes reduces the impact of staff turnover and helps to mitigate IP risks while gradually boosting the company' s R&D capacity and output. In 2023, the company continues to follow this management approach to promote its IP management.
Management Processed / Indicators	<ol style="list-style-type: none"> <li>1. Each year, based on the company's operational goals and direction, and after understanding the expectations of key stakeholders, the company establishes the IP management policy and objectives for the year through internal communication with various departments, according to their responsibilities.</li> <li>2. Following the addition of new IP management procedures, the company has strengthened record-keeping regulations during the R&amp;D initiation, process, and results evaluation stages, enhancing the protection of patents and trade secrets to effectively reduce potential future disputes.</li> <li>3. The company has designed internal audits and regular management review</li> </ol>

	meetings to track the execution results of the IP management system and assess its effectiveness.
Stakeholder Communication and Outcomes	<p>The company has reported IP-related matters to the 11th Board Meeting of the 7th session (December 13, 2023). Since 2022, the company has actively promoted the IP management plan and obtained the TIPS A-level certification. The key actions are as follows:</p> <ul style="list-style-type: none"> <li>● In 2023, the company's IP management goal achievement rate was 100%.</li> <li>● In 2023, the company again received TIPS A-level certification, demonstrating that its IP management system is recognized. The company will continue to improve the management system based on the existing foundation. Re-verification applications included various courses for all staff, new employees, and the departments responsible for IP management, strengthening the awareness of IP protection among employees.</li> </ul> <p>By the end of 2023, the company had filed over 210 patents globally, with more than 160 patents granted.</p>

## Key Topic Management—Regulatory Compliance Key Topic GRI 2-25

GRI 3-3

Impact Assessment	<p>Our company is a publicly listed company in Taiwan, where corporate governance is a core requirement for sustainable business operations. We have established a comprehensive framework to guide and manage the company in a way that aligns with the best interests of both the company and all shareholders, helping to manage operations and providing effective oversight mechanisms. This ensures that business leaders fulfill their responsibilities and protect the legitimate rights of shareholders while balancing the interests of other stakeholders.</p> <p>Additionally, as a company focused on new drug R&amp;D, we comply with various pharmaceutical regulations from drug R&amp;D to commercialization to avoid harm to human health. We also ensure attention to the experimental and production processes of drug R&amp;D. We strictly follow administrative regulations concerning infectious biological materials, radioactive substances, and waste management.</p> <p>Given the nature of our business, we regard compliance with laws and regulations as a fundamental, non-negotiable principle in our operations. We are also committed to fostering a corporate culture that emphasizes ethics and legal compliance.</p> <p>In 2023, there were no negative impacts from organizational activities or business relationships.</p>
Policies / Commitments	<p>The company is committed to strictly adhering to Taiwan's laws, the Cayman Islands' local regulations, the securities listing contract of Taipei Exchange (TPEX), and various rules set by TPEX, such as the "Corporate Governance Best Practice Principles," "Code of Ethics," "Integrity Management Operating Procedures and Code of Conduct," and "Internal Major Information Handling and Insider Trading Prevention Procedures." We regularly review updates to these laws and regulations.</p> <ul style="list-style-type: none"> <li>● Integrity and Ethics: We follow the relevant provisions in our Integrity Management Operating Procedures and Code of Conduct.</li> <li>● Corporate Governance: We strictly implement the regulations set out in the Corporate Governance Best Practice Principles and various securities laws in Taiwan and the Cayman Islands.</li> <li>● New Drug R&amp;D: We conduct new drug research and development in accordance with Taiwan's Pharmaceutical Affairs Act and its related regulations.</li> <li>● Operational Processes and Environment: We comply with relevant laws regarding infectious substances, radioactive materials, laboratory animals, and</li> </ul>

	waste disposal during the R&D process.
Actions	<p>The company reports internal audit results regularly to the Board of Directors and uses annual corporate governance evaluation indicators to periodically review compliance and the implementation of governance matters, while setting improvement directions.</p> <p>Short-term goal: Optimize the company website interface and information for easier and timely access to compliance-related information for internal and external stakeholders, fostering good communication.</p> <p>Medium-term goal: Strengthen compliance training, and establish clear and appropriate systems for legal communication, consultation, coordination, and communication, ensuring compliance is integrated across all levels of the organization.</p> <p>Long-term goal: Based on operational needs, establish functional committees to progressively enhance corporate governance. We aim to establish lasting practices, instill compliance awareness in employees, and build a high-quality corporate culture.</p>
Management Processed / Indicators	<p>The company regularly reviews significant matters, including accounting policies and procedures, internal control systems, regulatory compliance, and corporate risk management. In accordance with regulatory requirements, internal control audits are conducted periodically to ensure compliance with legal requirements, and audit results are regularly reported to the Board of Directors.</p> <p>An internal board performance evaluation is conducted annually, with an external professional independent institution or expert team performing an evaluation every three years. Additionally, the company undergoes an annual corporate governance evaluation by the Financial Supervisory Commission.</p> <p>In April 2021, the company appointed a corporate governance officer, who undergoes mandatory training according to regulatory requirements. In 2023, the officer completed 12 hours of training. Members of the highest governance body also continue to complete at least 6 hours of training annually.</p>
Stakeholder Communication and Outcomes	<p>The company has established comprehensive external contact information, spokespersons, and internal complaint channels to handle internal and external grievances. No fines or penalties were incurred in 2023 due to any legal violations.</p> <p>In the 2023 corporate governance evaluation, the company ranked in the 36%-50% range among listed companies, and after reviewing the evaluation indicators, the company has set improvement and enhancement objectives for 2024.</p>

## 2.1 Overview of Operations GRI 201-1

This report's information and data in each section are based on TaiGen Biotechnology Co., Ltd., but the consolidated financial statements cover the subjects of TaiGen Biopharmaceuticals Holding Ltd. (TaiGen Holding), TaiGen Biotechnology Co., Ltd., TaiGen Biomedical Food Corporation, TaiGen Biotechnology Holding Ltd., and TaiGen Biopharmaceutical Co. (Beijing) Ltd. In 2023, our company did not receive any tax reductions or exemptions, investment subsidies, rewards, or other forms of assistance from government entities.

In 2023, TaiGen Holding's operating revenue was NT\$123,134 thousand, showing significant growth compared to the previous year, mainly due to the licensing signing fee received from granting the sales and development rights of TG-1000 in Mainland China to Joincare Pharmaceuticals. Our company paid income taxes of NT\$72,513 thousand, NT\$32,219 thousand, and NT\$9,827 thousand for the years 2021, 2022, and 2023, respectively.

Financial Performance			Unit : NT\$ thousand
Item/Year	2021	2022	2023
Operating Revenue	1,294,522	36,230	123,134
Operating Costs	12,720	3,736	11,448
Gross Profit from Operations	1,281,802	32,494	111,686
Net operating Income (Loss)	899,458	(277,670)	(174,699)
Non-Operating Income and Expenses	(23,467)	47,905	318,186
Profit (Loss) from Continuing Operations Before Tax	875,991	(229,765)	143,487
Profit (Loss) from Continuing Operations	775,618	(237,164)	136,731
Net Income (Loss) for the Year	775,618	(237,164)	136,731
Other Comprehensive Income, net	(4,139)	(41,513)	28,922
Total Comprehensive Income	771,479	(278,677)	165,653
Earning (Loss) per share	1.08	(0.33)	0.19
Employee Salaries and Benefits <sup>1</sup>	154,258	98,986	131,544
Dividend Payments to Shareholders	0	0	0
Tax Payments <sup>2</sup>	72,513	32,219	9,827

Technology and Charitable Donations	600	1,170	590
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Note :

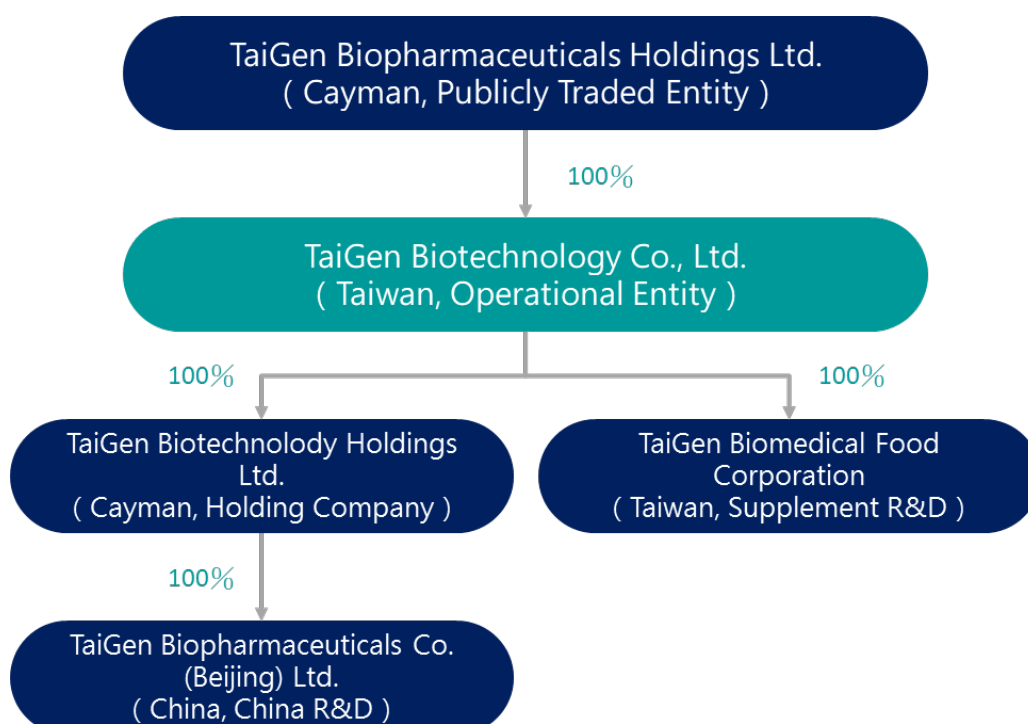
1. Employee Salaries and Benefits include salaries, year-end bonuses, transportation allowances, recreational allowances, birthday gifts, and other benefits.
2. Tax Payments to the Government include corporate income tax on the licensing milestone payments and contract transfer fees received by the subsidiary, TaiGen Beijing.

Sales Overview of TaiGen' s Products in 2023	
Sales Areas	Proportion of Sales Amount ( % )
Taiwan	25
China	75

## ✧ Related Companies GRI 2-2

The consolidated financial statements cover the subjects of TaiGen

Biopharmaceuticals Holding Ltd., TaiGen Biotechnology Co., Ltd., TaiGen Biomedical Food Corporation, TaiGen Biotechnology Holding Ltd., and TaiGen Biopharmaceutical Co. (Beijing) Ltd.



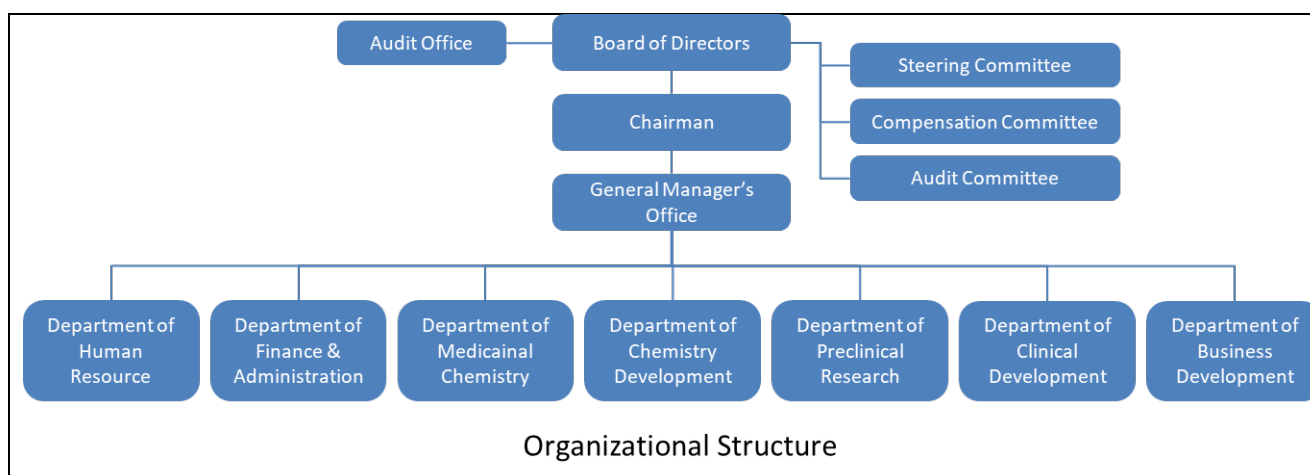
## 2.2 Corporate Governance GRI 2-9~12 GRI 2-16~18 GRI 405-1

### ✧ Organizational Structure

Corporate governance is a core requirement for sustainable business operations. It involves establishing effective mechanisms to guide and manage the company, ensuring the achievement of operational goals in a way that benefits the company and all shareholders. It also supports business management and provides effective supervision, ensuring the responsibility of business operators to protect shareholders' rights and the interests of other stakeholders.

TaiGen Holdings upholds integrity in its operations, follows relevant laws, and establishes a sound corporate governance structure to drive various R&D projects. The board of directors is the highest governing body, with the chairman also serving as the CEO and general manager to maintain operational efficiency. Only one board member also holds an executive role, and the majority of directors do not serve as employees or executives, ensuring proper execution of board decisions and effective supervision. Since January 2019, Chairman Kuo-Lung Huang has taken over the company's operations from founder Dr. Ming-Chu Hsu. With over 20 years of experience in the pharmaceutical field, he leads the team to establish milestones in R&D and commercialization, ensuring the company's sustainability.

To ensure good governance, the board oversees the formulation and amendment of operational plans, strategies, financial reports, and internal controls. Focusing on sustainable development, TaiGen Holdings is committed to creating long-term shared value with stakeholders. The company also incorporates sustainability into its governance focus and evaluates its operations through governance assessments. The board has three functional committees: the "Compensation Committee," which reviews board and executive performance and compensation policies; the "Audit Committee," which follows the "Regulations on the Exercise of Powers by Audit Committees of Public Companies"; and the "Steering Committee," which assists the CEO and general manager in formulating operational policies and strategies for R&D, business development, management, and finance.



## ✧ Functional Committee

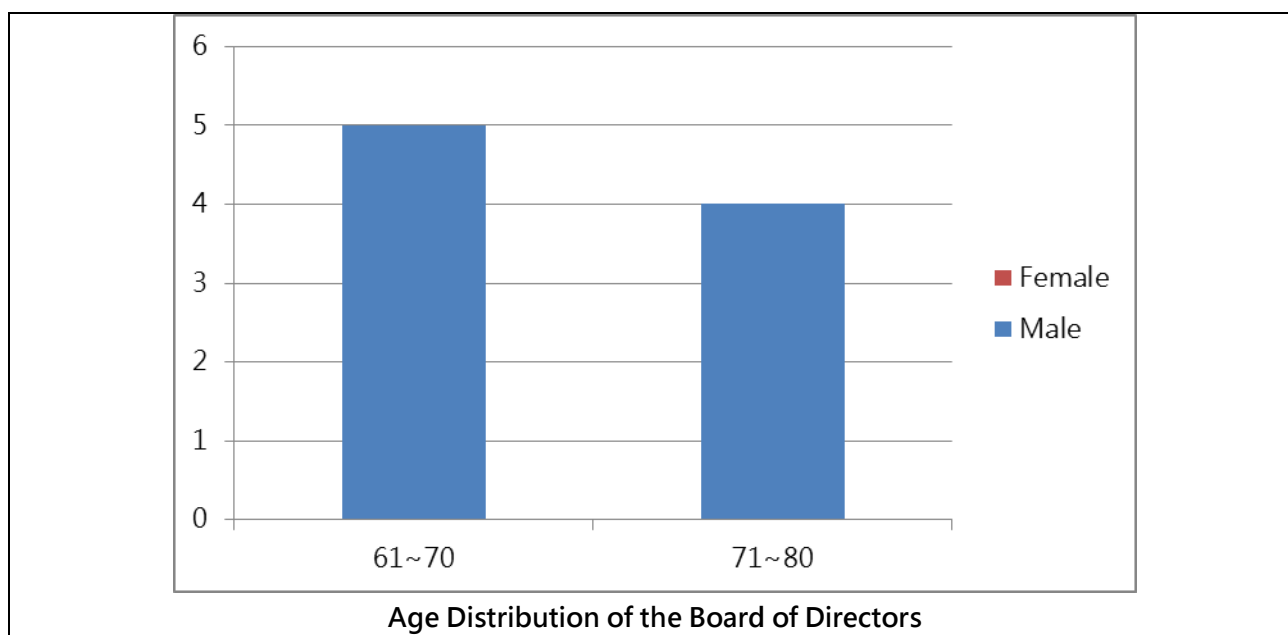
The board of directors is the highest governing body of the company, with nine seats as specified in the bylaws, three of which are independent directors. The board exercises its functions according to its authority, deciding on business policies and important matters. On May 30, 2022, the company conducted a complete election of directors. The newly elected board consists of nine members from various sectors, including industry, government, and academia, with diverse nationalities. The board's composition spans various fields such as business, biochemistry, public health management, and academia, reflecting the diversity of TaiGen's board.

The current board's term is from May 30, 2022, to May 29, 2025. The full list of board members can be found in the company's annual report for the reporting year.

The company has established "Rules of Procedure for Board Meetings," which define the frequency and procedures for board meetings. The board meets at least once every quarter, with managers and financial officers attending to answer questions, and the audit supervisor regularly reports audit matters to the board. During the reporting year, seven board meetings were held, with important resolutions available in the company's annual governance report.

Core Aspects of Board Member Diversity									
Title	Name	Gender	Operating Judgment	Financial Accounting	Business Management	Industry Knowledge	Decision-making	Leadership	International Outlook
Chairman	Kuo-Lung Huang	M	V		V	V	V	V	V

Director	Show-Chung Ho	M	V		V	V	V	V	V
Director	Chi-Kung Ho	M			V	V	V	V	V
Director	I-Jen Huang	M	V		V	V	V	V	V
Director	Hong-Jen Chang	M	V		V	V	V	V	V
Director	Peter Wu	M	V		V	V	V	V	V
Independent Director	Weng-Foung Huang	M			V	V	V		V
Independent Director	Ye-Hong Zhang	M	V		V	V	V	V	V
Independent Director	Shen-Fu Yu	M		V	V	V			V



### ✧ Director Training

All board members participate in continuing education programs organized by designated institutions, as specified in the "Key Points for Continuing Education of Directors and Supervisors of Listed Companies." In the reporting year, the total continuing education hours for the board members amounted to 57 hours, meeting

the required annual education hours. The courses included 15 hours on corporate sustainability, as well as topics related to corporate governance, corporate regulations, and industry development.

## ✧ Introduction to Functional Committees

### ▮ Steering Committee

The board of directors may select four experts with extensive experience in fields such as biotechnology and pharmaceutical R&D, business development, management, or finance to form the Steering Committee. This committee assists the CEO and general manager in establishing the company's operational policies, as well as strategies for R&D, business development, management, and finance. The Steering Committee reports to the board of directors and meets at least four times a year. Meeting minutes are distributed to the board during board meetings. In the reporting year, the Steering Committee held a total of five meetings, with a 100% attendance rate.

Title	Name	No. of Attendance	No. of Delegated Attendance	Actual Attendance (%)
Member	Kuo-Lung Huang	5	0	100
Member	Show-Chung Ho	5	0	100
Member	Ming-Chu Hsu	5	0	100
Member	Hong-Jen Chang	5	0	100
Member	Weng-Foung Huang	5	0	100

Note: The term is from May 30, 2022 to May 29, 2025.

### ▮ Compensation Committee GRI 2-19~20

The company established the Compensation Committee in 2013 and formulated the "Compensation Committee Organization Rules." The committee is responsible for ensuring the soundness of the company's compensation system for directors and executives. The committee consists of three independent directors, appointed by the board of directors, with a term of three years. All members meet the professional qualifications and independence requirements set forth in Articles 5 and 6 of the

"Regulations on the Powers of the Compensation Committee." The committee provides objective and professional recommendations regarding the performance evaluation, compensation policies, and systems for the company's directors and executives, effectively fulfilling the supervisory and balancing role of independent directors.

The compensation of the company's directors is managed according to the "TaiGen Holdings - Director, Supervisor, and Executive Compensation Policy," which includes regular evaluations of directors, supervisors, and executives' salaries. Regarding profit distribution, the company's Articles of Association (Article 111) specify the distribution ratio. Due to operating losses and the need to invest in future R&D expenses, no earnings were distributed to the directors in the reporting year or the previous year. The company's policy and standards for director compensation will be adjusted based on business performance and future risk factors.

The hiring of the General Manager and Vice President is conducted through professional recruitment services, targeting international senior executives with relevant experience and alignment with the company's management philosophy. Their compensation is determined based on their position, level of involvement and contribution to the company's operations (considering target achievement, profitability, operational efficiency, etc.), following the company's personnel regulations and approved by the board after discussion by the Compensation Committee.

The Compensation Committee meets at least twice a year. During the reporting year, it held two meetings with a 67% attendance rate.

Title	Name	No. of Attendance	No. of Delegated Attendance	Actual Attendance (%)
Member	Shen-Fu Yu	2	0	100
Member	Ye-Hong Zhang	0	1	0
Member	Weng-Foung Huang	2	0	100

Note: The term is from May 30, 2022 to May 29, 2025.

## Audit Committee

The company established an Audit Committee in 2016 and formulated the "Audit

Committee Organization Rules." The Audit Committee assists the board of directors in fulfilling its supervisory duties over the company, enhancing the effectiveness of corporate governance, through the professional abilities and independent stance of its members. The Audit Committee consists of 3 independent directors, with a term of three years. The committee meets at least once every quarter, and during the reporting year, a total of 7 meetings were held.

Title	Name	No. of Attendance	No. of Delegated Attendance	Actual Attendance (%)
Independent Director	Shen-Fu Yu	7	0	100
Independent Director	Ye-Hong Zhang	5	2	71
Independent Director	Weng-Foung Huang	7	0	100

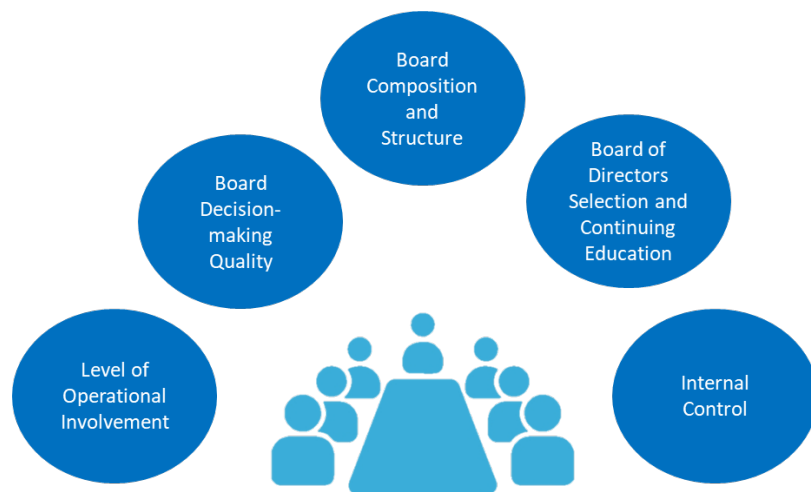
Note: The term is from May 30, 2022 to May 29, 2025.

## ✧ Board Evaluation GRI 2-12

To implement corporate governance and enhance the board's functionality by establishing performance goals and improving operational efficiency, TaiGen Holdings completed the formulation of the Board Performance Evaluation Guidelines in 2019. These guidelines include evaluations of the board's performance, individual board members' performance, and the performance of functional committees. The evaluation is conducted through self-assessment by board members and is executed annually. The self-assessment score for the 2023 fiscal year ranged from 4.81 to 5 (with a maximum score of 5). The evaluation results were submitted to the board on March 11, 2024.

Evaluation Content:

- **Board Performance Evaluation:** Includes participation in company operations, decision-making quality, board composition and structure, selection and ongoing education of directors, internal controls, etc.



- **Individual Director Performance:** Includes understanding of company goals and tasks, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professionalism and ongoing education, internal controls, etc.
- **Functional Committee Performance Evaluation:** Includes participation in company operations, understanding of the committee's responsibilities, decision-making quality, committee composition and member selection, internal controls, etc.

According to the Board Performance Evaluation Guidelines, an external professional independent organization or expert team conducts an evaluation every three years. In 2022, the company commissioned the Investor Relations Association to conduct an external evaluation, which was completed by February 10, 2023, and the evaluation results were submitted to the board. TaiGen Holdings will continue to strengthen the board and functional committees' effectiveness and improve corporate governance quality based on the recommendations from external experts.

Planned Improvements for 2023 include:

- Consulting the Audit Quality Indicator (AQI) to assess the independence and competence of certified public accountants.
- From 2023 onward, interim financial reports will be discussed by the Audit Committee before being presented to the board.
- Uploading the sustainability report to the Public Information Observatory before the end of September 2023.

Board of Directors Evaluation Implementation Status		
Evaluation Cycle	Annual	
Evaluation Period	January 1, 2023 to December 31, 2023	
Evaluation Scope	Board performance evaluation, individual board member performance evaluation, functional committee performance evaluation	
Evaluation Method	Evaluation Content	Evaluation Results
Internal Self-assessment Questionnaire	Board Performance Evaluation	4.93 ( full score 5 point )
Internal Self-assessment Questionnaire	Individual Board Member Performance Evaluation	5.00 ( full score 5 point )
Internal Self-assessment Questionnaire	Functional Committee Performance Evaluation	4.81~4.95 ( full score 5 point )

### ✧ Avoiding Conflicts of Interest GRI 2-15

In the company's "Rules of Procedure for Board Meetings," it is stipulated that if a director has a conflict of interest with any agenda item, either personally or through a corporate representative, the director must disclose the key details of the conflict of interest during the board meeting. If the issue is detrimental to the company's interests, the director must refrain from participating in the discussion and voting, and cannot proxy another director's voting rights. In cases of conflicts of interest, the company's annual report will disclose the directors' avoidance of the related agenda items, including the director's name, the content of the agenda, the reason for avoiding the interest, and the participation in the vote.

During the reporting year, any director's conflict of interest and avoidance were disclosed in the corporate governance section of the company's annual report. Additionally, if any independent director disagrees with or raises reservations on a board decision, and such disagreement is recorded or in written form, it must be noted in the meeting minutes. In accordance with the law, such statements must also be publicly disclosed on the designated information reporting website of the regulatory authority within two days from the date of the board meeting.

### ✧ Internal Audit System

TaiGen Holdings has established a comprehensive internal audit system and implements it in accordance with relevant regulations. The Audit Committee, internal audit unit, and external accountants regularly communicate to ensure the effectiveness of the company's internal control and internal audit processes.

- In 2016, at the Shareholders' Meeting, three independent directors were elected, and the first Audit Committee was established.
- External accountants conduct quarterly audits/reviews to assess the company's financial status, adjusting entries, and revisions to IFRS standards, and provide explanations to independent directors during Audit Committee meetings.
- The internal audit unit regularly submits internal audit reports to the independent directors, and the head of internal audit reports on audit activities to the Audit Committee and the board at least once every quarter.
- The company has established the "Integrity Management Procedures and Code of Conduct" and the "Code of Ethics." Additionally, the company's internal website has a "CEO mailbox" as a whistleblowing channel, and the "Integrity Management Procedures and Code of Conduct" guarantees confidentiality and protection for whistleblowers against retaliation.

## 2.3 Risk Management GRI 2-23 GRI 3-3

TaiGen effectively manages 6 key sustainability-related risk areas: finance, research and development, market industry, supply chain, regulations, and cybersecurity. In accordance with relevant regulations, the company has established risk management policies, procedures, and internal control systems.

For financial risks such as interest rate risk, exchange rate risk, and inflation risk, as well as other financial activities, TaiGen follows its internal control mechanisms. Major financial activities are subject to review by the board of directors in compliance with relevant regulations and internal control systems. The Audit Department conducts regular and ad-hoc audits and reports the findings to the board.

For non-financial risks, the company evaluates their potential operational impacts, establishes relevant management measures, and monitors their effectiveness.

Risk Item	Description	Countermeasures
Financial Risk	Manage interest rate risks, exchange rate risks, inflation and other factors related to operating activities	<p>The company identifies, evaluates, and mitigates market uncertainties to reduce the potential adverse impact of market fluctuations on financial performance.</p> <p><b><u>Interest Rate Risk</u></b></p> <ul style="list-style-type: none"> <li>– Maintains long-term good relationships with banks to secure reasonable financing rates, with no immediate need to utilize the credit lines</li> <li>– Monitors interest rate changes and comprehensively assesses funding sources to ensure the most cost-effective financing options.</li> </ul> <p><b><u>Exchange Rate Risk</u></b></p> <ul style="list-style-type: none"> <li>– Closely monitors exchange rate fluctuations and purchases foreign currency deposits when exchange rates are favorable to cover foreign currency expenses.</li> <li>– When signing licensing agreements, the company seeks to negotiate favorable</li> </ul>

		<p>exchange rate terms for the group and aligns funding with the same currency as the expenses to avoid exchange rate risks.</p> <p><b><u>Inflation</u></b></p> <ul style="list-style-type: none"> <li>– Maintains good interactions with suppliers and monitors market price fluctuations.</li> </ul> <p><b><u>Capital Risk</u></b></p> <ul style="list-style-type: none"> <li>– Adopts a prudent and conservative financial policy, avoiding high-risk, high-leverage investments and derivative transactions.</li> <li>– Has established procedures for asset acquisition and disposal, endorsement and guarantees, derivative financial transactions, and lending funds to others, in compliance with regulations for public disclosure and reporting.</li> </ul>
Research Risk	The risk of a drug failing to pass clinical trials or successfully obtain new drug marketing authorization due to safety or efficacy	<ul style="list-style-type: none"> <li>– The company integrates resources from various parties to identify and collaborate with the most suitable academic or medical experts.</li> <li>– The company recruits and trains talent with expertise in areas such as design, synthesis, pharmacology, pharmacokinetics, pharmaceutical chemistry, toxicology, as well as cross-disciplinary experts in patents, regulations, and marketing, to build a comprehensive new drug R&amp;D team.</li> </ul>
Market Industry Risk	Innovations in biotechnology, changes in industry trends, and market competition in the development of similar drugs may all affect the conditions for external licensing	<ul style="list-style-type: none"> <li>– The company closely monitors the R&amp;D activities of competitors developing similar drugs and takes timely measures to respond.</li> <li>– Regular discussions and meetings with experts are held to review industry R&amp;D trends and the company's own R&amp;D strategies, enabling the company to track drug development trends and adjust R&amp;D plans and resource allocation.</li> <li>– After completing the proof-of-concept trials for new drugs, the company licenses them to international pharmaceutical companies for</li> </ul>

	negotiations.	<p>strategic collaboration, accelerating subsequent clinical trials, drug registration, and market launch.</p> <ul style="list-style-type: none"> <li>– The company leverages its 1.1-class new drug R&amp;D platform established in Mainland China to accelerate the launch of new drugs in both Taiwan and Mainland China, and collaborates with external professional sales teams to expand the market value of new drugs.</li> </ul>
Supply Chain Risk	The risk that suppliers are unable to provide raw materials or services, resulting in the company being unable to provide customer products or services	<ul style="list-style-type: none"> <li>– The company has established long-term contracts with its suppliers.</li> <li>– The company continues to expand overseas licensing to reduce the risks associated with sales concentration.</li> </ul>
Regulatory Compliance Risk	Regulatory compliance, integrity management and intellectual property rights management risks	<ul style="list-style-type: none"> <li>– The company has established the "Corporate Governance Best Practice Principles," "Integrity Management Procedures and Code of Conduct," "Code of Ethics," and "Insider Trading Prevention Regulations.</li> <li>– The company has implemented internal control and internal audit management systems, as well as guidelines for the appointment and dismissal of internal audit personnel.</li> <li>– Business ethics and ethical integrity management standards from research and development to commercialization must comply with relevant external regulations.</li> <li>– The company has formulated "Intellectual Property Management Policies" and "Intellectual Property Management Plans."</li> </ul>
Information	Cyber attacks and	TaiGen strengthens its multi-layered information

Security Risk	information leakage may affect the protection of intellectual property and customer information, causing serious financial losses and legal problems	security protection, both hardware and software, including complex account password verification, antivirus protection for servers and client devices, internet usage management, malicious website protection, firewall blocking, host data backup, and encryption. These measures are implemented to ensure information security, supported by clear and strict internal control systems. During the reporting year, there were no significant cybersecurity risks or incidents within the company.
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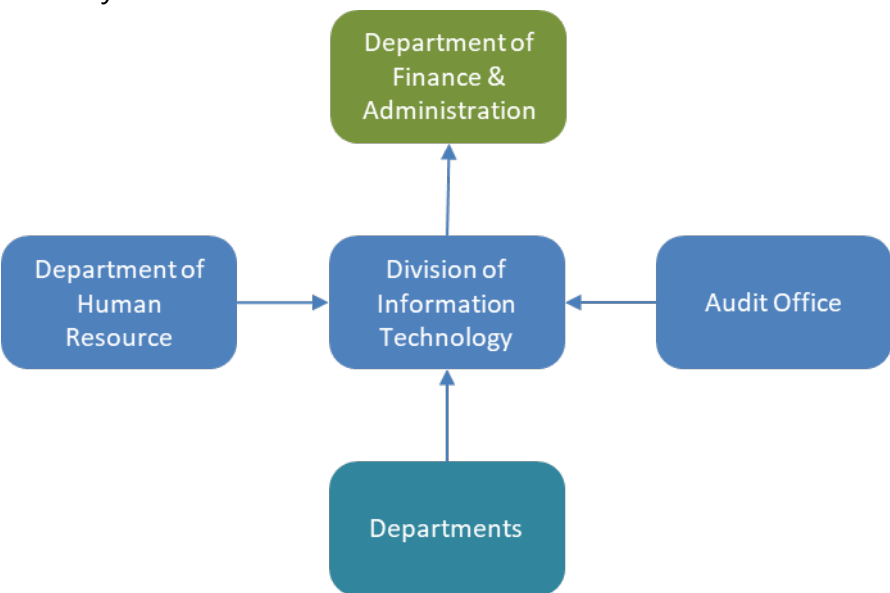
## 2.4 Information and Privacy Security GRI 418-1

### ✧ Information Security Risk Management Framework

The company's information security policies, plans, measures, and technical specifications, as well as the research, development, and evaluation of security technologies, are managed by the IT department. The discussion of security levels for data and information systems, as well as user access requirements, is handled by each department in coordination with the IT department.

The maintenance of information confidentiality and the auditing of usage management are handled by the audit department in collaboration with relevant units. Information security audits are regularly conducted by the IT department together with the audit department and, depending on the situation, may be conducted on an ad-hoc basis. The security and management of information assets, as well as the execution and testing of emergency response procedures, are handled by the IT department.

Information security management is overseen and promoted by senior management, who may form cross-departmental information security task forces as needed to coordinate and develop policies, plans, and resource allocation related to information security.



### ✧ Information and Privacy Security Policy

TaiGen understands the importance of R&D confidentiality and customer (licensing partner) privacy. To ensure the security of the company's information, systems,

equipment, and network communications, and effectively reduce the risks of misuse, leakage, tampering, or destruction of information assets caused by human error, malicious intent, or natural disasters, the company has established an "Information Security Management Policy." This policy outlines the confidentiality and custodianship responsibilities of relevant personnel. During new drug research and development and business activities, all research and business-related information and documents must comply with confidentiality agreements and adopt information protection measures.

Access to information related to new drug R&D, customer (licensing partner) basic data, and relevant technical documents is restricted to authorized personnel only, ensuring that only those with proper clearance can review sensitive materials. The company also periodically promotes the importance of information security, raising employees' awareness of proper handling of confidential information. Additionally, confidentiality agreements are signed with all customers (licensing partners) to ensure data security.

### ✧ **Management of Information and Privacy Security**

TaiGen's information security is managed by the IT department, primarily based on the "Information Security Management Policy" and three other relevant procedures, which are continuously revised and supplemented in line with advancements in computer technology and guidelines from regulatory authorities. The key management documents include:

- Information Security Management Policy
- Information Management Procedures
- Computerized Information Management System
- TaiGen Biotechnology Information Equipment Recycling and Disposal Procedures

When new employees join, the HR department ensures that they have signed the corporate information security usage agreement. Subsequently, the IT department conducts information security training (new employee orientation). This training covers personal access rights, file server management, and security settings for various systems.

Additionally, TaiGen has introduced biannual social engineering exercises, in conjunction with twice-yearly external audits that review firewall settings, system

configurations, and backups. Each year, department heads also verify the validity of user accounts. Currently, the company does not directly handle customer privacy data.

### ✧ **Reporting Procedure of Information and Privacy Security Incident**

If any event occurs that may threaten the company's information assets, personnel are required to immediately notify the IT department to assess the potential impact on business operations. Depending on the situation, actions will be taken in accordance with the information security disaster recovery plan.

During the reporting period, there were no incidents of data breaches, violations of customer (partner) privacy, or any regulatory violations. Specifically, no customer data was stolen, altered, damaged, lost, or leaked, nor were there any complaints or lawsuits related to customer rights being harmed.

## 2.5 Intellectual Property Protection

### ✧ Intellectual Property Rights Management Systems and Policies

To strengthen its industry leadership and protect valuable technological achievements, the company has developed an intellectual property (IP) strategy that aligns with its operational goals and R&D resources. This strategy aims to create value through the management of IP rights, not only safeguarding operational freedom but also enhancing competitive advantage and potentially driving profitability.

In 2022, the company adopted Taiwan's Intellectual Property Management System (TIPS) and successfully passed the first verification. The company has since introduced and revised 54 IP management procedures and documents, improving vertical handovers and horizontal communication, and increasing execution efficiency. The company also passed the second TIPS verification in 2023. As R&D processes are further documented and refined, the company aims to enhance R&D capacity and output.

The company places particular emphasis on the following areas to implement its IP management policy and achieve its IP management goals within its operations:

1. The IP management policy and goals are closely aligned with the company's operational objectives.
2. To objectively assess the achievement of IP management goals, quantitative units or calculations are used.
3. Evaluation fields are designed to assess the progress of IP management policy and goal implementation.



## ✧ Patent Management

The company's intellectual property strategy includes patent portfolio deployment, strategic patent mining, expanding patent applications, and reviewing the patent portfolio. These efforts are supported by evaluation mechanisms, incentive systems, education, and talent training to protect the company's R&D performance and technological leadership.

To build a robust intellectual property portfolio, the company has established various mechanisms to encourage innovation internally, motivating employees to submit invention applications. At the same time, a systematic patent management system is in place, supported by a tiered evaluation process that balances the quantity and quality of employee patent applications. Externally, the company maintains close communication and technical exchanges with patent authorities in key domestic and international markets, helping patent examiners better understand the company's technologies to enhance review efficiency and secure high-quality patent protection.

## Status of Patent Management

The company has reported intellectual property-related matters at the 11th meeting of the 7th Board of Directors on December 13, 2024.

Since 2022, the company has actively promoted its intellectual property management plan, with key achievements as follows:

- In 2023, the company achieved a 100% completion rate for its intellectual property management goals.
- In 2023, the company successfully obtained TIPS A-level certification again, demonstrating that its intellectual property management system has been recognized. Moving forward, the company will continue to enhance its management system. The re-certification application will offer different courses for all employees, new hires, and departments responsible for intellectual property management, aiming to strengthen awareness of intellectual property protection.

As of the end of 2023, the company has applied for and obtained the following intellectual property rights:

- **Patents:** The company has filed over 210 patent applications globally, with more than 160 patents granted.

## 2.6 Integrity Management and Regulatory Compliance GRI 2-26

GRI 205-2 SASB HC-BP-270a.2

Integrity and ethics are core values and attitudes that all employees of TaiGen must uphold. The company has established the "Integrity Business Operation Procedures and Code of Conduct," which outlines that directors, supervisors, managers, employees, and other individuals with substantial control within the group and organization must conduct business activities based on the principles of fairness, honesty, trustworthiness, and transparency. The company enforces an integrity management policy and actively prevents dishonest behavior. These internal regulations are available on the company's internal website for employees to understand and reference.

### ✧ **A Well-established Whistleblowing Mechanism**

The company encourages both internal and external personnel to report dishonest or improper behavior. Depending on the severity of the reported issue, a reward may be given in accordance with company policies. Internal personnel found to have falsified or maliciously accused others will face disciplinary actions, with dismissal for serious cases.

The company has set up a service mailbox on its website and an executive mailbox on the internal website, which serve as channels for both internal and external personnel to report incidents.

In the "Integrity Business Operation Procedures and Code of Conduct," the company has committed that personnel handling reports will provide a written statement to protect the identity of the whistleblower.

### ✧ **Prevention Awareness and Training**

TaiGen conducts at least one annual training for current directors, supervisors, managers, and employees on legal regulations related to the "Internal Major Information Processing and Insider Trading Prevention Management Procedures." For new employees, the training is provided by the HR department during onboarding. In the first quarter of 2024, the integrity business code training and reports were

completed at the board meeting. The "Integrity Business Operation Procedures and Code of Conduct" were also included in the employee onboarding training program. During the reporting period, 100% of new employees received integrity business training.

In this reporting year, 32 individuals, including current directors, managers, and employees, participated in a total of 6 hours of related education and training. The course covered topics such as the confidentiality of significant information, information disclosure, the causes and identification of insider trading, and practical examples of such trading. Training materials, including presentations and videos, were made available on the internal employee system.

## ✧ Regulatory Compliance GRI 2-27 GRI 206-1 GRI 406-1 GRI 408-1 GRI 409-1 GRI 415-1

GRI 416-2 GRI 417-2~3

The company adheres to the highest principles of compliance with relevant industry regulations in new drug development. There have been no violations of laws or regulatory penalties in areas such as corporate governance, environmental protection, labor rights, or drug R&D.

# Chapter 3 : Drug Development and Safety

## Key Topic Management—New Drug R&D and Innovation Key

Topic GRI 2-25 GRI 3-3

Impact Assessment	<p>The innovative R&amp;D of new drugs is a core mission of TaiGen. The company continues to explore and develop new drugs and technologies to address unmet clinical medical needs, enhancing its R&amp;D capabilities. It rigorously manages every step of the R&amp;D process to develop safe and effective drugs, improving patient health and quality of life. Additionally, TaiGen actively selects and introduces external new drug candidates, creating a dual-engine approach for product pipeline development, accelerating commercialization, and boosting the company' s operational momentum.</p> <p>During the reporting period, there were no negative impacts from organizational activities or business relationships.</p>
Policies / Commitments	<p>The company is committed to adhering to regulations related to new drug R&amp;D, using the most professional techniques and highest quality standards to develop innovative and effective drugs that improve patient health and quality of life.</p> <ul style="list-style-type: none"> <li>● Internal Policies : From early-stage basic research, drug chemical structure design, synthesis technology research, and preclinical experiments, to mid-stage small-scale drug production, Phase I and II clinical trials, and later-stage product trials and Phase III clinical trials, all follow internal R&amp;D cycle regulations and intellectual property patent protection rules to develop competitive innovative drugs that meet unmet new drug needs.</li> <li>● External Regulations : During clinical trials, the company follows international standards such as the Good Clinical Practice (ICH-E6-GCP) and GxP Good Clinical, Laboratory, and Manufacturing Practices to ensure compliance with global clinical trial regulations.</li> </ul>
Actions	<ol style="list-style-type: none"> <li>1. By combining in-house R&amp;D with external introductions, the company forms a dual-engine approach for product pipeline development, accelerating the commercialization timeline and boosting operational turnover and momentum.</li> <li>2. Through continuous promotion of licensing regions, the company expands its business model globally.</li> <li>3. Leveraging extensive experience in the development of anti-infective drugs, the company extends its product development scope to include health supplements, thereby expanding its product line.</li> </ol>

	4. The R&D unit regularly holds meetings to plan and discuss R&D projects, and conducts cross-departmental meetings to track project progress and make decisions.
Management Processed / Indicators	The process of new drug R&D is long and complex. TaiGen sets timelines for each project and tracks progress and quality through regular cross-departmental meetings to ensure the drug's effectiveness and safety. Resource allocation for new drug research and discovery is based on the importance of the project, with manpower and material resources planned according to the specific needs of each project.
Stakeholder Communication and Outcomes	<p>New drug R&amp;D plans and progress are reported at regular board meetings and steering committee meetings, where feedback is gathered and used to adjust R&amp;D plans as needed.</p> <p>By the end of 2023, the company had accumulated over 160 global patents. TaiGen's first self-developed health supplement completed formula design, trial production, and animal testing by the end of 2023, and is set to enter mass production and prepare for market launch.</p>

## Key Topic Management—Drug Quality and Safety Key Topic GRI 2-25

GRI 3-3

Impact Assessment	<p>Products must undergo pharmaceutical safety studies to ensure that the drug's quality meets regulatory requirements before being released to the market for clinical use. Our company must ensure the safety and efficacy of drugs at all stages, from research and development, clinical trials, commercial production, to post-market monitoring. Drug quality and safety management are the most important issues for our company. The research of new drug is based on safety, and any drugs with safety concerns are excluded.</p> <p>During the reporting period, there were no negative impacts related to organizational activities or business relationships.</p>
Policies / Commitments	<p>Our company is committed to adhering to relevant regulations, including the "Regulations for the Management of Drug Safety Surveillance," "Guidance for Good Pharmacovigilance Practice," and "Regulations for Reporting Serious Adverse Reactions of Medicaments," to implement strict drug safety management standards.</p> <ul style="list-style-type: none"> <li>● Internal policies : Drug risk management plans, drug safety surveillance training courses.</li> <li>● External Regulations : Regular submission of drug safety reports, further drug safety surveillance plans, and reports on the effectiveness of risk management plans to regulatory authorities.</li> </ul>
Actions	<p>Throughout the drug R&amp;D and sales lifecycle (drug synthesis and manufacturing, preclinical research, clinical trials, and post-market safety monitoring), safety tests, assessments, management, and monitoring are carried out in accordance with regulations. Based on the outcomes of each stage, the strategy for the next stage of development is evaluated.</p> <p>For both drugs under development and those already on the market, a complaint mechanism is in place to facilitate communication between stakeholders and the company. The company will respond promptly to address any issues raised.</p> <ul style="list-style-type: none"> <li>● <b>Drugs under development:</b> Participants can report adverse drug reactions to the study principal investigator or the hospital's Institutional Review Board (IRB).</li> <li>● <b>Post-market drugs:</b> A 24-hour drug safety reporting hotline and email, or the National Adverse Drug Reaction Reporting Center for reporting.</li> </ul>
Management Processed / Indicators	<p><b>Drug Synthesis and Manufacturing :</b></p> <ul style="list-style-type: none"> <li>● Research is conducted on the development of active pharmaceutical ingredients (APIs), including studies on toxicity, physical properties, chemical</li> </ul>

	<p>properties, stability, and impurities.</p> <ul style="list-style-type: none"> <li>● Specifications for APIs are established to meet safety requirements.</li> <li>● In the formulation development, excipients that meet safety requirements are used, and studies on dissolution, stability, and degradation impurities are conducted.</li> <li>● The production of APIs and formulations is strictly inspected according to specifications to meet Good Manufacturing Practice (GMP) requirements.</li> </ul> <p><b>Preclinical Research</b> : Safety pharmacology, toxicology, and pharmacokinetic testing results of APIs.</p> <p><b>Clinical Trials</b> : Safety data from various phases of clinical trials.</p> <p><b>Post-Market Drug Safety Monitoring</b> :</p> <ul style="list-style-type: none"> <li>● Drug safety monitoring activities are managed by drug safety monitoring personnel.</li> <li>● An immediate reporting mechanism is established, including a 24-hour drug adverse reaction reporting hotline and email.</li> </ul> <p>Hotline : 0800-868-458</p> <p>Email : drugsafety@taigenbiotech.com.tw</p>
Stakeholder Communication and Outcomes	<p>New drug R&amp;D plans and progress are reported during regular board meetings. Suggestions are heard and incorporated, and the R&amp;D plan is adjusted in real time.</p> <ul style="list-style-type: none"> <li>● <b>Regular Safety Reports</b> : As required, periodic safety update reports (PSUR) and risk management plan effectiveness reports for marketed drugs are submitted to Taiwan Food and Drug Administration (TFDA). Additionally, a Development Safety Update Report (DSUR) for drugs under development is submitted to the regulatory authorities in Mainland China, with a 100% completion rate.</li> <li>● <b>Post-Market Surveillance</b> : As of the end of 2023, the post-marketing drug safety surveillance of Taigexyn in Taiwan and Mainland China has accumulated data on approximately 2 million patients. During the reporting year, no drug safety inspections related to drug safety monitoring by regulatory authorities were conducted.</li> </ul>

## Key Topic Management—Clinical Trials and Development Key

Topic GRI 2-25 GRI 3-3

Impact Assessment	<p>Clinical trials are a crucial part of clinical research. While seeking innovative therapeutic drugs, it is equally important to consider the efficacy, safety, and protection of participants.</p> <p>A well-designed, scientifically meaningful clinical trial that strictly adheres to Good Clinical Practice (GCP) guidelines, whether its results are successful (therapeutically effective) or unsuccessful, provides valuable information that advances medical progress. More importantly, it ensures that drugs are safe and effective for human use before they are launched, offering new treatment options for patients.</p> <p>During the reporting year, there were no organizational activities or business relationships that involved negative impacts.</p>
Policies / Commitments	<p>The company is committed to adhering to local and international regulations for clinical trials and market authorization applications, completing the development of drugs that address unmet medical needs, and contributing to human health and well-being.</p> <ul style="list-style-type: none"> <li>● Internal Policies : Clinical trial procedures, post-market risk management plan</li> <li>● External Regulations : Good Clinical Practice (GCP), International Conference on Harmonization-GCP, General Data Protection Regulation (GDPR), Medical Care Act, Regulations on Human Trials, Pharmaceutical Affairs Act</li> </ul>
Actions	<p>Collaborate with business partners to advance the Phase III clinical trial of the influenza antiviral TG-1000.</p> <p>Continue discussions on the overseas licensing of TG-1000 and the introduction of other development projects.</p> <p>Continue to promote the market sales of Taigexyn oral capsule and intravenous infusion.</p>
Management Processed / Indicators	<p>For clinical trials, evaluate the efficacy of the developed drug based on the primary and secondary endpoints specified in the trial protocol.</p> <p>Before the drug's market approval, necessary clinical preclinical trials, clinical trials, and production data must be prepared and submitted for review by Taiwan Food and Drug Administration before market approval is granted.</p>
Stakeholder Communication and Outcomes	<p>The sales and development rights of the influenza antiviral— TG-1000 in mainland China were licensed to Joincare Pharmaceuticals in March 2023.</p> <p>Following the licensing, the Phase III clinical trials for TG-1000 in adults and adolescents were immediately launched in mainland China. By the end of the reporting year, the target enrollment of 752 patients had been completed.</p>

	<p>TaiGen's also signed a commercialization licensing agreement with YSP Industries (M) Sdn. Bhd., a subsidiary of the Yungshin Pharm Ind. Co. LTD. in Southeast Asia, officially entering the Southeast Asian pharmaceutical market. By the end of the reporting year, Taigexyn oral capsule had been included in the procurement lists of 102 medical institutions in Taiwan. Additionally, the intravenous infusion form of Taigexyn was successfully included in the procurement lists of 52 medical institutions. In both mainland China and Taiwan, over 2 million patients have been treated.</p>
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### 3.1 New Drug R&D and Achievement GRI 417-1 SASB HC-BP-240a.1 SASB

HC-BP-240b.3 SASB HC-BP-000.B

TaiGen focuses on the research and development (R&D) of innovative new chemical entity (NCE) drugs, which are the most technically challenging and value-creating drugs in the pharmaceutical value chain. Currently, all drugs in clinical stages are NCEs. NCEs must demonstrate breakthrough efficacy. Although the development risk is high, successful development often leads to a market advantage, making them the most valuable in the small molecule drug value chain. The company has established comprehensive R&D capabilities, ranging from basic research, drug screening, chemical synthesis, animal studies, toxicology testing, pharmacokinetics testing, to clinical trials.

To ensure the health and safety of customers, TaiGen adheres to the relevant regulations and guidelines at each stage of drug R&D, whether for marketed or in-development drugs. This includes new drug component formulation, preclinical research (including toxicology and pharmacodynamics testing), clinical trials, and market sales.

The company has established standard operating procedures (SOPs) such as clinical trial protocols and robust management systems, while also upholding the highest ethical standards and principles. TaiGen complies with global regulatory standards, including Good Manufacturing Practice (GMP, PIC/S), Good Laboratory Practice (GLP), Good Clinical Practice (GCP), as well as local regulations such as the Medical Care Act, Regulations on Human Trials, and the Pharmaceutical Affairs Act. Through a rigorous and ethical development process, the company aims to generate scientific evidence for effective treatments and provide hope for those suffering from diseases.

			Screening	Preclinical testing	Phase I Trial	Phase II Trial	Phase III Trial	NDA	Marketed
Antibiotic Taigexyn (Capsule)	Community Acquired Pneumonia (CAP)	Taiwan							
		China							
	CAP/Diabetic Foot Infection	U.S.							
Antibiotic Taigexyn (I.V.)	Community Acquired Pneumonia	Taiwan							
		China							
		Russia							
Influenza Antiviral Pixavir (TG-1000)	China								
	U.S.								

- **Novel Non-fluorinated quinolone Antibiotic - Taigexyn ( Nemonoxacin )**

Dosage Form	Oral capsule, intravenous infusion
Current Indication	Community Acquired Pneumonia
Superiority	<p><b>Potent</b> : Superior activity against MRSA, VRSA, MDRSP, PRSP</p> <p><b>Broad-spectrum</b> : Excellent activity against Gram (+), Gram(-) and atypical pathogens</p> <p><b>Low Resistance</b> : Required mutations in 3 different bacterial genes</p> <p><b>Safety</b> : Excellent safety profile, no severe FQ-related toxicity, low risk of QTc prolongation</p> <p><b>Low Risk</b> : Without risk of TB masking</p> <p><b>Effective</b> : Exceptional efficacy was shown in 3 CAP &amp; 1 DFI trials</p> <p><b>Convenient</b> : Once-a-day prescription, oral &amp; IV available</p>
Development	<ul style="list-style-type: none"> <li>● Partnered / licensed in 35 countries worldwide.</li> <li>● The oral capsule formulation was launched in China and Taiwan: It obtained Taiwan drug approval in 2015, was included in the National Health Insurance (NHI) system in 2018. It became the first Class 1 new drug approved in China after the 722 self-inspection announcement in 2016. It was included in the medical insurance catalog by the end of 2019.</li> <li>● The intravenous infusion formulation was launched in Taiwan, China, and Russia: It was approved in Taiwan by the end of 2020 and included in the NHI in 2022. It was launched in China in 2021 and in Russia in 2022.</li> <li>● Protected globally by a portfolio of patents that cover composition of matter, use and manufacturing process up to 2037.</li> <li>● Received QIDP (Qualified Infectious Disease Product) and Fast Track status for CAP and ABSSSI (acute bacterial skin and skin structure infections) from US FDA in 2013.</li> </ul>
Honor	<p>2022 National Legacy of Innovation Award, IBMI</p> <p>2022 Symbol of National Quality, IBMI</p> <p>2021 National Innovation Excelsior Award, IBMI</p> <p>2021 Symbol of National Quality, IBMI</p>

	2020 National Bio & Medicine Care Quality Award 2020 National Innovation Excelsior Award, IBMI 2019 National Innovation Excelsior Award, IBMI 2015 The Innovation of the Year, BIO Taiwan 2015 Golden Innovation Award, MOHW & MOEA 2013 National Innovation Award, IBMI 2013 Taipei Biotech Award for Transfer of Biotechnology
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● **Influenza Antiviral – Pixavir marboxil (TG-1000)**

Dosage Form	Oral capsule
Indications in development	Influenza A, Influenza B
Superiority	<ul style="list-style-type: none"> <li>● Act on cap-snatching mechanism and block influenza virus replication and transmission.</li> <li>● Clinically proven to effectively treat Influenza A and B.</li> <li>● A single course of treatment requires only one dose for full recovery.</li> <li>● Patent protection until 2043, covering markets in Europe, the U.S., and Asia.</li> <li>● More effective than other anti-influenza drugs in inhibiting influenza B virus.</li> <li>● Suppress viral strains resistant to neuraminidase inhibitors.</li> <li>● High safety profile, with potential to overcome influenza virus resistance.</li> <li>● Less affected by food intake.</li> </ul>
Development	<ul style="list-style-type: none"> <li>● Since 2019, clinical trial applications (IND) have been filed in China and the U.S.</li> <li>● The substance patent has been globally filed, with approval for 14 patents, including in China, Eurasia, Canada, Japan, South Korea, and other regions. Patent protection lasts until 2039. Additionally, process and formulation patents were filed in Taiwan and under the Patent Cooperation Treaty (PCT) in 2021, with a process patent granted in Taiwan in 2022, offering protection until 2041.</li> </ul>

	<ul style="list-style-type: none"> <li>● Phase I clinical trials began in 2020 and were completed in 2021. The data showed TG-1000 has good safety and tolerability, with pharmacokinetic data indicating an increase in absorption rate and drug exposure with higher doses.</li> <li>● In 2022, Phase II clinical trials were completed under INDs from the U.S. FDA and China's NMPA. Results showed TG-1000 treated patients had faster PCR-negative conversion time, viral inactivation time, and symptom relief compared to the placebo group, with no serious adverse events.</li> <li>● In 2023, the development and commercialization rights in China were licensed to Joincare Pharmaceuticals, and Phase III clinical trials commenced in China.</li> </ul>
Honor	2023 National Innovation Excelsoir Award, IBMI 2021 National Innovation Award, IBMI

### ✧ Lab Certification and Animal-friendly Testing

The company has 2 biosafety level 2 (BSL-2) laboratories, which comply with the facility and safety operation regulations set by the competent authorities. These laboratories have been inspected and approved by the Ministry of Agriculture and the Department of Health, Taipei City Government. In animal testing procedures, the company also emphasizes animal welfare and scientific research.

TaiGen has established an Institutional Animal Care and Use Committee (IACUC) and follows the 3Rs principle (Replacement, Reduction, and Refinement). Before conducting animal experiments, ethical considerations are made to minimize the use of animals, provide a high standard of care, and ensure that experiments are designed and conducted humanely and scientifically. The company's animal facility has been rated as "Excellent" by the Taipei City Animal Protection Office.

Replacement	Reduction	Refinement
To the greatest extent possible, avoid the use of live animals in experiments, utilizing alternative methods such	Efforts should be made to reduce the number of animals used in experiments. With advancements in	The experimental process should be adjusted and improved, providing optimized environments, more precise experimental

as computer simulation software and realistic models to achieve the desired testing objectives.	technology, it is now possible to obtain more information with fewer animals, which is an important consideration in animal research.	designs, and humane management practices to minimize the pain and stress that animals may endure.
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### ✧ **Clinical Trial Stage and Purpose** SASB HC-BP-210a.1

TaiGen has established a "Clinical Trial Execution Procedure" in accordance with international clinical trial regulations. This procedure outlines all steps involved in conducting clinical trials and serves as the basis for the Department of Clinical Development to execute the trials.

<b>Phase I Safety Exploration</b>	<b>Phase II Therapeutic Exploration</b>	<b>Phase III Efficacy Evaluation</b>	<b>Phase IV Post-Market Surveillance</b>
The investigational drug is first used in humans to assess safety and explore dosage, with no therapeutic purpose. Participants are generally healthy individuals or specific patient groups.	After determining the dosage, the goal is to evaluate whether the drug is effective for a specific disease while monitoring potential adverse reactions. This phase also helps determine the dosage and treatment regimen for Phase III.	The new treatment or drug is compared to existing standard treatments to determine if it offers a better outcome. The purpose is to provide evidence for regulatory approval.	Following drug approval, this phase involves monitoring the long-term safety and efficacy of the drug to assess potential adverse reactions with prolonged use.

### ✧ **Clinical Trial Process** SASB HC-BP-210a.1

The Clinical Development Department is responsible for drafting the clinical trial protocol, organizing the clinical trials, and outsourcing the trials to Clinical Research Organizations (CROs). The department maintains close communication with the CRO and tracks project progress, overseeing the CRO's interactions with regulatory

authorities and their submissions. Additionally, the department reviews and approves all necessary clinical trial documents submitted by the CRO before, during, and after the execution of the clinical trials.

Protocol Writing	Selecting Service Providers	Selecting Research Centers	Preparation prior to trial	During Trial Execution	Clinical Study Report	Record Retention
Based on preclinical data and safety information, the protocol is written after reviewing clinical trial designs and references of similar marketed products.	Based on the clinical trial requirements, a suitable and qualified Clinical Research Organization (CRO) is selected to conduct the trial.	<ul style="list-style-type: none"> <li>Investigate and choose research centers with the necessary qualifications and recruitment potential.</li> <li>CRO identifies suitable research centers based on trial content and signs contracts.</li> </ul>	<ul style="list-style-type: none"> <li>Review all submission documents, including the protocol, informed consent, and Case Report Form (CRF).</li> <li>Review all clinical trial-related documents, such as DMP, DVP, MMP, etc.</li> <li>Conduct training for the principal investigator and clinical trial staff.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct the clinical trial, recruiting and strictly screening suitable subjects.</li> <li>Review trial data and reports according to the schedule.</li> <li>Maintain communication with the CRO, closely monitor trial progress, and conduct on-site audits of research centers as needed to assess CRA performance and trial status.</li> </ul>	<ul style="list-style-type: none"> <li>Review trial data and statistical reports to confirm the trial results.</li> <li>Ensure the CRO hands over all required documents after trial completion.</li> </ul>	Maintain and manage the confidentiality of all clinical trial-related documents and records properly.

## 3.2 Drug Quality Management GRI 416-1~2 SASB HC-BP-260a.1

To ensure alignment between the company's "Quality Policy" and business philosophy, and to effectively and continuously implement it in accordance with PIC/S GDP regulations and customer satisfaction, the company has established a "Quality Manual" and formed the "Quality Promotion Committee," which reports directly to the Chairman and CEO.

All drugs developed by TaiGen are approved for market release in compliance with regulatory requirements: Taigexyn<sup>®</sup> oral capsules and intravenous infusion were approved by Taiwan Food and Drug Administration (TFDA) after confirming their safety and efficacy. The appointed manufacturing facilities—Lotus Pharmaceuticals, PeiLi Pharmaceutical Industry, and Nang Kuang Pharmaceutical—are all certified manufacturers.

During the reporting period, TaiGen did not experience any incidents leading to fines, warnings, or violations of voluntary codes.



Quality Promotion Committee Organizational Structure

### ✧ Quality and Safety Management Policies and Operating

#### Specifications

Under the GDP framework, to ensure that products remain intact during storage and transportation, and to prevent counterfeit drugs from entering the supply chain, the company has established procedures for "Counterfeit Drug Identification," "Product Returns," and "Destruction" operations. These procedures provide contracted manufacturers with standards for visual inspection of products to facilitate proper inspection upon goods receipt and during product returns. Strict management of the destruction process is implemented to ensure complete destruction of products and

to prevent them from re-entering the supply chain.

### ✧ **Quality and Safety Risk Assessment and Management**

Under the GDP framework, the company conducts regular self-assessments through "Internal Audits" to ensure the proper execution of the quality system. Based on "Management Review and Supervision," the company completes the annual "Product Quality Annual Report" and "Quality System Annual Report," among other tasks, to periodically evaluate and manage pharmaceutical quality.

### ✧ **Manufacturing Quality Risk Management and Maintenance**

- Under the GDP framework, the company has established procedures for "Contractor Qualification Review, Management and Auditing" and "Change Control" related to pharmaceutical procurement, export, contractor evaluation, auditing, and change control. Only contractors that are approved in writing by TaiGen are allowed to perform these tasks.
- Under the GDP framework, the company has conducted risk management analysis—management review, and has established procedures for "Quality Risk Management" and "Management Review and Supervision" to handle related tasks.
- In the event of product or system deviations, to ensure that deviations are investigated in a timely manner, risk levels are assessed, and appropriate corrective and preventive actions are taken, procedures for "Deviation Control," "Quality Risk Management," and "Change Control" have been established to ensure proper management of deviations.

### ✧ **Quality Improvement Tracking**

When adverse events occur, the company follows established "Complaint" channels to communicate with the responsible contractors and implement appropriate corrective and preventive actions to address customer feedback. In case of suspected recall, the company promptly notifies relevant health authorities and initiates the necessary recall procedures.

## ✧ Good Manufacturing Practices (GMP) / Good Distribution Practices

### (GDP) Training

- **Document Management:** To ensure consistency and standardization in document writing and improve efficiency and quality, the company has established "Document Management" guidelines for staff.
- **Training:** The company has an SOP for "Training" to ensure all employees receive appropriate quality training and skills development.

### ✧ Drug Storage and Transportation

- All pharmaceutical products are handled by contracted manufacturers and storage/distribution partners in compliance with GMP/GDP standards. The company does not operate its own GMP/GDP facilities. Procurement and quality system operations are managed by the Quality Assurance department.
- **Evaluation of Contracted Storage/Distribution Partners:** The company follows the "Contractor Qualification Review, Management, and Auditing" SOP for evaluations.

### 3.3 Drug Safety Surveillance GRI 416-1~2 SASB HC-BP-260a.1-2

The new drug development process, from early drug discovery, preclinical trials, and clinical trials to post-market safety surveillance, is closely linked to drug safety at every stage. During drug discovery, toxic chemical structures are avoided; preclinical trials include various toxicological tests to assess safety; safety monitoring is crucial during clinical trials; and post-market surveillance continues to ensure the health and well-being of drug users.

#### ✧ Toxicological Studies

To ensure patient safety and health, all of the company's R&D drugs undergo various animal and cell toxicology tests. Toxicokinetics, based on pharmacokinetic principles, is used in non-clinical animal toxicity studies to evaluate systemic exposure and the changes in drug exposure after repeated dosing. This helps interpret toxicology results, assess the safety margin of the drug, and design clinical safety trials.

Animal safety pharmacology studies are conducted to assess the drug's effects and toxicity on the cardiovascular, respiratory, and central nervous systems. These toxicological experiments are carried out in compliance with international guidelines and regulations, progressing in accordance with the different stages of clinical trials.

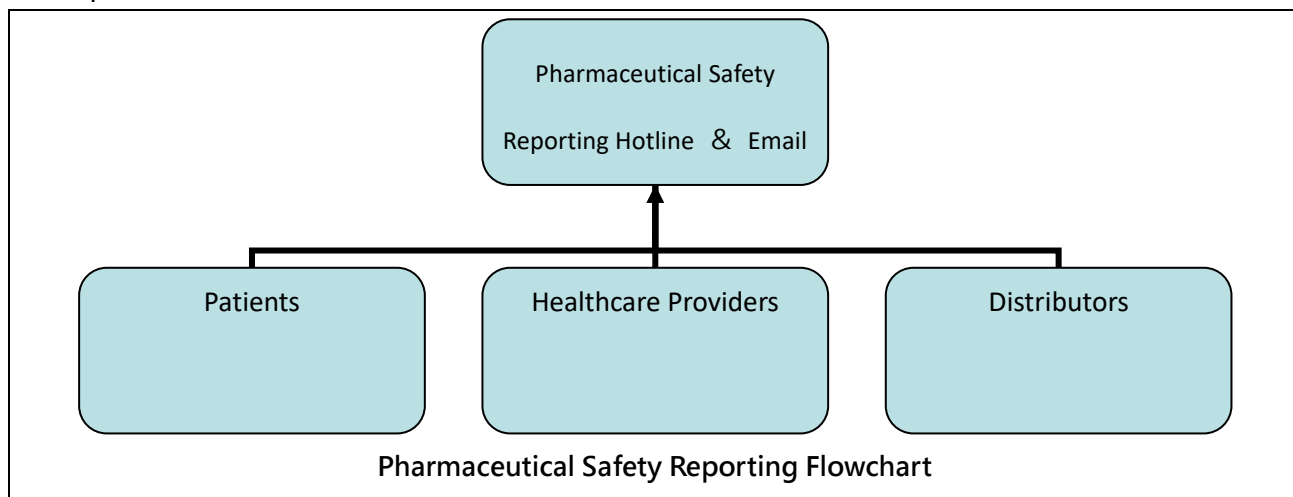
- I. Acute Toxicity Study; LD<sub>50</sub> study
- II. Sub-acute/Short-time Toxicity Study
- III. Chronic/Long-time Toxicity Study
- IV. Teratogenicity
- V. Carcinogenicity Study
- VI. Genotoxicity Study

#### ✧ Post-Market Surveillance

Drug safety surveillance involves detecting, handling, analyzing, assessing, understanding, researching, and preventing adverse drug reactions or safety-related issues, aiming to minimize the risk of harm from drugs. After a drug is marketed, potential safety issues may arise from its widespread clinical use. To address these risks and protect public health, TaiGen's products are placed under post-market safety surveillance as required by the Pharmaceutical Affairs Act. The company complies

with the "Good Pharmacovigilance Practices" and "Regulations for Drug Safety Monitoring," submitting regular safety reports to regulatory authorities and establishing post-market risk management plans to minimize the occurrence of adverse reactions.

As per Article 20, Paragraph 1 of the "Regulations for Registration of Medicinal Products," the drug package insert must include usage information, packaging, storage instructions, and warnings, and the outer box must display relevant details. Through the adverse drug reaction reporting mechanism, the company collects and analyzes suspected adverse reactions and provides updated drug information to health authorities, medical institutions, healthcare professionals, and patients. During the reporting period, TaiGen did not experience any violations leading to fines, penalties, or warnings related to drug safety, nor did it have any issues with voluntary compliance breaches.



### 3.4 Supply Chain Management GRI 2-6 GRI 204-1 SASB HC-BP-430a.1

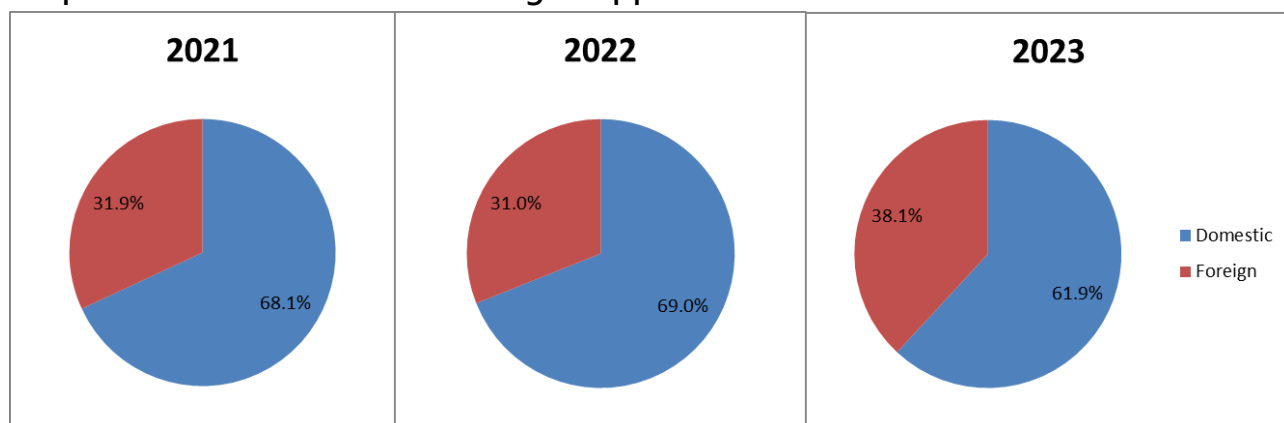
#### ✧ Overview of Supply Chain

The company has established a "Supplier Management Procedure" to manage the selection, management, and evaluation of suppliers. The labor portion of the company's supply chain primarily involves service suppliers for preclinical research (such as toxicology and pharmacokinetic testing) and clinical trial providers. The material portion mainly involves suppliers for the procurement of active pharmaceutical ingredients (APIs) and contract manufacturers for finished formulations. Since many of the preclinical and clinical trial activities are conducted overseas, the procurement regions are mainly international.

Proportion of Purchase Amount							
Type	Area	2021		2022		2023	
		No. of Suppliers	Amount Ratio	No. of Suppliers	Amount Ratio	No. of Suppliers	Amount Ratio
Services	Taiwan	31	39.62%	19	35.08%	11	16.44%
	Other	14	44.86%	9	60.05%	7	10.45%
Goods	Taiwan	1	4.26%	1	4.88%	2	17.73%
	Other	1	11.27%	0	0%	1	55.37%
Total		47	100%	29	100%	21	100%

Note : Other regions, including Mainland China, the United States, and others.

#### Proportion of Domestic and Foreign Suppliers



#### ✧ Supply Chain Due Diligence GRI 2-24 GRI 408-1 GRI 412-3

Suppliers selected by the company must hold valid permits such as company

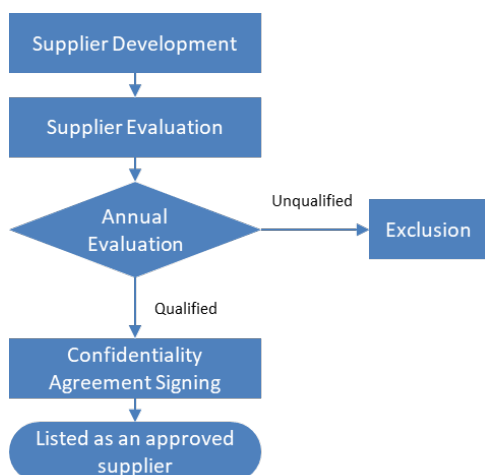
registration, factory registration, business registration, and registration for any changes. If the supplier is exempt from registration as recognized by the competent authority, relevant supporting documentation must be provided.

In the past, the company has signed contracts that included human rights clauses. However, during the reporting period, the company has not signed any contracts containing human rights clauses or conducted human rights reviews. In recognition of the importance of human rights, the company is considering incorporating a human rights policy commitment into its operations and business relationships. This may include negotiating the inclusion of such clauses in contracts with counterparties to align with universal values.

### **Supplier Selection Process**

1. Identify suppliers capable of providing raw materials for the company and complete the Supplier Information Form.
2. Based on the supplier's nature, choose either sample evaluation or on-site evaluation.
3. For sample evaluation, notify the supplier to provide samples or specifications, which are then forwarded to the R&D/Quality Control department for testing and evaluation. If the sample is qualified, it is retained, and the supplier is classified as qualified; if not, the supplier is asked to resubmit samples or a new supplier is sought.
4. For on-site evaluation, gather relevant departments to conduct an on-site assessment, and based on the evaluation results, determine if the supplier qualifies.
5. Annual Evaluation: At the end of each year, departments conduct supplier evaluations using the "Qualified Supplier Evaluation Form."
6. If the evaluation is not satisfactory, the supplier will be notified to improve. If they fail to meet the requirements after improvement, their qualification will be revoked.

### **Raw Material Supplier Selection**



## Quality Assurance

1. Raw materials available in the market are purchased based on pre-defined acceptance specifications, with pricing inquiries and comparisons conducted, and acceptance or returns determined by the inspection results of these specifications.
2. Materials for contract manufacturing are transferred by the company and produced according to specifications, with acceptance based on those requirements.
3. A Certificate of Analysis (COA) must be provided for both market-sourced and contract-manufactured materials.
4. Samples of each batch, whether from the market or contract production, must be retained for reference, with a retention period of one year.

## Confidentiality and Quality Agreements Signing

1. Among qualified suppliers, those involved in R&D, such as CROs and CMOs, are required to sign a Confidentiality Agreement (CDA) to protect business secrets.
2. A Quality Agreement must be signed prior to contract manufacturing to ensure product quality.

## Supplier Management and Evaluation

TaiGen conducts an annual supplier evaluation at the end of each year. Relevant department personnel assess and score the suppliers they are responsible for. Suppliers with a total score above 80 are considered qualified. If a score is below 80, the supplier will be required to make improvements. Suppliers with major deficiencies affecting product quality will have their qualifications revoked.

## Evaluation Items

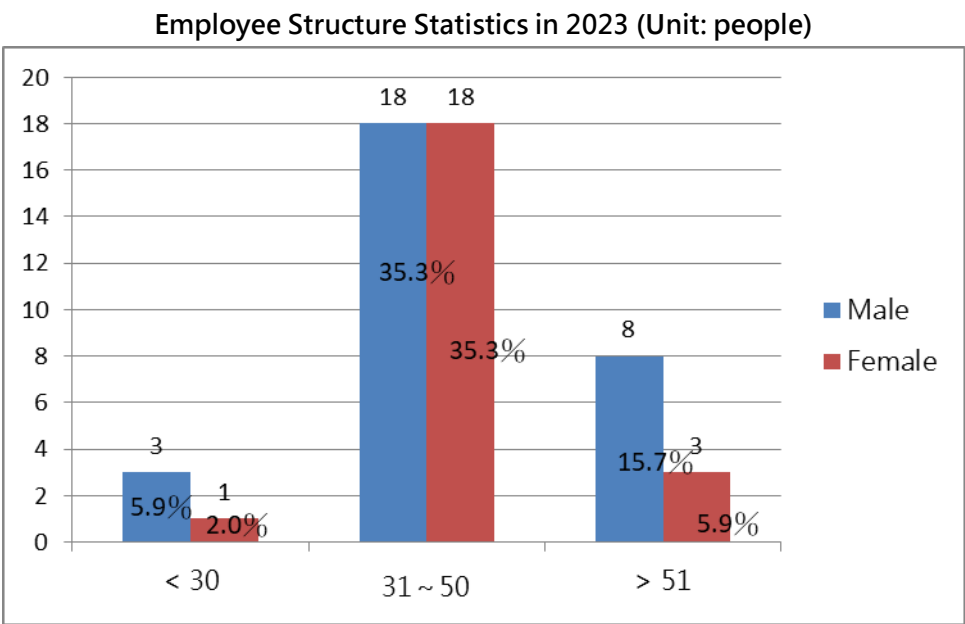
Delivery Time 20%	Delivery Quantity 20%	Delivery Quality 20%	Price Reasonableness 20%	Cooperativeness 20%
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# Chapter 4 : Harmonious Workplace and Society

## 4.1 Employee Structure GRI 2-7~8 GRI 202-2 SASB HC-BP-330a.2

TaiGen adheres to labor laws in employee recruitment and employment, prioritizing the hiring of local personnel. The company upholds the principle of equal opportunity and recruits employees through an open selection process, without discrimination based on race, religion, color, nationality, age, gender, sexual orientation, disability, zodiac sign, or blood type. No child labor is employed, and employees are hired based on their qualifications and suitability for the role.

In 2023, the company employed 51 full-time employees, with a male-to-female ratio of 1.3:1. The largest age group is between 31 and 50 years old, accounting for 71%. Among the staff, 20% hold managerial positions. All employees are full-time, with no temporary or part-time workers.



Employee Job Distribution Statistics			2021	2022	2023
Year					
Item/Gender	Age		No. of People	No. of People	No. of People
Deputy director or above	Male	< 30	0	0	0
		31~50	4	4	3
		> 51	3	4	5

	Female	< 30	0	0	0
		31~50	2	2	2
		> 51	0	0	0
Non-executive personnel	Male	< 30	3	2	3
		31~50	19	16	15
		> 51	3	3	3
	Female	< 30	2	2	1
		31~50	19	17	16
		> 51	1	2	3
Total		56	52	51	

Note : The above data is based on the Human Resources system, with the calculation date set as December 31, 2023, for all employees currently employed, without any assumptions regarding the data.

### ✧ Talent Retention GRI 401-1

TaiGen values the thoughts and opinions of every employee and encourages open expression. In addition to soliciting feedback before making decisions, the company has established diverse two-way communication channels and a grievance mechanism to fully listen to employees' voices. TaiGen is committed to creating a harmonious environment with seamless communication, aiming to enhance talent retention.

#### Full-time New Hires and Resigned Employee Statistics

Category	2021				2022				2023			
	New		Resigned		New		Resigned		New		Resigned	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
< 30	2	0	3	0	1	3	1	0	2	1	1	1
31~50	0	1	2	2	2	1	5	4	0	0	1	1
> 51	0	0	1	1	1	0	1	0	0	0	0	0
Total	2	1	6	3	4	4	7	4	2	1	2	2
No. of Employees	32	24	32	24	29	23	29	23	29	22	29	22
Ratio of New / Resigned Employees	5.4%		16.1%		15.4%		21.2%		5.9%		7.8%	
Note :												
1. New Hire Rate ( % ) =Total number of new hires for the year / Total number of employees at the end of the year.												

2. New Hire Count dose not deduct employees who leave during the year.
3. Turnover Rate( % )=Total number of employees who left during the year / Total number of employees at the end of the year.
4. The employee who left in 2023 included those who voluntarily resigned or retired.

### ✧ Fair Performance Management System GRI 404-3

The company has established a fair and objective performance evaluation system, which has been implemented for many years. A performance-based compensation system is in place, serving as a reference for employees' work goals and personal growth. For the reporting year, 100% of full-time employees, excluding those in their probation period or on unpaid leave, were subject to performance evaluations, regardless of gender or department.

The annual performance evaluation begins with self-assessment by employees, respecting their opportunity to express themselves. Employees are encouraged to reflect on their work performance and identify areas for improvement. This is followed by a two-way communication with supervisors to discuss performance and work planning for the future, as well as to create improvement plans to enhance performance. The company also offers internal rotation opportunities to develop employees' diverse professional skills and promote long-term retention.

The results of the annual performance evaluation also serve as the basis for rewards, penalties, promotions, and job transfers. If the performance evaluation results are unsatisfactory, employees, with the help of their supervisors, can develop a performance improvement plan, which is then implemented step by step. Supervisors monitor progress and provide necessary support, rewards, and resources.

Item	Ratio
Female employees subject to evaluation	100%
Male employees subject to evaluation	100%
Note: This excludes probationary employees and the Chairman and CEO from the evaluation list.	

## 4.2 Employee Rights and Benefits

### ✧ Employee Rights GRI 408-1 SASB HC-BP-330a.1

Our company's human rights policy supports international human rights conventions. In terms of labor rights, we align with the objectives outlined in the United Nations' Universal Declaration of Human Rights and the International Labour Organization's conventions, prohibiting any form of discrimination, forced labor, and child labor. When recruiting employees, we comply with relevant labor laws and regulations, ensuring no discrimination based on age, race, religion, or other factors, and we do not employ child labor.

Regarding suppliers, the outsourced services we require often involve specialized knowledge in pharmacology, toxicology, and clinical practices, which are not suitable for or capable of being carried out by child labor. Therefore, there is no supplier at significant risk of child labor.

Our company strictly follows local labor laws and does not coerce or force any unwilling individuals into labor. For overtime requirements, we have an overtime approval system in place. Through the application and review process, we assess employees' workloads and make necessary adjustments to tasks and schedules. We also promote a work-life balance, with a standard 8-hour workday and flexible working hours, encouraging employees to take time off. Overtime has never occurred.

If employees have any concerns, including issues related to forced labor, we provide internal channels, including the CEO's mailbox, for them to express their feedback. We aim to address any concerns promptly and implement improvements to protect employees' rights. During the reporting period, the company did not face any penalties related to forced labor nor were there any internal complaints on such matters.

We have established a "Workplace Sexual Harassment Prevention, Complaints, and Disciplinary Measures" policy, and a sexual harassment prevention hotline. If any complaints are received, we immediately form an investigation team to address the issue and maintain a healthy work environment.

### ✧ Employee Compensation GRI 202-1

The company's compensation policy is based on education and experience, and does not vary based on gender, race, or other factors. The average monthly salary for entry-level employees is 2.25 times the statutory minimum wage in Taiwan for the reporting year (NT\$26,400). Entry-level employees are defined as: research and development staff at the level of Associate Researcher or below, and non-R&D staff with the title of Senior Specialist or below.

### ✧ Employee Welfare GRI 401-2

In addition to work, TaiGen also cares about employees' well-being and physical and mental health. The company plans a variety of employee welfare activities, aiming for all employees to achieve a "work-life balance." Through diverse and enriching activity programs, TaiGen seeks to enhance employees' job satisfaction and happiness. In addition to legally required benefits such as labor and health insurance, maternity and parental leave, and retirement funds, the company also offers group insurance, health checks, and other welfare benefits.

TaiGen has also established a Employee Welfare Committee, with members elected by employees through voting. The committee is responsible for planning, promoting, and executing various welfare activities. During the reporting year, a total of 213 instances of welfare claims were made, covering various subsidies such as:

- Marriage, bereavement, childbirth, and holiday bonuses;
- Birthday, recreational activities, and transportation subsidies, among others.

### ✧ Parental Leave GRI 401-3

To help employees balance their careers and family life, the company adheres to the rights granted under Articles 16 and 17 of the "Gender Equality in Employment Act." Both male and female employees are eligible to apply for parental leave without pay. Additionally, TaiGen's Employee Welfare Committee provides employees with the option to apply for maternity benefits.

Parental Leave Statistics									
Item/Year	2021			2022			2023		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
No. of eligible applicants for parental leave (A)	0	1	1	2	1	0	4	2	6

No. of actual parental leave applicants submitted (B)	0	1	1	0	0	0	0	1	1
No. of employees who should return from parental leave (C)	0	1	0	0	0	0	0	0	0
No. of employees who actually returned from parental leave (D)	0	0	0	0	0	0	0	0	0
No. of employees who returned from parental leave in the previous year (E)	0	0	0	0	0	0	0	0	0
No. of employees who stayed for 1 year after returning from parental leave in the previous year (F)	0	0	0	0	0	0	0	0	0
Parental leave return rate for the year (% D/C)	-	0	-	-	-	-	-	-	-
Parental leave retention rate for the year (% F/E)	-	-	-	-	-	-	-	-	-
Note: The number of eligible applicants is calculated based on the number of individuals who have applied for maternity leave or paternity leave within the past three years, counting backward from the current year.									

### ✧ Retirement System GRI 201-3 GRI 404-2

TaiGen Taiwan, in compliance with the regulations, has been contributing 6% of the monthly salary to the Labor Insurance Retirement Fund personal account of new employees hired since July 1, 2005, as well as to employees who have chosen the new pension system. At the same time, the company continues to reserve the pension years under the old pension system for employees who have opted for the old pension plan or who have switched to the new pension system, and contributes the appropriate retirement funds to a designated account at Taiwan Bank according to the retirement benefits standards of the previous pension system. In the reporting year, the company has fully contributed the required amount for the old pension system.

Additionally, TaiGen employs retired R&D staff as R&D consultants. This arrangement not only facilitates the transfer of experience and technical knowledge but also assists retired employees in transitioning to new stages in their lives and careers.

### ✧ Minimum Announcement Period for Operational Chages GRI 402-1

In accordance with the Labor Standards Act, the following procedures are

implemented.

1. Employees who have worked for more than three months but less than one year must be notified at least 10 days in advance.
2. Employees who have worked for more than one year but less than three years must be notified at least 20 days in advance.
3. Employees who have worked for more than three years must be notified at least 30 days in advance.

Upon receiving the aforementioned notice, employees seeking new employment may request leave during work hours for job hunting. The leave time shall not exceed two days of work per week, and the employee will continue to receive their full salary during the leave period. If the company fails to notify the employee within the required time frame before terminating the contract, the company is required to pay the salary for the notification period.

### 4.3 Workforce Development and Training

✦ **Overview of Training** GRI 404-1~2 SASB HC-BP-330a.1

To enhance workforce quality and job skills, inspire employees' enthusiasm, and embrace challenges, TaiGen aims to create higher corporate value and achieve operational goals and future development. To achieve this, the company has planned four categories of training programs to foster employee growth alongside the company.

For example, in professional on-the-job training, the Preclinical Research Department adheres to the regulations of the Centers for Disease Control (CDC) on laboratory biosafety. New laboratory staff must complete at least 8 hours of biosafety training, while senior laboratory personnel must undergo at least 4 hours of continuous biosafety education each year. Additionally, employees from the Pharmaceutical Chemistry Department and the Chemical Development Department attend the "Toxicity and Hazardous Chemicals Professional Response Training Course" and obtain certification as professional personnel.

<b>Professional on-the-job Training</b> Through internal professional learning and external training, employees enhance their expertise through various learning methods, including study, further education, and increased opportunities for communicating with industry peers.	<b>Management Skill Training</b> Training programs are arranged based on the functional development of mid-to-senior level executives to build a high-quality management team, establish a common management language, cultivate comprehensive management skills, and improve operational management performance.
<b>New Employee Training</b> The Human Resources Department arranges common courses to help new employees understand the organizational culture and systems, strengthen their identification and sense of belonging to the company, familiarize them with the functions of various departments, and accelerate their	<b>Environmental Safety Training</b> Training courses on safety awareness, environmental protection, hygiene, fire safety, emergency response, and other relevant topics are planned to build a comprehensive environmental safety and health system. In accordance with regulations and operational requirements, employees participate in

integration into the company environment.	mandatory certification training courses to ensure the safety of all research and development activities.
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### Training Hours (Categorized by Gender & Management Level)

Year		2021			2022			2023		
Item/ Gender		Total Headcou nt	Total Trainin g Hrs	Avg. Trainin g Hrs	Total Headcou nt	Total Trainin g Hrs	Avg. Trainin g Hrs	Total Headcou nt	Total Trainin g Hrs	Avg. Trainin g Hrs
Management	Femal e	2	10	5	2	4	2.0	2	13.5	6.8
	Male	7	23	3.3	8	63	7.9	8	74.5	9.3
Non-manageme nt	Femal e	22	104	4.7	21	119.8	5.7	20	258.5	12.9
	Male	25	46	1.8	21	81.2	3.9	21	177.5	8.5
All	Femal e	24	114	4.8	23	122	5.3	22	272.0	12.4
	Male	32	69	2.2	29	146	5	29	252	8.7
Total		56	183	3.3	52	268	5.2	51	524	10.3

註：

1. **Average Training Hours** = Total Training Hours / Total Number of Employees; **Average Training Hours by Gender** = Total Training Hours for Each Gender / Total Number of Employees for Each Gender in the Year.
2. **Management Position Definition:** Employees with titles of Deputy Director or higher.

### Training Expenses (Categorized by Gender)

Year	2021		2022		2023	
Item	Total Training Expenses (thousand)	Avg. Training Expenses (thousand)	Total Training Expenses (thousand)	Avg. Training Expenses (thousand)	Total Training Expenses (thousand)	Avg. Training Expenses (thousand)
Female	25	1.1	41.1	1.8	51.3	2.3
Male	41	1.3	68	2.3	115.3	4.0
Total	66	1.2	109.1	2.1	166.6	3.3

## 4.4 Employee Safety and Health GRI 403-1

To ensure employee safety and health, and to create a friendly and safe zero-accident workplace, TaiGen implements risk mitigation measures to reduce workplace accidents and enhance occupational safety. The company is committed to fostering a healthy work environment, promoting workplace mental and physical health initiatives, and improving worker health and productivity.

In response to the characteristics of the biotech industry in new drug R&D, which involves experiments using live animals, cell lines, and infectious materials such as bacteria and viruses, TaiGen established a Biosafety Committee in 2008. In 2022, the company adopted the ISO 45001 Occupational Health and Safety Management System to safeguard employee safety and health. In the event of a work-related injury, employees are granted sick leave according to relevant regulations and circumstances, with assistance provided for labor insurance claims, ensuring the quickest possible support to minimize harm.

### ✧ Occupational Safety and Health GRI 403-4 GRI 403-7

In 2022, TaiGen initiated the "Labor Health Reporting" and "Safety and Health Work Regulations Reporting" processes and implemented the "Workplace Safety Monitoring Report" to protect employee occupational safety and health and create a safe working environment.

To prevent occupational accidents, TaiGen periodically promotes occupational safety and health knowledge and slogans, conducts daily self-inspections, and implements preemptive improvements to reduce hazards and risks. Monthly audits and random inspections are conducted for units that perform safety checks, and continuous monitoring of improvements is carried out. Regular environmental monitoring is also performed. During this reporting period, environmental monitoring was conducted by an external environmental testing company and approved technicians, focusing on carbon dioxide, ethyl acetate, n-hexane, acetone, methanol, dichloromethane (every 6 months), and drinking water quality (every 3 months). The sampling and monitoring methods followed the guidelines provided by the Ministry of Labor, NIOSH, or OSHA, and tests were performed by TAF-certified laboratories.

Monitoring results showed that the concentration at all monitoring points met legal limits. However, to further protect workers, efforts will continue to lower the on-site

concentration levels. Workers are also required to wear effective protective equipment and undergo regular health checks and training to ensure safe work practices.

TaiGen identifies health issues through the Occupational Safety Risk Map and plans and reviews various risk prevention programs each year to reduce the frequency of workplace accidents. In 2022, TaiGen adopted the 4 major programs of the ISO 45001 Occupational Health and Safety Management System, and in January 2023, it received the Health Promotion Administration's Badge of Accredited Healthy Workplace.

Moving forward, the company will carry out systematic safety risk assessments for production processes and experimental operations based on this management system. In addition, periodic health surveys (e.g., "Employee Awareness of Musculoskeletal Symptoms") are conducted to identify employees at risk and offer improvement recommendations, monitoring the effectiveness of corrective actions.

Key programs include:

1. Abnormal Workload Disease Prevention Plan
2. Prevention of Illegal Workplace Harm Plan
3. Maternity Health Protection Plan
4. Human Factor Hazard Prevention Plan

#### ✧ **Biosafety Committee** GRI 403-2

In the new drug R&D process, experiments must be conducted using live animals, cell lines, and infectious materials such as bacteria and viruses. According to the Ministry of Health and Welfare's "Regulations on the Management of Infectious Biological Materials and Specimen Collection for Infectious Disease Patients," TaiGen established a Biosafety Committee in 2008. The company developed and implemented the "TaiGen Biosafety Manual" to prevent researchers from exposure to infections or accidental release of infectious materials that could contaminate the environment. The manual provides detailed safety guidelines for handling, storing, and transporting infectious materials, as well as emergency response measures for accidents involving infectious substances.

New employees undergo "New Employee Orientation Training" and "On-the-Job Employee Guidance Training" to help them adapt to the company environment and ensure proper management of occupational safety risks, including:

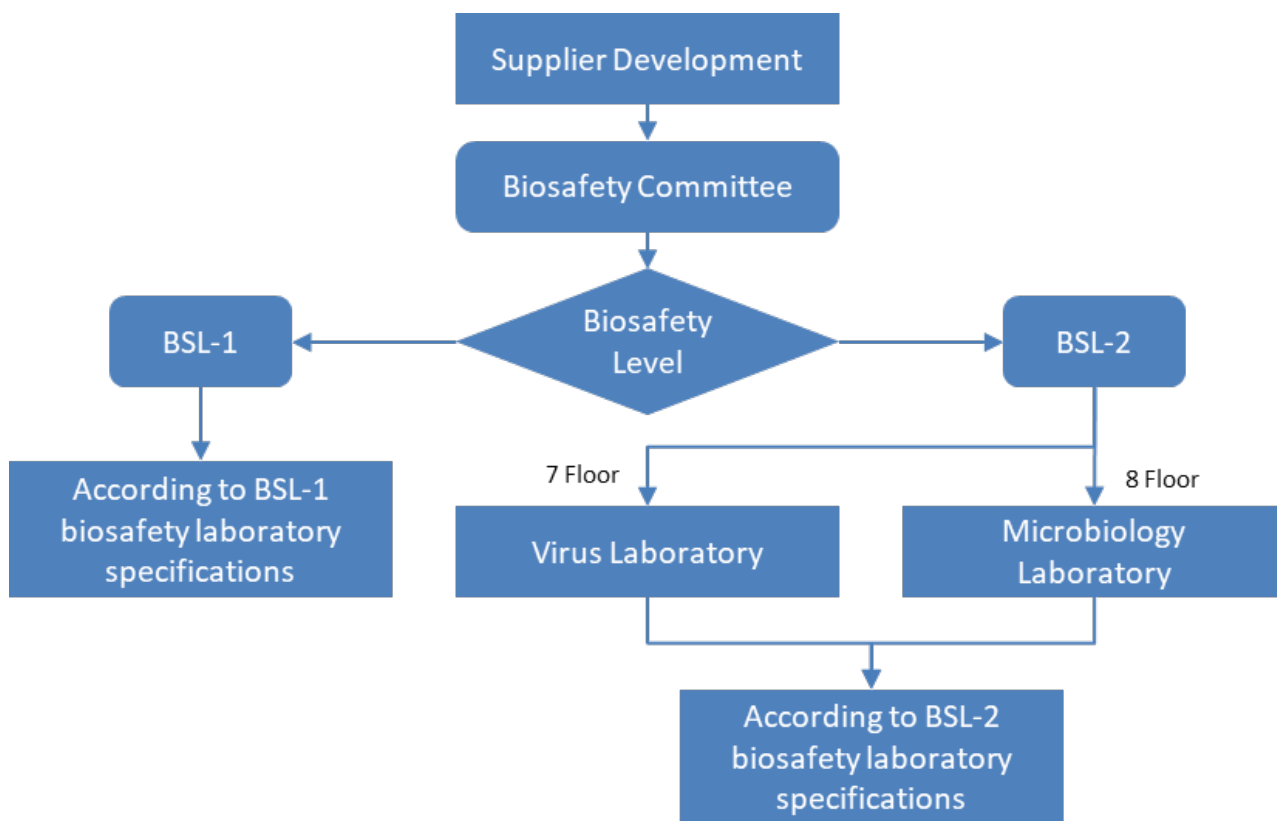
(一) Standard microbiological operating procedures

(二) Personal safety protection

(三) Disinfection, sterilization, and waste disposal

(四) Laboratory biosafety management

Performance of Biosafety Committee	
<b>Membership</b>	The committee is chaired by the head or deputy head of the department, or alternatively, the Director of Preclinical Research may be designated to oversee the review of infectious biological material handling, storage, use, disposal, or import/export, as well as general committee affairs. The committee consists of at least five members, including representatives from the in vivo pharmacology group, in vitro pharmacology group, and laboratory management team within the Preclinical Research Department.
<b>Rights and Responsibility</b>	<ul style="list-style-type: none"><li>● Approval and oversight of the handling, storage, and use of infectious biological materials with a risk group level 2 or higher.</li><li>● Review of laboratory biosafety levels for experiments involving infectious biological materials.</li><li>● Supervision and internal audit of corrective actions for biosafety issues.</li><li>● Guidance on biosafety training.</li><li>● Review of emergency response plans for biosafety incidents.</li><li>● Investigation, handling, and reporting of biosafety accidents.</li><li>● Review of the activation and deactivation of infectious laboratories.</li><li>● Resolution of biosafety-related disputes.</li></ul>
<b>Performance</b>	<ul style="list-style-type: none"><li>● Holding one committee meeting annually (in August) to discuss biosafety and laboratory safety regulations.</li><li>● Ensuring all 12 members of the Preclinical Research Department complete 4 hours of training for staff and 8 hours for biosafety officers.</li><li>● Monthly updates on the inventory management of level 2 pathogens and biological toxins.</li><li>● Verification of biosafety cabinets in microbiology, virology, and animal research laboratories.</li><li>● Completion of annual radiation testing for radiation laboratories and reporting to the Nuclear Safety Commission.</li><li>● Quarterly maintenance and validation of pressure vessels and sterilization equipment, as well as annual inspections.</li></ul>

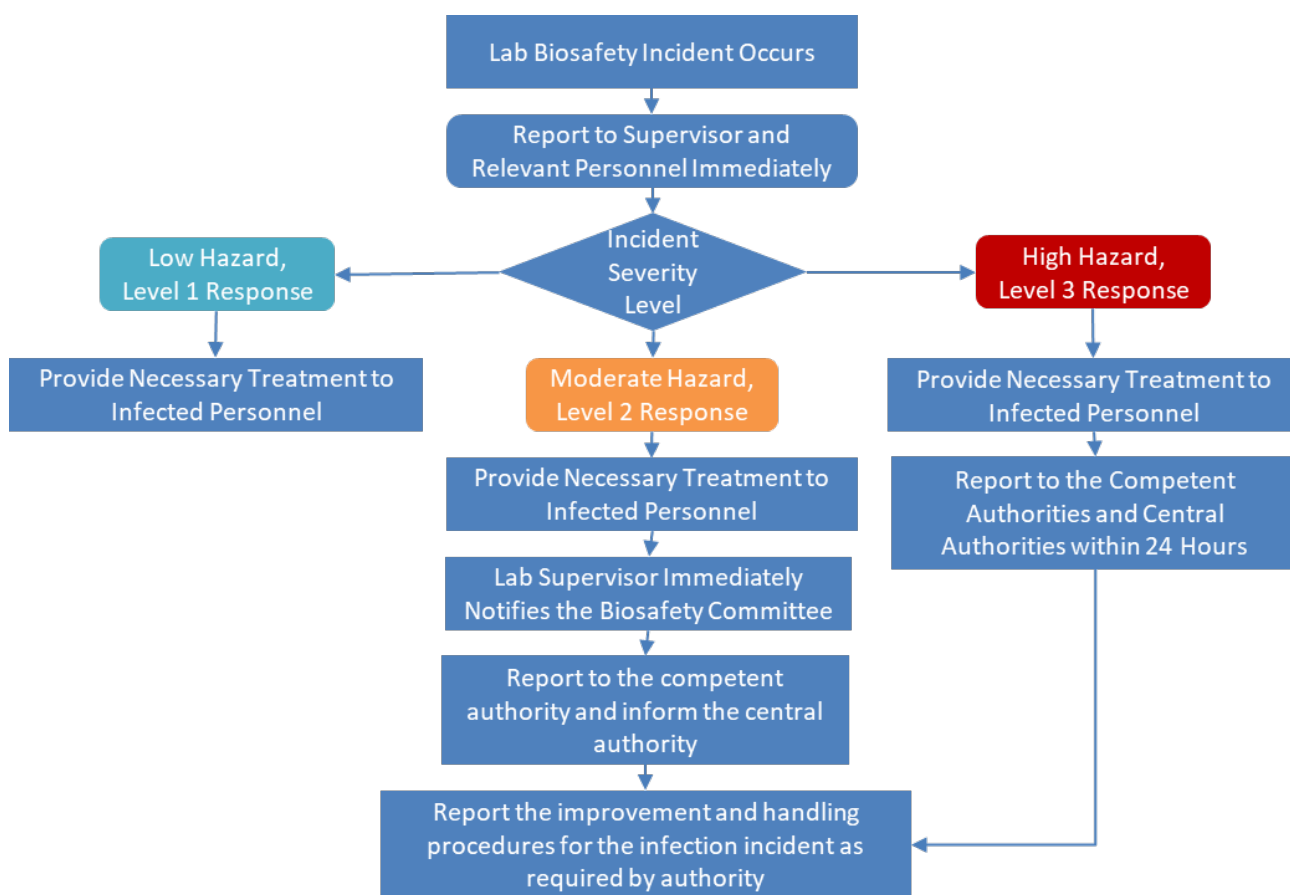


**Biosafety Committee Organization Chart**

### ✧ **Hazard Identification and Risk Assessment** GRI 403-2

To effectively protect the safety and health of personnel, every laboratory involved in handling or storing infectious microorganisms must not only strengthen accident and disaster prevention measures but also develop the following emergency response procedures. These measures aim to ensure immediate and effective action in the event of a disaster, minimizing potential damage. In the case of a biological incident, the event must be reported to Taiwan Centers for Disease Control.

1. Emergency response plan preparation
2. Emergency response levels
3. Personnel handling procedures for emergency events
4. Evacuation plan
5. Task assignments and responsibilities of the emergency response team
6. Emergency event notification procedures
7. Evacuation routes



### Biosafety Incident Emergency Response Procedures

Our company, based on the "TaiGen Biosafety Manual," identifies hazards and assesses risk levels, then mobilizes resources to control disasters according to different levels. During the reporting period, no biological hazard incidents occurred.

#### Biological Hazard Level Identification and Risk Assessment Method:

1. Identify the species and names of biological hazared at level 2 or higher.
2. Identify the facilities, locations, or causes where accidents or disasters may occur.
3. Assess the potential impact scope of the disaster.

#### Emergency Response Level

Level 1	Level 2	Level 3
The disaster threat can be directly controlled by frontline laboratory personnel (e.g., spilling infectious materials inside the biosafety cabinet). No	A larger hazard or incident in a broader area (e.g., accidents outside the laboratory safety equipment, posing risks of life-threatening injury and	A severe incident or large-scale event posing serious life-threatening risks to personnel (e.g., the incident has spread outside the laboratory,

<p>evacuation of personnel is required.</p> <p>These incidents occur in small areas and do not immediately threaten human life. The laboratory can manage the situation independently.</p>	<p>environmental contamination).</p> <p>Limited personnel evacuation is required.</p> <p>The unit' s emergency response team will assist in proper handling of the situation.</p>	<p>endangering lives, the surrounding community, and the environment).</p> <p>Full evacuation of the laboratory and surrounding areas is required.</p> <p>If the disaster is extremely severe, assistance from the Centers for Disease Control or other experts must be sought.</p>
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### ✧ **Accident Prevention and Reporting** GRI 403-2

According to the emergency response procedures, if there is an immediate risk of danger in the workplace, the employer or the person responsible for the workplace must order the suspension of work and direct workers to retreat to a safe area. If an employee identifies an immediate danger while performing their duties, they may stop work and retreat to a safe place, provided it does not jeopardize the safety of others. The employee must immediately report the situation to their direct supervisor. The company will not terminate, transfer, withhold wages, or impose any other unfavorable penalties on workers who take such actions.

In the event of a major accident, such as a fire or earthquake, evacuation route maps are posted on each floor. Each laboratory workbench and break room is equipped with eyewash stations and emergency shower devices, allowing employees to quickly address chemical splashes or other hazards.

### ✧ **Occupational Injury Statistics** GRI 403-9

According to the occupational injury statistics for the reporting period, TaiGen recorded a disability injury frequency, disability injury severity rate, and total injury index of 0. The company has not experienced any fatalities, severe occupational injuries, or occupational diseases during this period. In the event of any occupational accident, the company will conduct an investigation and implement follow-up

corrective actions in accordance with the "Accident Investigation and Handling Procedures."

Occupational Safety Performance				
Item		2021	2022	2023
Total Work Hours	Total Work Hours for Women	46,080	45,632	43,648
	Total Work Hours for Men	61,440	57,536	57,536
	Total Experienced Work Hours	107,520	103,168	101,184
Fatality Rate from Occupational Injuries	Fatality Rate from Occupational Injuries among Women	0	0	0
	Fatality Rate from Occupational Injuries among Men	0	0	0
	Total Fatality Rate from Occupational Injuries	0	0	0
Severe Occupational Injury Rate (excluding Fatalities)	Severe Occupational Injury Rate among Women	0	0	0
	Severe Occupational Injury Rate among Men	0	0	0
	Total Severe Occupational Injury Rate	0	0	0
Recordable Occupational Injury Rate (including Fatalities and Severe Injuries)	Occupational Injury Rate for Women	0	0	0
	Occupational Injury Rate for Men	0	0	0
	Total Occupational Injury Rate	0	0	0

Note:

1. **Total Experienced Work Hours** are estimated using the formula: Employee count \* Calendar days \* 8 hours.
2. The data in this table is based on TaiGen's "Ministry of Labor Occupational Safety and Health Administration Occupational Injury Statistics Reporting System."
3. **Fatality Rate from Occupational Injuries** = Number of fatalities from occupational injuries / Total work hours \* 1,000,000.



4. **Severe Occupational Injury Rate** = Number of severe occupational injuries (excluding fatalities) / Total work hours \* 1,000,000. Severe occupational injuries refer to those that result in disability or injuries that cannot recover to pre-injury health status within six months.
5. **Recordable Occupational Injury Rate** = Number of recordable occupational injuries (including fatalities and severe injuries) / Total work hours \* 1,000,000.
6. In 2023, there were 5 non-employee workers at TaiGen (0 male, 5 female), including 4 cleaning staff and 1 operator. The total experienced work hours were 9,960 hours, with no occupational accidents reported in 2023.



## ✧ Safety and Health Education and Training GRI 403-5 GRI 404-1 GRI413-2

TaiGen has established an emergency response plan in collaboration with the building management committee and the local fire department, and has implemented hazard identification cards to facilitate accurate decision-making in the event of a disaster. Since 2022, TaiGen has also introduced the 4 major programs of the ISO 45001 Occupational Safety and Health Management System, regularly holding health seminars, as well as conducting annual fire drills and training sessions.

### Occupational Disaster Drill

On November 17, 2023, a comprehensive self-defense fire-fighting training drill was held, lasting 1.5 hours, with 19 participants. The participants were divided into 5 groups: reporting, fire extinguishing, evacuation guidance, safety protection, and first aid, to conduct the drill.

	
<p>Self-Defense Firefighting Training Conducted by the Taipei City Fire Department at the Company</p>	<p>A fire extinguishing drill was held in an open area of the building</p>

	
Ensure Emergency Power Supply and Shut Off Fire and Electrical Equipment	A preliminary emergency first aid drill was conducted for injured personnel

## ✦ **Occupational Health Services** GRI 403-3 GRI 403-6~7 GRI 403-10

### **Health Checkups**

TaiGen provides annual health checkups that exceed legal requirements. Eligible employees can schedule their checkups at the designated health center. Additionally, for employees engaged in high-risk tasks, TaiGen arranges specialized health checkups, including radiation-related checks, as required by the Biological Safety Committee. After the health checkups, the company also arranges for a nurse to conduct health education sessions. During the reporting period, there were no cases of occupational diseases at TaiGen.

General Health Checkups	
Checkup Items	Various tests including routine blood tests, biochemical tests, functions of the heart, liver, gallbladder, kidneys, pancreas, cardiovascular diseases, autoimmune tests, thyroid function tests, X-rays, ultrasounds, urine tests, stool tests, vision tests, hearing tests, and many other examinations.
Number of Checkups	50
Checkup Costs (NTD)	250,000
Special Health Checkups	
Checkup Item	N-hexane
Number of Checkups	11
Checkup Costs (NTD)	3300

### **Health Care**

Since 2022, TaiGen has implemented health education, hygiene guidance, and physical and mental health protection and promotion measures for high-risk health issues. These initiatives aim to reduce the risk of disease development. Additionally, the company has contracted or employed doctors and nursing staff to provide on-site health services.

Item	Description
Health Follow-up Interviews	Nurses are assigned on-site to review employees' health checkup results and conduct risk assessments. During the nurse's on-site service period, employees are scheduled to have health interviews with the nurse.
Health Seminars	Surveys are conducted to assess employees' interests in various health topics. Based on the results, seminars on diverse themes such as physical, mental, and spiritual health are organized. During the reporting year, a total of 3 health seminars were held.

## 4.5 Social Inclusion GRI 203-1 GRI 413-1

TaiGen sponsors several academic organizations each year, including Infectious Diseases Society of Taiwan, Taiwan Society of Pulmonary and Critical Care Medicine, Taiwan Society of Thoracic Surgeons, Taiwan Society for Respiratory Therapy, Society of Taiwan Long-Term Care Infection Prevention and Control, Taiwan Society of Microbiology, Taiwan Bio Industry Organization, and the Prof. Shou-Hsiung Kuo Academic Foundation. These efforts support clinical evidence-based medicine while addressing unmet medical needs.

TaiGen also participates in the management committee of the commercial building where its Taipei office is located. Through committee meetings and community platforms, the company collaborates to maintain building environment and safety, and communicates closely with neighboring buildings to resolve any issues promptly.

# Chapter 5: Environmental Protection and Actions

## Key Topic Management - Toxic Chemical Substances Key Topic GRI

2-25 GRI 3-3

Impact Assessment	<p>Drug safety and patient health are fundamental principles in the drug R&amp;D process, which is why the management of toxic chemical substances is of utmost importance. This includes not only the toxicity of the drug itself but also the chemicals used in the manufacturing process to prevent environmental contamination. The company ensures that operations also consider environmental protection.</p> <p>The management of toxic and priority chemicals is a key focus for the company. Improper management and reporting could result in regulatory penalties and increased health and environmental risks. Therefore, establishing robust management of toxic and priority chemicals reduces risks and enhances the long-term competitiveness of the company's products.</p> <p>During the reporting period, no negative impacts from organizational activities or business relationships occurred.</p>
Policies / Commitments	<p>The company is committed to ensuring that all processes involving toxic chemical substances comply with environmental regulations. The company implements strict toxic substance management to prevent environmental pollution or harm to human health.</p> <ul style="list-style-type: none"> <li>● Internal Policy: Management Guidelines for Toxic and Concerned Chemical Substances</li> <li>● External Compliance: "Toxic and Concerned Chemical Substances Control Act" issued by the Environmental Protection Administration</li> </ul>
Actions	<p>During the drug R&amp;D process, the company uses "toxic and concerned chemical substances" regulated by the EPA. Therefore, the company emphasizes source control, proper classification, storage, usage, and implementation of usage control and online reporting records to monitor chemical flows, prevent environmental pollution, and protect human health, effectively managing risks related to environmental regulations.</p> <ul style="list-style-type: none"> <li>● Short-term Goal (2024): Implement training for personnel handling toxic substances, focusing on hazard awareness and emergency response.</li> <li>● Mid-term Goal (2025-2027): Enhance awareness of chemical hazards (including toxic substances), conduct risk assessments, and reduce the risks to personnel from chemical operations.</li> <li>● Long-term Goal (2028 onwards): Extend the shelf life of chemicals, reduce</li> </ul>

	chemical waste, and implement waste reduction measures.
Management Processes / Indicators	<ul style="list-style-type: none"> <li>● The company uses "toxic and priority chemicals" listed by the Environmental Protection Administration (EPA) during the R&amp;D process, and places special emphasis on controlling the source of toxic chemical substances.</li> <li>● The primary principle is to avoid the use of toxic chemicals whenever possible. If unavoidable, proper classification, storage, and usage controls must be implemented, with written records to track chemical flows and prevent environmental contamination and health hazards.</li> <li>● All controlled toxic chemicals are stored in locked cabinets, with keys kept by designated personnel, and access requires approval.</li> </ul> <p>The company has a management policy for toxic and priority chemicals, and local community residents can file complaints through interviews, phone calls, or emails with the Environmental Health and Safety Department.</p>
Stakeholder Communication and Outcomes	<p>The Taipei City Environmental Protection Bureau conducted an inspection in 2023, confirming no violations regarding toxic chemical disposal operations.</p> <p>The 2023 cost of hazardous waste disposal was approximately NT\$140,000.</p>

## 5.1 Energy and Resource Management

### ✦ Energy Use GRI 302-1 GRI 302-3

TaiGen focuses on the research phase of new drug development, while manufacturing and sales are outsourced or licensed to partners, agents, or production facilities. Therefore, energy usage is relatively simple, consisting only of electricity for the laboratory and office, and diesel consumption for backup generators. In 2023, electricity consumption was 1,553,820 kWh, and diesel consumption was 90 liters.

Type / Year	Energy Use			Unit: GJ
	2021	2022	2023	
Electricity Consumption	5,508.00	5,536.22	5593.75	
Diesel Consumption	4.92	3.16	3.16	
Total Energy Consumption	5,512.92	5,539.38	5596.91	
Floor Area ( m <sup>2</sup> )	2,293.35	2,293.35	2,293.35	
Energy Intensity ( Total Energy Consumption / Floor Area )	2.40	2.42	2.44	

Note :

1. The electricity consumption and floor area calculation scope pertains to TaiGen Taiwan.

- Electricity consumption is based on the monthly electricity bills for TaiGen Taiwan; diesel consumption is based on actual usage.
- Energy conversion factors: Electricity: 1 kWh = 3,600 KJ; Diesel: 1 L = 35,145.6 KJ.
- 1 gigajoule ( GJ ) = 10<sup>9</sup> joules ( J ) °

## ✦ GHG Emissions Inventory GRI 305-1~2 GRI 305-4

The main sources of greenhouse gas emissions for TaiGen are electricity use in the laboratory and office, and diesel used by the backup generators.

Greenhouse Gas Emissions			Unit: metric tons CO <sub>2</sub> e
Type / Year	2021	2022	2023
Scope 1: Direct GHG Emissions	0.37	0.24	0.24
Scope 2: Energy indirect GHG Emissions	778.77	761.23	767.59
Total Emissions=Scope 1+2	779.14	761.47	767.83
Floor Area ( m <sup>2</sup> )	2,293.35	2,293.35	2293.35
GHG Emission Intensity ( Total Emissions / Floor Area )	0.34	0.33	0.33

Note :

- The greenhouse gas inventory follows the operational control approach. A baseline year for GHG emissions has not been set, and the data has not been third-party verified, only internally calculated by the company.
- The GHG inventory covers three gases: Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), and Nitrous Oxide (N<sub>2</sub>O).
- Scope 1 mainly includes diesel used in emergency backup generators.
- Scope 2 primarily covers purchased electricity, with emission factors from the Ministry of Economic Affairs: 2021, 2022, and 2023 CO<sub>2</sub>e emissions factors were 0.509, 0.495, and 0.494 kg CO<sub>2</sub>e/kWh, respectively.
- GWP values are sourced from the IPCC's 5<sup>th</sup> Assessment Report (2013).
- The conversion factors used are based on the latest GHG emission factor management table (version 6.0.4) published by the Environmental Protection Administration.

## ✦ Strategy to improve energy efficiency GRI 302-4 GRI 305-5

To implement energy saving and carbon reduction, the company continues to use variable frequency drives (VFDs) to reduce energy consumption of equipment operating under partial load. Additionally, older, energy-intensive fluorescent tubes are being replaced with energy-efficient T8 LED tubes. The company also improves air conditioning, boiler operation times, and temperature settings to reduce electricity and fuel consumption.

### Air Conditioning :

- Temperature control during summer for efficient energy use.
- Automatic control of air conditioning power, turning off early after work hours to

reduce energy consumption.

- Chilled water units are set with timers to automatically turn off after hours, and manual control is used on non-working days to reduce load.

#### Lighting :

- Replacing traditional lighting with T8 LED tubes and LED bulbs

Replaced 93 traditional office light tubes with T8 LEDs, saving 2-14 watts per hour per tube. This reduces electricity consumption by 6,439,737.6 kJ annually and decreases GHG emissions by 0.88 metric tons of CO<sub>2</sub>e.

Energy savings are calculated as: (Old tube wattage – New tube wattage) x hours of use x days of use x energy conversion factor.

- Lighting is zone-controlled, ensuring lights are turned off in unused areas.

#### Other Equipment :

All multifunctional office machines are set to energy-saving mode.

### ✧ **Water Resource** GRI 303-1

TaiGen's water usage in Taiwan is entirely sourced from the Taiwan Water Corporation, with no groundwater extraction or water drawn from ecologically protected areas or biodiversity hotspots. The company has no impact on water sources. Since the company does not operate a production facility, large-scale water usage is not required. Water fees for the laboratory and office are included in the building management fee, so water consumption cannot be separately calculated.

## **5.2 Toxic Chemical Substance Management**

### ✧ **Regulatory Policies**

The company controls toxic and concerned chemical substances in accordance with the "Toxic and Concerned Chemical Substances Control Act" issued by the Environmental Protection Administration (EPA). The EPA currently categorizes toxic chemical substances into four classes based on their characteristics: Class 1, 2, and 3 cover substances that are not easily degradable, chronically toxic, and acutely toxic, respectively. Class 4 includes chemical substances with endocrine-disrupting properties or those that pollute the environment and harm human health. There are 341 toxic chemical substances listed under Classes 1 to 4, and an additional 18

substances categorized as "concerned chemical substances."

The manufacturing, importation, sale, use, storage, disposal, and export of toxic chemical substances in Classes 1 to 3 require a permit or registration with the competent authorities. Operations involving Class 4 toxic chemical substances must be reported to the municipal or county (city) authorities in advance, and operations can only proceed after receiving approval from the authorities.

### ✧ Regulatory Measures

When a new type of chemical is added, the relevant department must obtain the Material Safety Data Sheet (MSDS) from the supplier before procurement. They should also verify whether the substance is classified as a regulated toxic chemicals by referring to the "List of Announced Toxic Chemical Substances" on the Environmental Protection Administration (EPA) website. For those chemicals classified as regulated toxic substances by the EPA, the relevant department must apply for the necessary permits from the Taipei City Environmental Protection Bureau one month before procurement or operation, in accordance with legal regulations. Upon approval from the Bureau, the department in charge of using the substances must manage, record, and report their usage according to legal requirements. Any department handling toxic substances is required to complete a "Toxic Chemical Substances Operation Record Form" and regularly submit reports through the "Toxic Chemical Substances Online Reporting System" on a monthly basis.



(Image Caption) The chemical laboratory is equipped with dedicated storage cabinets that are locked for controlled management of toxic chemical substances. The keys are managed by designated personnel, who also handle usage requests.

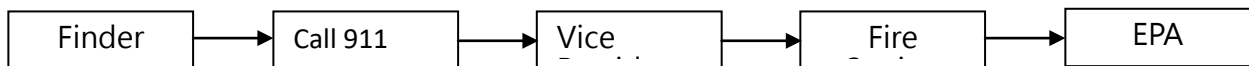
### Categories of Toxic Chemical Substances

Categories	1	2	3	4	Substances of Concern
Characteristic	Substances that are not easily degradable in the environment or that cause environmental pollution or harm human health due to biological accumulation, biological concentration, biological transformation, etc.	Substances that have carcinogenic, reproductive toxicity, teratogenicity, mutagenic effects, or other chronic diseases.	Substances that, upon exposure, immediately harm human health or biological life.	Substances with endocrine-disrupting properties or that pose a risk to the environment or human health.	Chemicals that, due to their properties or consumer concerns domestically or internationally, are recognized by the central competent authority as potentially causing environmental pollution or harm to human health, and are therefore publicly announced.
Quantity used by TaiGen	4	1	3	8	0

### ✦ Toxic Disaster Response Actions GRI 403-2

To ensure employee safety, Taigen Biotech has established a "Hazard Prevention and Emergency Response Plan," which outlines the procedures for disaster management according to reporting protocols and the organization of emergency response teams. The laboratories are equipped with comprehensive emergency response equipment, available for use by staff during emergencies. The condition and safety stock levels of this equipment are checked monthly.

### Notification System :



### Emergency Response Team Organization Chart:

<table border="1"> <tr> <td colspan="3"><b>Command Center</b></td></tr> <tr> <td colspan="3">Responsible for directing the overall execution of the emergency response plan, receiving response information, coordinating operations, and handling external communication and inquiries related to disaster management.</td></tr> <tr> <td colspan="3"><b>Incident Scene Commander</b></td></tr> <tr> <td colspan="3">Responsible for overseeing the entire disaster relief operation and directing both internal and external rescue units in the execution of on-site disaster relief.</td></tr> </table>			<b>Command Center</b>			Responsible for directing the overall execution of the emergency response plan, receiving response information, coordinating operations, and handling external communication and inquiries related to disaster management.			<b>Incident Scene Commander</b>			Responsible for overseeing the entire disaster relief operation and directing both internal and external rescue units in the execution of on-site disaster relief.		
<b>Command Center</b>														
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<b>Incident Scene Commander</b>														
Responsible for overseeing the entire disaster relief operation and directing both internal and external rescue units in the execution of on-site disaster relief.														
<b>Notification Liaison Group</b>	<b>Fire Brigade</b>	<b>Evacuation Group</b>												
Responsible for incident broadcasting, reporting, and communication.	Responsible for executing on-site fire extinguishing, disaster rescue, containment of leaks, and first aid	Responsible for guiding the evacuation of on-site personnel, opening emergency exits, and serving as a guide for evacuation.												

## 5.3 Pollution Prevention and Control Management

### ✧ Waste Management GRI 306-1~5

In 2023, TaiGen's total waste amounted to 7.32 metric tons, including 1.99 metric tons of hazardous waste and 5.33 metric tons of non-hazardous waste. All waste was handled by licensed and registered disposal or treatment contractors. The disposal routes and final treatment locations were tracked via GPS systems. The company complied with regulations for waste receipt and handling reporting, confirming receipt by the treatment facility within 72 hours and ensuring proper handling documentation is maintained for 3 years.

In the laboratory, hazardous waste is separately stored in sealed containers with labels indicating the name, weight, waste code, and date, awaiting removal by qualified contractors. Infectious biomedical waste is sterilized at high temperature before disposal, while liquid hazardous waste, mostly chemical waste, is stored according to its flammability or pH level. During waste segregation, handlers must prevent chemical reactions and complete a "Waste Liquid Mixing Form," which is posted on the waste container for easy reference by the contractor.



( Caption ) Waste liquids in the chemical laboratory are labeled with the Waste Liquid Mixing Form and warning signs before being temporarily stored for subsequent disposal by the contracted service provider.

Non-hazardous waste is sorted by type and temporarily stored in the designated

waste storage area for further handling. Depending on the treatment method, waste is categorized into general waste and recyclable materials. The company prioritizes environmentally friendly reuse, followed by recycling. If recycling is not possible, incineration or landfilling is used for intermediate or final disposal.

The company also actively reduces the use of raw materials and other resources at the source to minimize waste generation. During the reporting period, there were no violations of the Waste Management Act or other relevant regulations, nor any adverse impact on the local environment.

Type and Weight of Waste					Unit: Tons
Waste Type / Year		2021	2022	2023	Treatment
Hazardous Industrial Waste	Flammable Liquid Waste	4.09	0.7648	1.3006	Incineration without energy recovery
	Waste Sharps	0.45	0.435	0.524	Incineration without energy recovery
	General Waste Chemical Mixture	--	0.0612	0.0194	Incineration without energy recovery
	Medical Biohazardous Waste	0.14	0.093	0.148	Incineration without energy recovery
	Subtotal	4.68	1.354	1.992	
Non-hazardous Industrial Waste	General Waste	3.70	2.69	3.09	Incineration without energy recovery
	General Industrial Waste	1.8	1.24	2.24	Incineration without energy recovery
	Subtotal	5.5	3.93	5.33	
Floor Area ( m <sup>2</sup> )		2,293.35	2,293.35	2,293.35	
Waste Intensity ( Total Waste / Floor Area )		0.004	0.002	0.003	

Note:

1. The calculation method for general waste is the building's waste disposal volume multiplied by the proportion of TaiGen employees to total building employees.
2. The calculation method for general industrial waste and hazardous industrial waste is based on the actual disposal volume by the contracted service provider.

## ✧ Air Pollution Management

The concentration of air pollutants emitted by the company complies with the "Air

Pollutant Emission Standards for Fixed Pollution Sources" and is below the legal limits. Solvents used in the laboratory are handled in fume hoods, with exhaust vented through rooftop fans equipped with activated carbon filters, which are replaced and serviced annually. Environmental monitoring has been implemented in the workplace, and all testing results meet standards, with no harmful substance emissions.

## Appendix 1 : GRI Index

Statement of use	TaiGen Biopharmaceuticals Holdings has reported in accordance with the GRI Standards for the period 2023/01/01 to 2023/12/31.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

### ◆GRI 2 : General Disclosure 2021

GRI No.	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
<b>Organization and reporting</b>				
2-1	Organization details	About the Report 1.1 About TaiGen		2 9
2-2	Entities included in the organization' s sustainability reporting	2.1 Overview of Operations		21
2-3	Reporting period, frequency and contact point	About the Report		2
2-4	Restatement of information	About the Report		2
2-5	External assurance	About the Report		2
<b>Activities and workers</b>				
2-6	Activities, value chain and other business relationships	1.1 About TaiGen 3.4 Supply Chain Management		2 43
2-7	Employees	1.1 About TaiGen 4.1 Employee Structure		9 46
2-8	Workers who are not employees	4.1 Employee Structure		46
<b>Governance</b>				
2-9	Governance structure and composition	2.2 Corporate Governance		22
2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance		22
2-11	Chair of the highest governance body	2.2 Corporate Governance		22
2-12	Role of the highest governance body in overseeing the management of impacts	2.2 Corporate Governance		22
2-13	Delegation of responsibility for managing impacts	2.2 Corporate Governance		2
2-14	Role of the highest governance body in sustainability reporting	About the Report		22
2-15	Conflicts of interest	2.2 Corporate Governance		22
2-16	Communication of critical concerns	2.2 Corporate Governance		22
2-17	Collective knowledge of the highest governance body	2.2 Corporate Governance		22
2-18	Evaluation of the performance of the highest governance body	2.2 Corporate Governance		22

GRI No.	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
2-19	Remuneration policies	2.2 Corporate Governance		22
2-20	Process to determine remuneration	2.2 Corporate Governance		22
2-21	Annual total compensation ratio	Disclosure omission ( Confidentiality restrictions )	The highest annual total compensation is considered confidential organizational information.	-
<b>Strategy, policies and practice</b>				
2-22	Statement on sustainable development strategy	Message from the Chairman		3
2-23	Policy commitments	Message from the Chairman 1.1 About TaiGen 2.3 Risk Management		3 9 27
2-24	Embedding policy commitments	3.4 Supply Chain Management		43
2-25	Processes to remediate negative impacts	Key Topic Management		19~30 32~34 58
2-26	Mechanisms for seeking advice and raising concerns	2.6 Integrity Management & Regulatory Compliance		30
2-27	Compliance with laws and regulations	2.6 Integrity Management & Regulatory Compliance		30
2-28	Membership associations	1.1 About TaiGen		9
<b>Stakeholder engagement</b>				
2-29	Approach to stakeholder engagement	1.2 Stakeholder Identification & Engagement		12
2-30	Collective bargaining agreements	Disclosure omission ( not applicable )	No union formation and no collective bargaining agreement	-

### ◆GRI 3 : Material Topics Disclosure

GRI No.	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
3-1	Process to determine material topics	1.3 Material Topic Analysis		14
3-2	List of material topics	1.3 Material Topic Analysis	There are no significant changes in the list of material topics or the boundaries of the topics.	14
3-3	Management of material topics	1.3 Material Topic Analysis		14

### ◆Material Topics

GRI No.	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
<b>Drug Quality &amp; Safety Management</b>				

3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - Drug Quality and Safety		14 33
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.2 Drug Quality Management 3.3 Drug Safety Surveillance		40 42
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	2.6 Integrity Management & Regulatory Compliance 3.2 Drug Quality Management 3.3 Drug Safety Surveillance		30 40 42
Regulatory Compliance				
3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - Regulatory Compliance		14 20
2-27	Compliance with laws and regulations	2.6 Integrity Management & Regulatory Compliance		30
GRI 417 Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	2.6 Integrity Management & Regulatory Compliance		30
	417-3 Incidents of non-compliance concerning marketing communications	2.6 Integrity Management & Regulatory Compliance		30
Drug R&D and Innovation				
3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - New Drug R&D and Innovation 3.1 New Drug R&D and Achievements		14 32 35
GRI 417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	3.1 New Drug R&D and Achievements		35
Intellectual Property Management				
3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - Intellectual Property 2.5 Intellectual Property Protection		14 19 29

Clinical Trials and Development				
3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - Clinical Trials and Development		14 34
Toxic Chemicals Management				
3-3	Management of material topics	1.3 Material Topic Analysis Key Topic Management - Toxic Chemical Substances		14 58
GRI 403 Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	5.2 Toxic Chemical Substance Management		60

#### ◆GRI Disclosure of Specific Topics

GRI Standard	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
200 Economic performance				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2.1 Overview of Operations		21
	201-3 Defined benefit plan obligations and other retirement plans	4.2 Employee Rights and Benefits		48
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	4.2 Employee Rights and Benefits		48
	202-2 Proportion of senior management hired from the local community	4.1 Employee Structure		46
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	4.5 Social Inclusion		56
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	3.4 Supply Chain Management		43
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	2.6 Integrity Management & Regulatory Compliance		30
	205-3 Confirmed incidents of corruption and actions taken	-	Nothing like this happened in 2023	
GRI 206: Anti-comp	206-1 Legal actions for anti-competitive behavior, anti-trust,	2.6 Integrity Management &		30




GRI Standard	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
etitive Behavior 2016	and monopoly practices	Regulatory Compliance		
<b>300 Environmental performance</b>				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5.1 Energy and Resource Management		59
	302-3 Energy intensity	5.1 Energy and Resource Management		59
	302-4 Reduction of energy consumption	5.1 Energy and Resource Management		59
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	5.1 Energy and Resource Management		59
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	The company's office building is located in an urban area and is not developed in any protected areas, habitats, or hillside zones.	
	304-2 Significant impacts of activities, products and services on biodiversity	-		
	304-3 Habitats protected or restored	-		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	5.1 Energy and Resource Management		59
	305-2 Energy indirect (Scope 2) GHG emissions	5.1 Energy and Resource Management		59
	305-4 GHG emissions intensity	5.1 Energy and Resource Management		59
	305-5 Reduction of GHG emissions	5.1 Energy and Resource Management		59
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	5.3 Pollution Prevention and Control Management		62
	306-2 Management of significant waste-related impacts	5.3 Pollution Prevention and Control Management		62
	306-3 Waste generated	5.3 Pollution Prevention and Control Management		62
	306-4 Waste diverted from disposal	5.3 Pollution Prevention and Control Management		62
	306-5 Waste directed to disposal	5.3 Pollution Prevention		62




GRI Standard	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
		and Control Management		
<b>400 Social performance</b>				
GRI 401: Employee ment 2016	401-1 New employee hires and employee turnover	4.1 Employee Structure		46
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	4.2 Employee Rights and Benefits		48
	401-3 Parental leave	4.2 Employee Rights and Benefits		48
GRI 402: Labor/Man agement Relations 2016	402-1 Minimum notice periods regarding operational changes	4.2 Employee Rights and Benefits		48
GRI 403: Occupation al Health & Safety 2018	403-1 Occupational health and safety management system	4.4 Employee Safety and Health		51
	403-2 Hazard identification, risk assessment, and incident investigation	4.4 Employee Safety and Health 5.2 Toxic Chemical Substance Management		51 60
	403-3 Occupational health services	4.4 Employee Safety and Health		51
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.4 Employee Safety and Health		51
	403-5 Worker training on occupational health and safety	4.4 Employee Safety and Health		51
	403-6 Promotion of worker health	4.4 Employee Safety and Health		51
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 Employee Safety and Health		51
	403-8 Workers covered by an occupational health and safety management system			51
	403-9 Work-related injuries	4.4 Employee Safety and Health		51
	403-10 Work-related ill health	4.4 Employee Safety and Health		51
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	4.3 Workforce Development and Training 4.4 Employee Safety and Health		50 51
	404-2 Programs for upgrading employee skills and transition	4.2 Employee Rights and Benefits		48 50



GRI Standard	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
	assistance programs	4.3 Workforce Development and Training		
	404-3 Percentage of employees receiving regular performance and career development reviews	4.1 Employee Structure		46
GRI 405: Diversity and Quality Opportunity 2016	405-1 Diversity of governance bodies and employees	2.2 Corporate Governance 4.1 Employee Structure		22 46
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	2.6 Integrity Management & Regulatory Compliance		30
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	2.6 Integrity Management & Regulatory Compliance 3.4 Supply Chain Management 4.2 Employee Rights and Benefits		30 43 48
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.6 Integrity Management & Regulatory Compliance		30
GRI 412: Human Rights Assessment 2016	412-3 Significant investment agreements and contracts that include human rights clauses	3.4 Supply Chain Management		43
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	4.5 Social Inclusion		56
	413-2 Operations with significant actual and potential negative impacts on local communities	4.4 Employee Safety and Health		51
GRI 415: Public Policy 2016	415-1 Political contributions	2.6 Integrity Management & Regulatory Compliance		30
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	3.1 New Drug R&D and Achievements		35
GRI 418: Customer	418-1 Substantiated complaints concerning breaches of customer	2.4 Information and Privacy Security		28






GRI Standard	GRI Disclosure Title	Corresponding Chapter	Remark or Explanation	Page
Privacy 2016	privacy and losses of customer data			

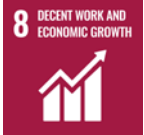





## Appendix 2 : SASB Guidelines Index


Code	Accounting Metric	Disclosure	Chapter	SDGs	Page
Safety of Clinical Trial Participants					
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	The company complies with clinical trial regulations in each country where trials are conducted and obtains ethical review board approval, along with signed informed consent from participants, to ensure their rights and safety.	3.1 New Drug R&D Achievements		35
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	0 ( Nothing like this happened )			
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	0 ( Nothing like this happened )			
Access to Medicines					
HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Our developed antibiotic, Taigexyn (Nanosoxacin), is approved for sale in Taiwan, mainland China, and Russia. It is also included in Taiwan's National Health Insurance and China's medical insurance lists, providing a	3.1 New Drug R&D Achievements	 	35

		treatment option for community-acquired pneumonia patients.			
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	The company does not have such drugs.		<div>3GOOD HEALTH AND WELL-BEING</div>	
Affordability & Pricing					
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/ or provisions to delay bringing an authorized generic product to market for a defined time period	The company focuses on the development of innovative drugs and is not involved in the generic drug sector.		<div>3GOOD HEALTH AND WELL-BEING</div>	
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	The company does not currently sell any products within the United States.			
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	The National Health Insurance Administration (NHIA) set the price of Taigexyn® based on Article 17-1 of the "National Health Insurance Drug Reimbursement Items and Payment Standards," taking into account the R&D and manufacturing costs, and approved a price that is internationally competitive.	3.1 New Drug R&D Achievements		35
Drug Safety					
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for	None of the company' s products are listed on the FDA MedWatch Safety Alerts List		<div>3GOOD HEALTH AND WELL-BEING</div>	

	Human Medical Products database			<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> <div></div>	
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	0 ( Nothing like this happened )			
HC-BP-250a.3	Number of recalls issued, total units recalled	0 ( Nothing like this happened )			
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	0 ( Nothing like this happened )			
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	0 ( Nothing like this happened )			
Counterfeit Drugs					
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	All of the company's products are manufactured by commissioned manufacturers and stored/distributed by authorized third-party logistics partners, following GMP/GDP standards. The company has established a "Quality Manual" and formed a "Quality Promotion Committee," with the Quality Assurance Department responsible for procurement and quality system management.	3.2 Drug Quality Managment	<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	40 42
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	In the event of an adverse product incident, the company follows its "Complaint" procedure, communicates with the responsible parties, and implements corrective and preventive actions	3.2 Drug Quality Managemet 3.3 Drug Safety Surveillance		40 42

		to address customer concerns.			
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	0 ( Nothing like this happened )			
<b>Ethical Marketing</b>					
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	0 ( Nothing like this happened )			
HC-BP-270a.2	Description of code of ethics governing promotion of offlabel use of products	The company strictly adheres to pharmaceutical marketing ethics in all countries, with employees receiving internal training and legal compliance education. We also collaborate with reputable international partners and distributors to ensure ethical marketing standards are met.	2.6 Integrity Management & Regulatory Compliance	 	30
<b>Employee Recruitment, Development &amp; Retention</b>					
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	To enhance employee skills, motivation, and business performance, TaiGen has developed 4 types of training programs to foster employee growth alongside the company' s development.	4.2 Employee Rights & Benefits 4.3 Workforce Development and Training	 	48 50
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers,	Refor to the report	4.1 Employee Structure		46

	(b) midlevel managers, (c) professionals, and (d) all others				
Supply Chain Management					
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent thirdparty audit programs for integrity of supply chain and ingredients	The company conducts regular supplier/contractor evaluations with a 100% assessment rate using an internal evaluation model.	3.5 Supply Chain Management	  	43
Business Ethics					
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	0 ( Nothing like this happened )			
HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	0 ( Nothing like this happened )			
Activity Metric					
HC-BP-000.A	Number of patients treated	Our newly developed antibiotic, Taigexyn (Nanosoxacin), has been licensed in 35 countries and is marketed in Taiwan, mainland China, and Russia. Since its launch, it has treated over 2 million patients by the end of	Sustainability Performance		4

		2023.			
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	Refer to the report	3.1 New Drug R&D Achievements		35